COZIRON RESOURCES LIMITED & CONTROLLED ENTITIES
(Subject to Deed of Company Arrangement)
ABN 91 112 866 869

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2010

TABLE OF CONTENTS

CORPORATE DIRECTORY

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Stephen Lowe
Adam Sierakowski
Kwong Choon Soong

COMPANY SECRETARY
Stephen Hewitt-Dutton

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STOCK EXCHANGE LISTING
Australian Stock Exchange
(Home Exchange: Perth, Western Australia)
Code: CZR

DIRECTORS' REPORT

The directors of Coziron Resources Limited present the financial report of the company and its controlled entities (referred to hereafter as the Company) for the financial year ended 30 June 2010.

These Financial Statements cover the period from 1 July 2009 to 30 June 2010. On 7 July 2010 the Directors of the Company appointed David Hurt and Chris Williamson of WA Insolvency Solutions Pty Ltd, as joint and several Administrators of the Company. The Company is subject to a Deed of Company Arrangement under which all debts are extinguished and which facilitates the Company being recapitalised and reinstated to quotation on the Australian Securities Exchange (ASX). These Financial Statements report results and the financial position that are not representative of the current position of the Company and should not be used as the basis for any decision about the Company or its prospects.

For additional information, please refer to Note 31 regarding events subsequent to balance date.

In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

DIRECTORS

The names of directors who held office during or since the end of the year:

Stephen Lowe (appointed 21 October 2010)
Adam Sierakowski (appointed 21 October 2010)
Kwong Choon Soong (appointed 11 February 2010)
Richard Teng Beng Tan (resigned 21 October 2010)
Sin Hin Lim (Appointed 1 December 2009 and resigned 21 October 2010)
Sai Kwok Miu (resigned 2 March 2010)
Lam Fatt Tan (resigned 24 July 2009)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

The following persons have held the position of company secretary during or at the end of the financial year:

Stephen Hewitt-Dutton (appointed 21 October 2010)
Richard Teng Beng Tan (appointed 22 July 2009 and resigned 21 October 2010)
Timothy John Spooner (resigned 22 July 2009)

PRINCIPAL ACTIVITIES

The principal activity of the Economic Entity during the financial year was mineral exploration.

There were no significant changes in the nature of the Entity's principal activities during the financial year.

OPERATING RESULTS

The loss of the Group after providing for income tax amounted to $331,288 (2009: $1,100,519).

DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

REVIEW OF OPERATIONS

AGAM Iron Sands project

In September 2008, the Company entered into a Joint Venture Agreement (on an 80:20 basis) with PT Galian Endapan Buana ("GEB") to develop the AGAM Iron Sand Project in West Sumatra. A mining licence has been issued by the Indonesian authorities and planning for the commencement of operations had been started by the Company.

During the June quarter 2009, the project was placed on hold whilst funding was being arranged.

On 6 August 2009, the Company announced that a Memorandum of Understanding ("MoU") had been entered into with Northsky Holdings Pty Ltd ("Northsky"), under which Northsky would inject $1.5m of capital for the purposes of progressing the AGAM Iron Sands Project.

In the December 2009, the Company announced that they had entered negotiations with GEB to acquire 80% of GEB in a restructure of the Joint Venture.

In March 2010, the Company announced that negotiations with GEB had not resulted in the completion of the restructure, and that as a result the MoU with Northsky had lapsed. The lapsing of the MoU with Northsky resulted in the funding which the Company had arranged no longer being available.

The Company was successful in arranging an additional $115,500 in funding through a placement in March 2010.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than as outlined in the review of operations above, there were no significant changes in the state of affairs of the Company.

SUBSEQUENT EVENTS

In July 2010, the Directors resolved that the best course of action for the Company was to place the Company into administration. On 7 July 2010, David Hurt and Chris Williamson of WA Insolvency Solutions Pty Ltd were appointed as Joint and Several Administrators of the Company.

At a meeting of Creditors held on 12 October 2010, the creditors resolved that the Company enter into a Deed of Company Arrangement ("DOCA"), which was executed on 20 October 2010.

The Company has successfully raised $400,000, with commitments for a further $400,000, under Convertible Loan Deeds. The convertible loans will convert into 160,000,000 fully paid ordinary shares following approval at a general meeting of the shareholders to be held on or before 31 January 2011.

The proceeds of the convertible loans have been used to effectuate the DOCA. This was achieved through the payment of $215,000 to the Deed Administrators in satisfaction of all creditors' claims. This occurred on 3 November 2010, and control of the Company was returned to the Directors.

The Company has applied to ASIC and received an extension of time to hold the 2010 Annual General Meeting. The meeting must be held on or before 31 January 2011 The Company will shortly issue a notice of meeting convening the 2010 Annual General Meeting. At the meeting, members will be asked to consider, and if thought fit, to pass as general resolutions the following:

- Consolidation of capital at 1 for 2;
- Appointment of Directors;
- Issue of 160,000,000 ordinary shares to investors on conversion of the loan under the Convertible Loan Deed; and
- Issue of up to 250,000,000 ordinary shares at 1c each pursuant to the Prospectus to raise $2,500,000;

DIRECTORS' REPORT (Continued)

INFORMATION ON DIRECTORS

Stephen Lowe	Director (appointed 21 October 2010)
Experience	Mr Lowe is a taxation specialist with over 15 years experience consulting to a wide range of corporate and private clients on a broad range of taxation issues including mining and international matters, GST and CGT. He is a director of the Perth based specialist taxation firm MKT - Taxation Advisors and has been a director of several public unlisted companies.
Interest in Shares	Nil Fully paid ordinary shares
Interest in Options	Nil
Other Directorships	Sirius Resources Limited (since 12 July 2007) Apex Minerals NL (31 October 2001 to 17 February 2010)
Adam Sierakowski	Director (appointed 21 October 2010)
Experience	Mr Sierakowski is a lawyer and partner of the legal firm Price Sierakowski. He has over 16 years' experience in legal practice, much of which he has spent as a corporate lawyer consulting and advising on a range of transactions to a variety of large private and listed public entities.
Interest in Shares	Nil Fully paid ordinary shares
Interest in Options	Nil
Other Directorships	Carnavale Resources Limited (since 22 November 2006) Stirling Biofuels International Limited (21 June 20086 to 29 April 2010) Triangle Energy (Global) Limited (since 9 October 2009 International Resource Holdings Limited (4 March 2009 to 9 October 2009)
Kwong Choon Soong	Executive Director (appointed 11 February 2010)
Experience	Mr Soong was previously General Manager of Malaysia Airlines based in Perth, Australia. He has worked with the airline for over 25 years as a senior manager, and also as Director of Industrial Relations.
Interest in Shares	Nil Fully paid ordinary shares
Interest in Options	Nil

MEETINGS OF DIRECTORS

The number of directors' meetings held during the financial year each director held office during the financial year and the number of meetings attended by each director is:

Director	Number Eligible to Attend	Meetings Attended
Richard Tan	8	8
Sin Hin Lim	4	4
Kwong Choon Soong	3	3
Lam Fatt Tan	-	-
Sai Kwok Miu	6	6

The Company does not have a formally constituted audit committee as the board considers that the company's size and type of operation do not warrant such a committee.

FUTURE DEVELOPMENTS

The Group will continue its mineral exploration activity at and around the Agam Iron Sands project. In addition, the Company will continue to review other potential projects with the object of increasing shareholder value.

ENVIRONMENTAL ISSUES

The Company is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

REMUNERATION REPORT

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

The information contained in this Remuneration Report, including the amount of remunerations paid and the principles of compensation employed relate to the period up until the appointment of the Administrators. Following the successful recapitalisation of the Company the Board will establish new principles commensurate with the small scale of the Company's enterprise and the associated economic restrictions this places on the Company.

Remuneration policy

The remuneration policy of Coziron Resources Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates and offering specific long-term incentives based on key performance areas affecting the economic entity's financial results. The board of Coziron Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors and executives to run and manage the economic entity.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the economic entity is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The board reviews executive packages annually by reference to the economic entity's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The board may exercise discretion in relation to approving incentives, bonuses and options. The policy is to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share and option arrangements. The executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits. All remuneration paid to directors and executives is valued at the cost to the company and expensed. Options are valued using the Black-Scholes method.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently $150,000). Fees for non-executive directors are not linked to the performance of the economic entity. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the company and are able to participate in the employee option plan.

The objective of the Company's executive reward framework is set to attract and retain the most qualified and experienced directors and senior executives. The board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness
- Acceptability to shareholders
- Performance linkage
- Capital management

Directors' fees

A director may be paid fees or other amounts as the directors determine where a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director. A director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

REMUNERATION REPORT (Continued)

Bonuses
No bonuses were given to key management personnel during the 2009 and 2010 years.

Performance based remuneration
The company currently has no performance-based remuneration component built into director and executive remuneration packages given that the company is currently still in exploration phase. Therefore, all remuneration is fixed and no amount is considered at risk.

Company performance, shareholder wealth and director's and executive's remuneration
The remuneration policy has been tailored to increase goal congruence between shareholders and directors and executives. Currently, this is facilitated through the issue of options to the majority of directors and executives to encourage the alignment of personal and shareholder interests. The company believes the policy will be effective in increasing shareholder wealth. For details of directors and executives interests in options at year end, refer Note 28 of the financial statements.

Key management personnel
The following persons were key management personnel of Coziron Resources Limited during the financial year:

Name	***Position Held***
(i) Directors	
Richard Teng Beng Tan	Executive Chairman (resigned 21 October 2010)
Sin Hin Lim	Non-Executive Director (Appointed 1 December 2009, resigned 21 October 2010)
Kwong Choon Soong	Non-Executive Director (Appointed 11 February 2010)
Lam Fatt Tan	Executive Director (resigned 24 July 2009)
(Norman) Sai Kwok Miu	Executive Director (resigned 2 March 2010)
(ii) Executives	
Richard Teng Beng Tan	Company Secretary (appointed 22 July 2009, resigned 21 October 2010)

Employment contracts of key management personnel
Pursuant to an agreement executed on 14 June 2006, Lam Fatt Tan provided services to the company as an Executive Director. The broad terms of this agreement include $40,000 per annum plus superannuation (to be reviewed annually). The agreement may be terminated by either party by providing 3 months written notice and upon payment of any outstanding fees for services rendered.

Pursuant to an agreement executed on 14 June 2006, Richard Tan provided services to the company as an Executive Director. The broad terms of this agreement include $40,000 per annum plus superannuation (to be reviewed annually). The agreement may be terminated by either party by providing 3 months written notice and upon payment of any outstanding fees for services rendered.

Pursuant to an agreement executed on 7 September 2007, (Norman) Sai Kwok Miu provided services to the company as an Executive Director. The broad terms of this agreement include $40,000 per annum plus superannuation (to be reviewed annually). The agreement may be terminated by either party by providing 3 months written notice and upon payment of any outstanding fees for services rendered.

REMUNERATION REPORT (Continued)

Remuneration of key management personnel

2009	***Richard Tan*** $	***Lam Fatt Tan*** $	***Norman Sai Kwok Miu*** $	***Ronald Stanley Punch*** $	***Timothy Spooner*** $	***Total*** $
Short-term benefits						
Cash salary and fees	13,332	24,485	67,129	7,500	45,070	158,516
Post-Employment Benefits						
Pension & Superannuation	29,064	14,532	5,520	675	-	52,985
Share-based payments	-	-	-	-	-	-
Total	**43,296**	**42,311**	**72,649**	**8,175**	**45,070**	**211,501**

2010	***Richard Tan*** $	***Norman Sai Kwok Miu*** $	***Kwong Choon Soong***	***Sin Hin Lim***	***Timothy Spooner*** $	***Total*** $
Short-term benefits						
Cash salary and fees	63,996	16,000	8,000	14,000	4,965	106,961
Post-Employment Benefits						
Pension & Superannuation	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-
Total	**63,996**	**16,000**	**8,000**	**14,000**	**4,965**	**106,961**

* Note that Timothy Spooner, the company secretary, was not in receipt of any remuneration or any other fees from Coziron Resources Limited during the 2009 or 2010 financial year. Mr. Spooner is a director of MGI Perth Pty Ltd, to which Coziron Resources Limited paid fees for company secretarial services. For more information, refer to Note 28.

Compensation options granted and exercised during the year ended 30 June 2010
No remuneration options were granted or exercised during the year ended 30 June 2010 (2009: None).

Performance income as a proportion of total income
No performance-based bonuses have been paid to key management personnel during the financial year (2009: $Nil).

END OF REMUNERATION REPORT.

DIRECTORS' REPORT (Continued)

OPTIONS

At the date of this report unissued ordinary shares of the Company under option are:-

Grant Date	Expiry Date	Exercise Price	Number of Options
3 March 2010	30 September 2011	$0.05	1,155,000

During the year ended 30 June 2010 3,250,000 options exercisable at $0.25 on or before 31 December 2009 expired. Also during the year, the Directors issued 1,155,000 options exercisable at $0.05 on or before 30 September 2011 as free attaching options as part of the capital raising completed in March 2010.

During the year ended 30 June 2009, 1,000 of the Company's 31 July 2008 options were exercised at 20 cents each, raising $200. The remaining options in that series expired.

During the 2009 year the 1,250,000 options exercisable at $0.20 on or before 31 January 2009 expired.

INDEMNIFYING OFFICERS OR AUDITOR

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer, auditor or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court under s.237 of the Corporations Act to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of these proceedings. The Company was not a party to any such proceedings during the year.

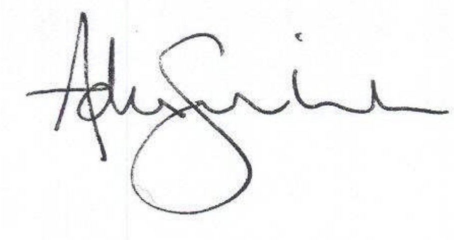
NON-AUDIT SERVICES

The board of directors are satisfied that no non-audit services were performed during the year by the Company's auditors.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the Corporations Act 2001 for the year ended 30 June 2010 is set out on page 12.

This report is signed in accordance with a resolution of the Board of Directors.



Adam Sierakowski
Director

Dated this 8th day of December 2010

15 November 2010

To the Board of Directors
Coziron Resources Limited

Dear Board Members,

Coziron Resources Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence of Coziron Resources Limited.

For the financial year ended 30 June 2010, I declare to the best of my knowledge and belief, that there have been no contraventions of:

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

Yours sincerely,

....

Cormac Patrick Sharkey
Principal

INCOME STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

		Consolidated		Parent	
	Note	**2010 $**	**2009 $**	**2010 $**	**2009 $**
Revenue from continuing operations	5	735	10,623	735	10,623
Other income	6	12,000	18,000	12,000	18,000
Depreciation and amortisation expense	7	(22,107)	(41,463)	(14,632)	(25,224)
Impairment of receivables and assets	7	-	-	-	(415,206)
Impairment of investment assets	7				(100,000
Impairment of investment in associate	7	-	(80,458)	-	
Write off of exploration assets	7	-	(174,801)	-	-
Write off of trade and other receivables	7	-	(4,380)	-	(4,205)
Employee benefits expense	7	(8,719)	(307,993)	(8,719)	(307,993)
Compliance and professional fees		(116,971)	(156,436)	(116,971)	(156,436)
Occupancy expenses		(78,117)	(73,492)	(78,117)	(73,492)
Travel expenses		(1,722)	(49,462)	(1,722)	(49,462)
Administration expenses		(93,905)	(240,657)	(93,905)	(105,492)
Loss on sale of plant and Equipment		(22,482)	-	(29,709)	-
(Loss) before income tax		**(331,288)**	**(1,100,519)**	**(331,042)**	**(1,208,887)**
Income tax expense	8	-	-	-	-
(Loss) for the year		**(331,288)**	**(1,100,519)**	**(331,040)**	**(1,208,887)**
		Cents	**Cents**		
Earnings/(Loss) per share					
Basic and diluted earnings/(loss) per share	9	(0.41)	(1.50)		

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

BALANCE SHEETS
FOR THE YEAR ENDED 30 JUNE 2010

		Consolidated		Parent	
	Note	2010 $	2009 $	2010 $	2009 $
ASSETS					
Current Assets					
Cash and cash equivalents	11	57,922	75,328	57,922	75,328
Trade and other receivables	12	40,332	43,623	40,332	43,623
Related party receivables	13	-	-	-	-
Inventories		-	-	-	-
Total Current Assets		**98,254**	**118,951**	**98,254**	**118,951**
Non-Current Assets					
Related party receivables	13	-	-	85,264	85,264
Other financial assets	14	-	-	-	-
Investments in associates accounted for using the equity method	16	-	-	-	-
Property, plant and equipment	18	60,007	137,887	38,564	116,196
Exploration assets	19	519,834	519,834	-	-
Total Non-Current Assets		**579,841**	**657,721**	**123,828**	**201,460**
TOTAL ASSETS		**678,095**	**776,672**	**222,082**	**320,411**
LIABILITIES					
Current Liabilities					
Trade and other payables	20	276,632	212,421	128,632	64,421
Borrowings	21	53,000	-	53,000	-
Total Current Liabilities		**329,632**	**212,421**	**181,632**	**64,421**
TOTAL LIABILITIES		**329,632**	**212,421**	**181,632**	**64,421**
NET ASSETS		**348,463**	**564,251**	**40,450**	**255,990**
EQUITY					
Contributed equity	22	6,628,614	6,513,114	6,628,614	6,513,114
Reserves	23	-	-	-	-
Accumulated losses	24	(6,280,151)	(5,948,863)	(6,588,164)	(6,257,124)
TOTAL EQUITY		**348,463**	**564,251**	**40,450**	**255,990**

The above balance sheet should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	Note	Consolidated 2010 $	Consolidated 2009 $	Parent 2010 $	Parent 2009 $
Cash flows from operating activities					
Cash paid to suppliers and employees (inclusive of goods and service tax)		(231,932)	(680,502)	(231,932)	(664,524)
Management fee received		-	-	-	-
Other revenue received		12,000	18,000	12,000	18,000
Net cash (outflow) from operating activities	**26**	**(219,932)**	**(662,502)**	**(219,932)**	**(646,524)**
Cash flows from investing activities					
Acquisition of subsidiary, net of cash acquired		-	-	-	-
Purchase of property, plant and equipment		-	(12,122)	-	(60,300)
Payments for exploration expenditure		-	(449,089)	-	-
Purchase of available-for-sale financial assets		-	-	-	-
Proceeds from sale of property, plant and equipment		33,291	-	33,291	-
Interest received		735	10,623	735	10,623
Loans to related parties		-	-	-	(416,889)
Net cash (outflow) from investing activities		**34,026**	**(450,588)**	**34,026**	**(466,566)**
Cash flows from financing activities					
Proceeds from issue of ordinary shares		115,500	916,767	115,500	916,767
Proceeds from issue of options		-	-	-	-
Proceeds from conversion of options		-	-	-	-
Payments for transaction cost arising on shares issued		-	-	-	-
Proceeds from borrowings		113,000		113,000	
Repayment of borrowings		(60,000)	-	(60,000)	-
Net cash inflow from financing activities		**168,500**	**916,767**	**168,500**	**916,767**
Net increase/(decrease) in cash and cash equivalents		(17,406)	(196,323)	(17,406)	(196,323)
Cash and cash equivalents at beginning of year		75,328	271,651	75,328	271,651
Cash and cash equivalents at end of year	**11**	**57,922**	**75,328**	**57,922**	**75,328**

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010

	Issued capital $	Reserves $	Retained earnings $	Total equity $
CONSOLIDATED ENTITY				
At 1 July 2008	**5,596,348**	**(54,586)**	**(4,848,354)**	**693,418**
Exercise of options	200	-	-	200
Issue of shares	916,566	-	-	916,566
Total income and expense for the year recognised directly in equity	-	54,586		54,586
Loss for the year	-	-	(1,100,519)	(1,100,519)
At 30 June 2009	**6,513,114**	**-**	**(5,948,863)**	**564,251**
At 1 July 2009	**6,513,114**	**-**	**(5,948,863)**	**564,251**
Issue of shares	115,500	-	-	115,500
Loss for the year	-	-	(331,288)	(331,288)
At 30 June 2010	**6,628,614**	**-**	**(6,280,151)**	**348,463**
PARENT ENTITY				
At 1 July 2008	**5,596,348**	**-**	**(5,048,237)**	**548,111**
Exercise of options	200	-	-	200
Issue of shares	916,566	-	-	916,566
Total income and expense for the year recognised directly in equity	-	-	-	-
Loss for the year	-	-	(1,208,887)	(1,208,887)
At 30 June 2009	**6,513,114**	**-**	**(6,257,124)**	**255,990**
At 1 July 2009	**6,513,114**	**-**	**(6,257,124)**	**255,990**
Issue of shares	115,000	-	-	115,000
Loss for the year	-	-	(331,040)	(331,040)
At 30 June 2010	**6,628,614**	**-**	**(6,588,164)**	**40,450**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

1. CORPORATE INFORMATION

The financial report of Coziron Resources Limited for the year ended 30 June 2010 was authorised for issue in accordance with a resolution of the directors on 8 December 2010 and covers Coziron Resources Limited as an individual entity as well as the consolidated entity consisting of Coziron Resources Limited and its subsidiaries as required by the *Corporations Act 2001*.

The financial report is presented in the Australian currency.

Coziron Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes separate financial statements for Coziron Resources Limited as an individual entity and the consolidated entity consisting of Coziron Resources Limited and its subsidiaries.

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*

Compliance with IFRS
Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report complies with International Financial Reporting Standards (IFRS)

Historical cost convention
These financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of financial statements in conformity with AIFRS 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 3.

Going concern
On 7 July 2010 the Directors of the Company appointed David Hurt and Chris Williamson of WA Insolvency Solutions Pty Ltd, as joint and several Administrators of the Company. At a meeting of the Company's creditors on 12 October 2010, the creditors resolved to approve the execution of a Deed of Company Arrangement (DOCA) which was subsequently executed on 20 October 2010.

At a general meeting to be held on or before 31 January 2011 the Company approved will vote on approval of the following:

- Consolidation of capital at 1 for 2;
- Appointment of Directors
- Issue of 160,000,000 ordinary shares to investors on conversion of the loan under the Convertible Loan Deed; and
- Issue of up to 200,000,000 ordinary shares at 1c each pursuant to the Prospectus;

During October 2010 the Company raised $400,000, with a further $400,000 of commitments, by way of Convertible Loan Deeds. From these funds the Company paid $215,000 to the Deed Administrator in full settlement of the Company's obligations under the DOCA. The final effectuation of the DOCA will occur once the final dividend to creditors is declared and paid.

It is the intention of the Company to lodge a prospectus for the raising of $2,500,000 before costs as part of the recapitalisation of the company. The cash position of the Company following the completion of the capital raising is anticipated to be as follows:

Proceeds under the Convertible Loan Deed	800,000
Proceeds from the issue of shares under the Prospectus	2,500,000
Payment to creditors	(215,000)
Payment of costs associated with the recapitalisation proposal	(350,000)
Pro forma cash balance per the Investigating Accountants Report	$1,935,000

Accordingly, the accompanying financial statements have been prepared on a going concern basis. To the extent that the Company is not successful in raising the funds under the prospectus and gaining reinstatement to official quotation on the ASX there is a level of uncertainty as to whether the Company will be able to continue to operate as a going concern.

The financial statements of the consolidated entity do not include any adjustments relating to the recoverability or classification of recorded asset amounts, or to the amounts or classification of liabilities, which might be necessary should the Group not be able to continue as a going concern.

(b) Basis of Consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of Coziron Resources Limited and its subsidiaries at 30 June each year ("the Group"). Subsidiaries are 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. Potential voting rights that are currently exercisable or convertible are considered when assessing control. Consolidated financial statements include all subsidiaries from the date that control commences until the date that control ceases. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless costs cannot be recovered.

Minority interests in the results and equity of subsidiaries are shown separately in the consolidated income statement and balance sheet respectively.

Subsidiaries are accounted for in the parent entity's financial statements at cost.

Associates

Associates are entities over which the Group has significant influence but not control. Associates are accounted for in the parent entity's financial statements at cost and the consolidated financial statements using the equity method of accounting. Under the equity method of accounting, the consolidated income statement reflects the Group's share of associates' post-acquisition profits or losses and the consolidated balance sheet reflects the Group's share of post-acquisition movements in reserves or equity. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends received from associates are recognised in the parent entity's income statement but rather reduce the carrying amount of the investment in the consolidated financial statements.

When the Group's share of post-acquisition losses in an associate exceeds its interest in the associate (including any unsecured receivables), the Group does not recognise further losses unless it has obligations to, or has made payments, on behalf of the associate.

The financial statements of the associates are used to apply the equity method. The reporting dates of the associates and the parent are identical and both use consistent accounting policies.

(c) Business Combinations

The purchase method of accounting is used to account for all business combinations. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued, the value of the equity instruments is their published market price as at the date of exchange unless, in rare circumstances it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure 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 business combinations are initially measured at their fair values at acquisition date. The excess of the cost of acquisition over the fair value of the Group's share of identifiable net assets acquired is recorded as goodwill (refer Note 2(r)). If the cost of acquisition is less than the group's share of the fair value of the net assets acquired, the difference is recognised 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 the cash consideration is deferred, the amounts payable in future are discounted to present value at the date of exchange using the entity's incremental borrowing rate as the discount rate.

(d) Foreign Currency Translation

The functional and presentation currency of Coziron Resources Limited and its subsidiaries is Australian dollars (AUD).

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in the income statement, except when they are deferred in equity as qualifying cash flow hedges or where they relate to differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

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

(e) Segment Reporting

A business segment is identified for 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. A geographical segment is identified when products or services are provided within a particular economic environment subject to risks and returns that are different from those of segments operating in other economic environments.

Reportable segments are only disclosed where the majority of its revenue is earned from sales to external customers and:

- its revenue from sales to external customers and from transactions with other segments is 10 per cent or more of the total revenue, external and internal, of all segments; or

- its segment result, whether profit or loss, is 10 per cent or more of the combined result of all segments in profit or the combined result of all segments in loss, whichever is the greater in absolute amount; or
- its assets are 10 per cent or more of the total assets of all segments.

Details of segments that the Group operates in are detailed in Note 4.

(f) Revenue Recognition

Revenue is recognised at the fair value of consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. The following specific recognition criteria must also be met before revenue is recognised:

Interest
Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

(g) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit.

Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interests in joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances relating to amounts recognised directly in equity are also recognised directly in equity.

(h) Impairment of Assets

At each reporting date the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in the income statement where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

(i) Cash and Cash Equivalents

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

(j) Trade Receivables

Trade receivables are recognised at original invoice amounts less an allowance for uncollectible amounts and have repayment terms between 30 and 90 days. Collectability of trade receivables is assessed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance is made for doubtful debts where there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will not be able to collect all amounts due according to the original terms.

(k) Inventories

Raw Materials, Work in Progress and Finished Goods
Inventories are stated at the lower of cost and net realisable value. Cost comprises all direct materials, direct labour and an appropriate portion of variable and fixed overheads. Fixed overheads are allocated on the basis of normal operating capacity. Costs are assigned to inventories using the weighted average/first-in-first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling cost of completion and selling expenses.

(l) Investments and Other Financial Assets

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date which is the date on which the Group commits to purchase or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

Other financial assets
Investments in subsidiaries, associates and joint venture entities are accounted for in the consolidated financial statements as described in Note 2(b) and in the parent entity financial statements at cost in accordance with the cost alternative permitted in separate financial statements under AASB 127 Consolidated and Separate Financial Statements.

(m) Impairment of Financial Assets

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 as an indicator that the securities are 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 amortised in profit or loss – is removed from equity and amortised in the income statement. Impairment losses amortised in the income statement on equity instruments classified as available-for-sale are not reversed through the income statement.

(n) Fair Values

Fair values may be used for financial asset and liability measurement and well as for sundry disclosures.

Fair values for financial instruments traded in active markets are based on quoted market prices at balance sheet date. The quoted market price for financial assets is the current bid price and the quoted market price.

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. Assumptions used are based on observable market prices and rates at balance date. The fair value of long-term debt instruments is determined using quoted market prices for similar instruments. Estimated discounted cash flows are used to determine fair value of the remaining financial instruments. The fair value of forward exchange contracts is determined using forward exchange market rates at balance sheet date.

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.

(o) Exploration, Evaluation and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

(i) such costs are expected to be recouped through successful development and exploitation or from sale of the area; or

(ii) exploration and evaluation activities in the area have not, at balance date, reached a stage which permit a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Accumulated costs in respect of areas of interest which are abandoned are written off in full against profit in the year in which the decision to abandon the area is made.

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.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(p) Property, Plant and Equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income st/atement during the reporting period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- Buildings	25 – 40 years
- Machinery	10 – 15 years
- Vehicles	3 – 5 years
- Furniture, fittings and equipment	3 – 8 years
- Leasehold improvements	10 years
- Leased plant and equipment	10 – 15 years

(p) Property, Plant and Equipment (Continued)

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2(h)).

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the income statement in the year that the item is derecognised.

(q) Leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases and capitalised at inception of the lease at the fair value of the leased property, or if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor retains substantially all the risks and rewards of ownership of the net asset are classified as operating leases. Payments made under operating leases (net of incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

When assets are leased out under finance leases, the present value of the lease payments is recognised as a lease receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the lease term using the net investment method which reflects a constant periodic rate of return.

Lease income from operating leases is recognised in the income statement on a straight-line basis over the lease term. Initial direct costs incurred in negotiating operating leases are added to the carrying value of the leased asset and recognised as an expense over the lease term on the same bases as the lease income.

(r) Intangible Assets

Goodwill
Goodwill represents the excess of the cost of the business combination over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill is not amortised but is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination's synergies. Impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Impairment losses on goodwill cannot be reversed.

(s) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms.

(t) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be reliably estimated. For service warranties, the likelihood than an outflow will be required to settle the obligation is determined by considering the class of obligations as a whole. Provisions are not recognised for future operating losses.

Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(u) Employee Benefit Provisions

Wages and Salaries, Annual Leave and Sick Leave
Liabilities for wages and salaries, including non-monetary benefits and annual leave are recognised in respect of employees' services rendered up to balance sheet date and measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual sick leave are included as part of Employee Benefit Provisions.

Long Service Leave
Liabilities for long service leave are recognised as part of 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 to the balance sheet date using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at balance sheet date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(v) Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

(w) Earnings Per Share

Basic earnings per share
Basic earnings per share is calculated by dividing the net loss attributable to equity holders of the Group, 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
Earnings used to calculate diluted earnings per share are calculated by adjusting the basic earnings by the after-tax effect of dividends and interest associated with dilutive potential ordinary shares. The weighted average number of shares used is adjusted for the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

(x) Goods and Services Tax (GST)

Revenues, expenses are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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

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

(y) New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2010 reporting periods. The Company's assessment of the impact of these new standards and interpretation is considered to be not material and they have not been adopted at 30 June 2010. Standards that are available for early adoption at 30 June 2010, but have not been applied in preparing this financial report.

- *AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash-Settled Share-based Payment Transactions (*effective 1 January 2010; effecting financial year ending 30 June 2011)
- *AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues* (effective February 2010; effecting financial year ending 30 June 2011)
- *AASB 124 Related Party Disclosures (revised December 2009), AASB 2009-12 Amendments to Australian Accounting Standards (*effective 1 January 2011; effecting financial year ending 30 June 2012)
- *AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (*effective 1 January 2013; effecting financial year ending 30 June 2014)
- *Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments (*effective 1 July 2010; effecting financial year ending 30 June 2011)
- AASB 5 *Noncurrent Assets Held for Sale and Discontinued Operations amendments (*effective 1 January 2010; effecting financial year ending 30 June 2011)
- AASB 107 *Statement of Cash Flows (*effective 1 January 2010; effecting financial year ending 30 June 2011)

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments 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. There are no estimates, assumptions or judgments that are expected to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, except for the following:

Exploration and Evaluation Assets

Acquisition, exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward in respect of an area that has not at balance sheet date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in or relating to, the area of interest are continuing.

4. SEGMENT REPORTING

Description of segments

The Group's primary reporting format is geographical segments and its secondary reporting format is business segments. Although the consolidated entity's divisions are managed in Australia they operate in one geographical area, being Indonesia. In addition the Group mainly operates in one industry, being mineral exploration. No segmental information has been disclosed as the majority of the Group's revenue is from interest income.

5. REVENUE

	Consolidated		Parent	
	2010 $	2009 $	2010 $	2009 $
From continuing operations				
Rendering of services	-	-	-	-
Interest	735	10,623	735	10,623
	735	10,623	735	10,623

6. OTHER INCOME

Other	12,000	18,000	12,000	18,000

7. EXPENSES

Profit/(Loss) before income tax includes the following specific expenses:

Depreciation expense				
Plant and equipment	22,107	41,463	14,632	25,224
	22,107	41,463	14,632	25,224
Impairment/Write off				
Exploration assets	-	174,801	-	-
Trade and other receivables	-	4,380	-	4,205
Related party receivables	-	-	-	415,206
Other financial assets	-	-	-	100,000
	-	179,181	-	519,411
Employee benefits				
Salary	5,364	249,589	5,364	249,589
Superannuation	482	21,939	482	21,939
Salary sacrifice	-	43,596	-	43,596
Annual leave	1,677	(9,595)	1,677	(9,595)
Staff amenities	1,196	2,464	1,196	2,464
Medical costs	-	-	-	-
	8,719	307,993	8,719	307,993
Other				
Net loss on disposal of property, plant and equipment	22,482	-	29,709	-
Net foreign exchange (gain)/loss	-	-	-	-
	22,482	-	29,709	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

8. INCOME TAX EXPENSE

	Consolidated		Parent	
	2009	**2008**	**2009**	**2008**
Income tax expense	**$**	**$**	**$**	**$**
Current tax expense	-	-	-	-
Deferred tax expense	-	-	-	-
Total income tax expense in income statement	-	-	-	-
Reconciliation of the effective tax rate				
Loss before income tax expense	(331,288)	(1,100,519)	(331,040)	(1,208,887)
Tax at the Australian tax rate of 30% (2008: 30%)	(99,387)	(330,156)	(99,312)	(362,666)
Non-deductible expenses:				
- entertainment	-	371	-	371
- share of net losses of associates	-	-	-	-
Tax losses not recognised as own asset				
- revenue losses	116,736	214,784	118,903	436,221
- foreign losses	179	14,839	179	14,839
- overseas losses	2,242	45,420	-	-
Recognition of previously unrecognised temporary differences				
- deductible temporary differences	(19,770)	(23,150)	(19,770)	(114,824)
Temporary differences not recognised as own asset/(liability)				
- taxable temporary differences	-	-	-	-
- deductible temporary differences	-	77,892	-	26,059
	-	-	-	-
Difference in overseas tax rates	-	-	-	-
Over/under provision in prior years	-	-	-	-
Income tax expense	**-**	**-**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

8. INCOME TAX EXPENSE (Continued)

	Consolidated		Parent	
	20101	2009	2010	2009
	$	$	$	$
Tax losses				
Unused tax losses for which no deferred tax asset has been recognised:				
Australia				
- Carry forward revenue losses	666,916	550,180	890,482	771,579
- Carry forward foreign losses	83,851	83,672	83,851	83,672
	750,767	633,852	974,333	855,251
Potential benefit at 30% (2009: 30%)	225,230	190,156	292,300	256,575
Indonesia				
- Carry forward overseas losses	1,124,041	1,121,799	-	-
Pote	1,124,041	1,121,799	-	-
Potential benefit at 30% (2009: 30%)	337,212	336,540	-	-

There is no expiry date on the future deductibility of unused tax losses.

	Consolidated		Parent	
Unrecognised deferred tax assets				
Deferred tax assets have not been recognised in the balance sheet for the following items:				
Deductible temporary differences				
- capital raising costs	27,226	47,499	27,226	47,499
- provision and accruals	3,144	2,641	1,079,925	1,079,422
	30,370	50,140	1,107,151	1,126,921
Potential benefit at 30% (2008: 30%)	9,111	15,042	332,145	338,076

The tax benefits of the above deferred tax assets will only be obtained if:

- the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- the company continues to comply with the conditions for deductibility imposed by law; and
- no changes in income tax legislation adversely affect the company in utilising the benefits.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

9. EARNINGS PER SHARE

Reconciliation of earnings used in calculating earnings per share

	Consolidated	
	2009	2008
	$	$
Basic earnings per share		
Loss from operations attributable to ordinary equity holders of Coziron Resources Limited used to calculate basic earnings per share	(331,288)	(1,100,519)

	Consolidated	
	2010	2009
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	81,194,588	73,568,623

10. AUDITORS' REMUNERATION

	Consolidated		Parent	
	2010	2009	2010	2009
	$	$	$	$
Audit services				
Amounts paid/payable to Cormac Sharkey & Co for audit or review of the financial report for the entity or any entity in the group	17,000	-	17,000	-
Amounts paid/payable to BDO Kendalls for audit or review of the financial report for the entity or any entity in the group	-	28,004	-	28,004
Amounts paid/payable to non-BDO Kendalls audit firms for audit or review of the financial report for the entity or any entity in the group	-	-	-	-
	17,000	28,004	17,000	28,004

11. CASH AND CASH EQUIVALENTS

Cash at bank and in hand	57,922	21,192	57,922	21,192
Cash management account	-	54,136	-	54,136
	57,922	75,328	57,922	75,328

Cash at bank and in hand, and the cash management account are non-interest bearing (2009: Non-interest bearing).These deposits are at call.

Reconciliation of Cash

The above figures are reconciled to the cash at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	57,922	75,328	57,922	75,328
Balances per statement of cash flows	57,922	75,328	57,922	75,328

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

12. TRADE AND OTHER RECEIVABLES

Deposits	36,368	35,953	36,368	35,953
Prepayments	2,000	3,361	2,000	3,361
Other receivables	1,964	4,309	1,964	4,309
	40,332	43,623	40,332	43,623

As of 30 June 2010, there were no trade or other receivables which were past due but not impaired. Please refer to Note 25 for assessment of Financial Risk Management.

13. RELATED PARTY RECEIVABLES

The following balances are outstanding at reporting date in relation to transactions with related parties:

	Consolidated		Parent	
	2010 $	2009 $	2010 $	2009 $
PT Coziron Pertambangan	-	-	3,253,547	3,253,547
PT Coziron Copper International	-	-	718,187	718,187
Coziron Laos Pty Ltd (Deregistered 30 March 2009)	-	-	-	-
Less: Provision for impairment	-	-	(3,886,470)	(3,886,470)
	-	-	85,264	85,264
Reconciliation of provision for impairment				
Beginning of the year	-	-	(3,886,470)	(3,471,264)
Provision of impairment recognised as expense during the year	-	-	-	(415,206)
End of year	-	-	(3,886,470)	(3,886,470)

Loans receivable to and from related parties are unsecured and interest-free at balance date.

During the 2008 year, the impairment for PT Coziron Pertambangan was increased to a balance of $3,253,547. An impairment of $217,717 was also recognised against the loan provided to PT Coziron Copper. These impairment adjustments were also due to the subsidiaries' net assets deficient position.

During the 2009 year, the impairment for PT Coziron Copper was increased by $415,506. The provision for impairment has been increased to leave a net receivable of $82,264, being the net assets of the company.

Further information relating to related party receivables is set out in Note 27.

14. OTHER FINANCIAL ASSETS (NON-CURRENT)

Shares in subsidiaries (refer Note 15)	-	-	335,724	335,724
Less: Provision for impairment	-	-	(335,724)	(335,724)
	-	-	-	-

These financial assets are carried at cost less accumulated impairment.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

15. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 2(b).

	Country of incorporation	Class of shares	Equity holding 2009 $	Equity holding 2008 $
PT Coziron Pertambangan	Indonesia	Ordinary	100%	100%
PT Coziron Copper	Indonesia	Ordinary	100%	100%

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

Controlled entities

On 16 February 2007, Coziron Resources Limited acquired 100% of the issued capital of PT Coziron Laos Pty Ltd, with Coziron Resources Limited entitled to all profits earned from this date for a purchase consideration of $1,000. On 27 January 2009, the directors of Coziron Laos Pty Ltd applied to the ASIC for voluntary deregistration of the company. The company was deregistered on 30 March 2009.

On 13 March 2007, Coziron Resources Limited acquired 100% of the issued capital of PT Coziron Copper with Coziron Resources Limited entitled to all profits earned from this date for a purchase consideration of $320,513.

16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Consolidated 2010 $	Consolidated 2009 $	Parent 2010 $	Parent 2009 $
Shares in associates (refer Note 17)	-	-	-	-
Movements in carrying amounts				
Carrying amount at the beginning of the financial year	25,872	25,872	100,000	100,000
Purchase of investments in associates	-	-	-	-
Share of losses after income tax	-	-	-	-
Share of income and expenses recognised directly in equity			-	-
Provision for impairment	(25,872)	(25,872)	(100,000)	(100,000)
End of year	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

17. INVESTMENTS IN ASSOCIATES

Information relating to associates is set out below.

Entity	Principal activity	Ownership interest 2010 $	Ownership interest 2009 $
Unlisted			
Integrated Rubber Industries Limited	Rubber processing, saw milling, plantation activities and investment	15.34%	15.34%

On 1 March 2007, Coziron Resources Limited purchased 5,000,000 fully paid ordinary shares in Integrated Rubber Industries Limited ('Integrated') for $100,000, acquiring an interest of 20.16%. Coziron Resources has not changed its shareholdings in Integrated since that date. Integrated is an Australian unlisted public company. At the date of preparing this report Integrated has not prepared or lodged a financial report for the 2009 financial year. Accordingly the Company has resolved to fully impair the investment as it is unlikely the Company will derive any future benefits from its interest.

Since acquiring its interest in Integrated, Coziron's percentage interest has decreased due to further issues of fully paid ordinary shares by the associate, as shown above. Although Coziron's interest in Integrated is now less than 20% Integrated is still considered an associate as the directors of Coziron are also the directors of Integrated, thereby exerting significant influence.

Share of associate's profit or loss

	Consolidated 2009 $	Consolidated 2009 $
Profit/(Loss) before income tax	-	-
Income tax expense	-	-
Profit/(Loss) after income tax	-	-

Summarised financial information of associates

Integrated Rubber Industries Limited	Consolidated 2010 $	Consolidated 2009 $
Assets	-	-
Liabilities	-	-
Net Assets	-	-
Contributed equity	-	-
Total equity	-	-
Revenues	-	-
Loss before income tax	-	-
Income tax expense	-	-
Loss after income tax	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

18. PROPERTY, PLANT AND EQUIPMENT

	Consolidated		Parent	
	2010 $	2009 $	2010 $	2009 $
Leasehold improvements				
At cost	54,543	54,543	54,543	54,543
Accumulated amortisation	(15,979)	(9,173)	(15,979)	(9,173)
Total land and buildings	38,564	45,370	38,564	45,370
Plant and equipment				
At cost	54,697	143,415	-	95,945
Accumulated depreciation	(33,254)	(50,898)	-	(25,119)
Total plant and equipment	21,443	92,517	-	70,826
Total non-current property, plant and equipment	60,007	137,887	38,564	116,196

Reconciliations
Reconciliations of the carrying amounts of each class of property, plant & equipment at the beginning and end of the current and previous financial year are set out below:

	Consolidated 2010 $	Consolidated 2009 $	Parent 2010 $	Parent 2009 $
Total Leasehold Improvements				
Carrying amount at beginning of financial year	45,370	45,455	45,370	45,455
Additions	-	9,088	-	9,088
Disposals	-	-	-	-
Depreciation	(6,806)	(9,173)	(6,806)	(9,173)
Carrying amount at end of financial year	38,564	45,370	38,564	45,370
Total Plant & Equipment				
Carrying amount at beginning of financial year	92,517	121,773	70,826	35,665
Additions	-	3,034	-	51,212
Disposals	(55,773)	-	(63,000)	-
Depreciation	(15,301)	(32,290)	(7,826)	(16,051)
Carrying amount at end of financial year	21,443	92,517	-	70,826

19. EXPLORATION ASSETS

Costs carried forward in respect of areas of interest in:

	Consolidated 2010 $	Consolidated 2009 $	Parent 2010 $	Parent 2009 $
Exploration and evaluation phases				
At cost	519,834	519,834	-	-
Accumulated amortisation (and impairment)	-	-	-	-
	519,834	519,834	-	-

19. EXPLORATION ASSETS (Continued)

Reconciliations

	Consolidated		Parent	
	2010 $	2009 $	2010 $	2009 $
Exploration and evaluation phases				
Balance at beginning of period	519,834	-	-	-
Exploration expenditure capitalised during the year	-	642,840	-	-
Exploration expenditure written off		(123,006)	-	-
Balance at end of period	519,834	519,834	-	-

Amortisation and Impairment Charge

The amortisation and impairment charge is recognised in the following line items in the income statement:

Exploration assets written off	-	123,006	-	-
	-	123,006	-	-

As reflected above, the company ceased exploration of certain mining tenements during the 2008 financial year and has therefore written off the capitalised expenditure relating to these tenements.

Exploration costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

In addition, the group has material mining exploration rights in Indonesia which are the subject of contractual requirements to undertake continuous work throughout the period. The group has received correspondence for the local Indonesian mining authorities and the Directors are reviewing all the group's rights to explore, to determine if projects are economically viable and should be maintained. If the directors believe that the projects are not viable to continue exploring these tenements, this will result in a write off of the existing exploration assets in the next period.

20. TRADE AND OTHER PAYABLES

	Consolidated		Parent	
	2010 $	2009 $	2010 $	2009 $
Trade payables	148,000	148,000	-	-
Other payables	-	8,515	-	8,515
Accruals	118,151	47,102	118,151	47,102
Annual leave	10,481	8,804	10,481	8,804
	276,632	212,421	128,632	64,421

Annual leave and long service leave amounts payable represent amounts known to be payable within the next 12 months because employees are expected to take their leave due during this period. In addition, the Group does not have an unconditional right to defer settlement.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

21. BORROWINGS

	Consolidated		Parent	
	2010	2009	2010	2009
	$	$	$	$
Northsky Holdings Pty Ltd	42,000	-	42,000	-
Australian Glamour Pty Ltd *	11,000	-	11,000	-
	53,000	-	53,000	-

* An entity associated with Richard Tan. Refer Note 27 Related Party Information for details.

22. CONTRIBUTED EQUITY

	2010		2009	
	Shares	$	Shares	$
Share capital				
Ordinary shares				
- Fully paid	88,947,328	6,633,884	77,397,328	6,518,384
- Capital raising costs		(322,878)		(322,878)
	88,947,328	6,311,006	77,397,328	6,195,506
Options				
- Fully paid	1,155,000	317,608	3,250,000	317,608
	1,155,000	317,608	3,250,000	317,608
Total contributed equity – parent entity		6,628,614		6,513,114

Movements in ordinary shares

Date	Details	Number	Issue price	$
1-Jul-08	**Opening balance**	**65,939,253**		**5,278,740**
15-Aug-08	Options exercised			
	- Proceeds received	1,000	$0.20	200
24-Oct-08	Rights issue	11,457,075	$0.08	916,566
				6,195,506
	Less: Transaction costs arising on shares issued	-		-
30-Jun-09	Closing balance	77,397,328		6,195,506
3-Mar-10	Placement of shares	11,550,000	$0.01	115,000
30-Jun-10		88,947,328		6,311,006

Movements in options

Date	Details	Number	$
1-Jul-09	**Opening balance**	**34,260,751**	**317,608**
31-Jul-08	Expiry of 20c Options	29,759,751	-
15-Aug-08	Options exercised	1,000	-
31-Jan-09	Expiry of 20c Options	1,250,000	-
30-Jun-09	**Closing balance**	3,250,000	317,608
31-Dec-09	Expiry of 25c Options	(3,250,000)	-
3-Mar-2010	Issue of 5c Options as part of placement	1,155,000	-
30-Jun-10	**Closing Balance**	1,155,000	317,608

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

22. CONTRIBUTED EQUITY (Continued)

Ordinary shares
Ordinary shareholders are entitled to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll.

Options
At the end of the reporting period, there were 1,155,000 options over unissued shares exercisable at $0.05 on or before 30 September 2011.

Capital risk management
The Group's and the parent entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

23. RESERVES

Reserves	**Consolidated**		**Parent**	
	2010 $	**2009 $**	**2010 $**	**2009 $**
Foreign currency translation reserve	-	-	-	-
	-	-	-	-

Movements in reserves

Foreign currency translation reserve				
Balance at start of period	(54,586)	(54,586)	-	-
Impairment of investment of associates	54,586	54,586	-	-
Currency translation differences	-	-	-	-
Deferred tax impact	-	-	-	-
Balance at the end of period	-	-	-	-

This the Group's share in the associate's foreign currency translation reserve, which is used to record exchange differences on translation of foreign controlled subsidiaries of the associate. The reserve is recognised in the income statement when the investment is disposed of.

24. ACCUMULATED LOSSES

Movements in retained earnings

Balance at start of period	(5,948,864)	(4,848,344)	(6,257,124)	(5,048,237)
Net profit/(loss) for the year	(331,288)	(1,100,519)	(331,040)	(1,208,887)
Balance at end of period	(6,280,151)	(5,948,863)	(6,588,164)	(6,257,124)

25. FINANCIAL RISK MANAGEMENT

(a) General objectives, policies and processes

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group’s objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The Group’s principal financial instruments comprise cash and short term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Group. The Group also has other financial instruments such as trade debtors and creditors which arise directly from its operations. For the period under review, it has been the Group’s policy not to trade in financial instruments

The main risks arising from the Group’s financial instruments are interest rate risk and credit risk. There have been no substantive changes in the Group’s exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Board has overall responsibility for the determination of the Group’s risk management objectives and policies. The Groups' risk management policies and objectives are designed to minimise the potential impacts of these risks on the results of the Group where such impacts may be material.

The overall objective of the Board is to set polices that seek to reduce risk as far as possible without unduly affecting the Group’s competitiveness and flexibility. Further details regarding these policies are set out below:

(b) Market Risk

Market risk arises from the use of interest bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk).

(i) Interest rate risk

The Group is exposed to movements in market interest rates on short term deposits. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The Group does not have short or long term debt, and therefore this risk is minimal.

25. FINANCIAL RISK MANAGEMENT (Continued)

(b) Market Risk (Continued)

(i) Interest rate risk (continued)

The Group's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the following table:

2010		**Fixed interest maturing in**				
	Floating rates $	**< 1 year $**	**1 - 5 years $**	**> 5 years $**	**Non-interest bearing $**	**Total $**
Financial assets						
Cash and cash equivalents	-	-	-	-	57,922	57,922
Trade and other receivables	-	-	-	-	40,332	40,332
	-	-	-	-	98,254	98,254
Weighted average interest rate	-	-	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	-	-	(276,632)	(276,632)
Borrowings					(53,000)	(53,000)
	-	-	-	-	(329,632)	(329,632)
Weighted average interest rate	-	-	-	-	-	-

2009		**Fixed interest maturing in**				
	Floating rates $	**< 1 year $**	**1 - 5 years $**	**> 5 years $**	**Non-interest bearing $**	**Total $**
Financial assets						
Cash and cash equivalents	-	-	-	-	75,328	75,328
Trade and other receivables	-	-	-	-	43,623	43,623
			-	-	118,951	118,951
Weighted average interest rate	-	-	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	-	-	(212,421)	(212,421)
	-	-	-	-	(212,421)	(212,421)
Weighted average interest rate	-	-	-	-	-	-

Group and parent entity sensitivity
At 30 June 2010, if interest had changed by -/+ 100 basis points from the year end rates with all other variables held constant, pre-tax profit for the year would have been unchanged (2009 – change of 100 basis points; $Nil lower/higher). The group's interest income from both financial years comes solely from the parent entity.

25. FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit Risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The compliance with credit limits by wholesale customers is regularly monitored by line management. Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk.

(d) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments, e.g. borrowing repayments. It is the policies of the Board of Directors that treasury maintain adequate committed credit facilities and the ability to close-out market positions.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt. The Group does not have any overdraft, loans or borrowings facilities from financial institutions as at balance sheet date.

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 same applies to the carrying value of cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

26. CASH FLOW INFORMATION

	Consolidated		Parent	
	2010 **$**	**2009** **$**	**2010** **$**	**2009** **$**
Reconciliation of (loss) after income tax to net cash flow from operating activities				
(Loss) for the year	(331,288)	(1,100,519)	(331,040)	(1,208,887)
Depreciation and amortisation	22,107	41,463	14,632	25,224
Net loss on sale of property, plant & equipment	22,482	-	29,709	-
Impairment of related party receivables	-	-	-	415,206
Impairment of other financial assets	-	80,458	-	100,000
Write-off of exploration assets	-	174,801	-	-
Write-off of trade and other receivables	-	4,380	-	4,205
Interest income included in investing activities	(735)	(10,623)	(735)	(10,623)
Change in operating assets				
- (increase)/decrease in trade and other receivables	2,345	5,340	2,345	5,340
- (increase)/decrease in inventories	-	-	-	-
- (increase)/decrease in other assets	946	10,283	946	34,717
- increase/(decrease) in trade and other payables	62,533	152,319	62,533	5,695
- increase/(decrease) in other provisions	1,678	(20,404)	1,678	(17,400)
Net cash flow from operating activities	(219,932)	(662,502)	(219,932)	(646,523)

Non-cash financing activities
During the 2009 financial year the Company issued 300,000 ordinary shares at a fair value of $0.15 to pay for services to be rendered over the next 12 months.

27. RELATED PARTY TRANSACTIONS

Parent entity
Coziron Resources Limited is the ultimate parent entity of the Group.

Subsidiaries
Interests in subsidiaries are disclosed in Note 15.

Transactions with related parties
The following transactions occurred with related parties:

Loans to related parties				
Beginning of the year	-	-	3,554,845	3,554,845
Advances to subsidiaries	-	-	416,889	416,889
Repayments to subsidiaries	-	-	-	-
End of year	-	-	3,971,734	3,971,734

Impairment of the loans to related parties has been provided for in the amounts of $3,886,470 (2009: $3,886,470). Refer to Note 13 for more information.

Outstanding balances
Outstanding balances in relation to transaction with related parties are disclosed in Note 13.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

28. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Key management personnel compensation

	Consolidated		Parent	
	2010	2009	2010	2009
	$	$	$	$
Short-term employee benefits	106,961	158,516	106,961	158,516
Post-employment benefits	-	52,985	-	52,985
	106,961	211,501	106,961	211,501

Further details of compensation of the key management personnel of Coziron Resources Limited are set out in the Remuneration Report on page 9.

(b) Options and rights holdings

Details of options and rights held directly, indirectly or beneficially by key management personnel and their related parties are as follows:

Name	Balance at 30 June 2009	Granted as compensation	Options Exercised	Expired	Balance at 30 June 2010
Richard Tan	1,500,000	-	-	(1,500,000)	-
Lam Fatt Tan	1,500,000	-	-	(1,500,000)	-
Sai Kwok Miu	-	-	-	-	-
Total	**3,000,000**	**-**	**-**	**(3,000,000)**	**-**

Name	Balance at 1 July 2008	Options Exercised	Options Expired	Bought & (Sold)*	Balance at 30 June 2009
Richard Tan	5,000,000	-	(3,500,000)	-	1,500,000
Lam Fatt Tan	6,000,000	-	(4,500,000)	-	1,500,000
Sai Kwok Miu	3,004,544	-	(3,004,544)	-	-
Ronald Stanley Punch	-	-	-	-	
Total	**14,004,544**	**-**	**(11,004,544)**	**-**	**3,000,000**

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

28. KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

(c) Shareholdings

Details of equity instruments (other than options and rights) held directly, indirectly or beneficially by key management personnel and their related parties are as follows:

Name	Balance at 1 July 2009	Granted as compensation	Received on exercise of options or rights	Bought & (Sold)	Balance at 30 June 2010	Balance held nominally
Richard Tan	17,250,001	-	-	-	17,250,001	17,250,001
Lam Fatt Tan	12,250,001	-	-	-	12,250,001	12,250,001
Sai Kwok Miu	1,808,920	-	-	-	1,808,920	1,808,920
Total	**31,308,922**	**-**	**-**	**-**	**31,308,922**	**31,308,922**

Name	Balance at 1 July 2008	Granted as compensation	Received on exercise of options or rights	Bought & (Sold)	Balance at 30 June 2009	Balance held nominally
Richard Tan	11,500,001	-	5,750,000	-	17,250,001	17,250,001
Lam Fatt Tan	10,555,001	-	1,750,000	-	12,250,001	12,250,001
Sai Kwok Miu	1,808,920	-	-	-	1,808,920	1,808,920
Total	**23,863,922**	**-**	**-**	**-**	**31,308,922**	**31,308,922**

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

28. KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

(d) Loans from/to key management persons

No loans were made from or to key management personnel of the company during the 2009 and 2010 financial years.

(e) Other transactions and balances

Company secretarial services
Timothy John Spooner is a director and shareholder of MGI Perth Pty Ltd, which provided company secretarial services to the Group during the financial year. These services provided by both parties were based upon normal commercial terms and conditions. After Mr. Spooner's resignation, these company secretarial services were provided by Mr Richard Teng Beng Tan. The amounts paid were as follows:

	2010 $	2009 $
Consulting services provided by officers recognised as an expense during the year		
- Timothy John Spooner	4,965	45,070
- Richard Teng Beng Tan	39,996	3,333
	44,961	**48,403**

Aggregate amounts of liabilities at balance date relating to consulting services with directors of the group are as follows:

Current liabilities		
Norman Sai Kwok Miu	-	16,000
Sin Hin Lim	-	14,000
Kwong Choon Soong	-	8,000
Richard Teng Beng Tan *	-	64,329
	-	102,329

* Includes $11,000 loan from Australian glamour Pty Ltd, a related entity of Mr Tan.

29. CONTINGENCIES

In the opinion of the directors there were no material contingent liabilities that existed as at 30 June 2009 or 30 June 2010, nor the interval between 30 June 2010 and the date of this report.

30. COMMITMENTS

Lease commitments	**Consolidated**		**Parent**	
	2010 **$**	**2009** **$**	**2010** **$**	**2009** **$**
Non-cancellable operating leases - future minimum lease payments				
Within one year	66,269	57,958	66,269	57,958
Later than one year but not later than 5 years	39,437	105,705	39,437	105,705
Later than 5 years	-	-	-	-
	105,705	**163,663**	**105,705**	**163,663**

The current principal office premises under the non-cancellable operating leases was entered into on 1 February 2008 and is due to expire on 31 January 2011 with an option to extend for a further three years until 31 January 2014. The above commitment does not include commitments for the renewal option on the lease. This lease has an annual CPI escalation clause. The conditions of the lease do not impose any restrictions on the ability of Coziron Resources Limited and its subsidiaries from borrowing further funds or paying dividends.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

30. COMMITMENTS (Continued)

Exploration commitments	**Consolidated**		**Parent**	
	2010	**2009**	**2010**	**2009**
	$	**$**	**$**	**$**
Non-cancellable operating leases - future minimum lease payments				
Within one year				
Later than one year but not later than 5 years	-	-	-	-
Later than 5 years	-	-	-	-

* In September 2008, the Group entered into a joint venture ('JV') agreement with PT Galian Endapan Buana ('GEB') for the exploration of iron sands. The JV agreement requires that 2,000,000 shares be issued to GEB upon the delivery of the first shipment of iron sands.

31. SUBSEQUENT EVENTS

On 7 July 2010, David Hurt and Chris Williamson of WA Insolvency Solutions Pty Ltd were appointed as Joint and Several Administrators of the Company.

At a meeting of Creditors held on 12 October 2010, the creditors resolved that the Company enter into a Deed of Company Arrangement ("DOCA"), which was executed on 20 October 2010, and control of the Company was returned to the Directors.

During October 2010, the Company successfully raised $400,000, with commitments for a further $400,000, under Convertible Loan Deeds. The convertible loans will convert into 160,000,000 fully paid ordinary shares.

The proceeds of the convertible loans were used to effectuate the DOCA. This was achieved through the payment of $215,000 to the Deed Administrator in satisfaction of all creditors' claims. The final effectuation of the DOCA will occur once the final dividend to creditors is declared and paid.

The Company has applied to ASIC and received an extension of time to hold the 2010 Annual General Meeting. The meeting must be held on or before 31 January 2011 The Company will shortly issue a notice of meeting convening the 2010 Annual General Meeting. At the meeting, members will be asked to consider, and if thought fit, to pass as general resolutions the following:

- Consolidation of capital at 1 for 2;
- Appointment of Directors;
- Issue of 160,000,000 ordinary shares to investors on conversion of the loan under the Convertible Loan Deed; and
- Issue of up to 250,000,000 ordinary shares at 1c each pursuant to the Prospectus to raise $2,500,000;

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2010

The directors of Coziron Resources Limited declare that:

1. The financial statements and notes, as set out on pages 4 to 44 are in accordance with the *Corporations Act 2001* and:

   (a) comply with Accounting Standards and the Corporations Regulations 2001; and
   (b) give a true and fair view of the financial position as at 30 June 2010 and of the performance for the year ended on that date of the company and economic entity;

2. Whilst drawing attention to the disclosure in Note 2(a) of the financial report, 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.

3. The remuneration disclosures included in pages 8 to 10 of the directors' report (as part of the audited remuneration report), for the year ended 30 June 2010, comply with section 300A of the *Corporations Act 2001*.

Due to the Company being placed into Administration and the recent changes to the Board of Directors, the Directors have not 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 Board of Directors and is signed for and on behalf of the directors by:

Adam Sierakowski
Director

Dated 8 December 2010

INDEPENDENT AUDITOR'S REPORT

To the members of Coziron Resources Ltd.,

Report on the Financial Report

We have audited the accompanying financial report of Coziron Resources Ltd and Controlled Entities, which comprises the balance sheets as at 30 June 2010, income statements, the statements of changes in equity and the cash flows statements for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising Coziron Resources Ltd. 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 Coziron Resources Ltd. 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 2, 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 judgment, 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Coziron Resources Ltd., would be in the same terms if provided to the directors as at the time of this auditor's report.

Basis for Disclaimer Opinion

The subsidiaries have not produced financial reports for the financial year and, thus, none of their financial information for the year has been audited. Coziron Resources Ltd has dealt with the investments into, transactions with and for the subsidiaries on the basis of the movements in its books of account since the last audited reports of the subsidiaries.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial report.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2010. 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 Coziron Resources Ltd. for the year ended 30 June 2010, complies with section 300A of the *Corporations Act 2001*.

Cormac Patrick Sharkey CA
Date: 10 December 2010

CORMAC SHARKEY & CO

CHARTERED ACCOUNTANTS

Level 1, 216 Stirling Highway,

Claremont, W.A. 6010

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs. To the extent they are applicable, the Company has adopted the Eight Essential Corporate Governance Principles and Best Practice Recommendations ("Recommendations") as published by ASX Corporate Governance Council.

The Company's Corporate Governance policy and its Share Trade Policy are available on the Company's website. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance structures will be given further consideration.

Principle 1 – Lay solid foundations for management and oversight

The Board and management have agreed on their respective roles and responsibilities and the functions reserved to the Board and management. The Board has established and adopted a Board Charter for this purpose. The Board has also established a Nomination and Remuneration Committee Charter which, amongst other functions, guides the Board in its evaluation of the performance of senior executives and encourages an appropriate mix of skills, experience, expertise and diversity on the Board.

Principle 2 – Structure the Board to add value

The Board ultimately takes responsibility for corporate governance, and will be accountable to the Shareholders for the performance of the Company. The functions and responsibilities of the Board are set out in the Company's Constitution and the Corporations Act. The Company has adopted a Nomination and Remuneration Committee Charter which encourages a transparent Board selection process in searching for and selecting new directors to the Board and having regard to any gaps in the skills and experience of the directors of the Board and ensuring that a diverse range of candidates is considered.

The Board does not have a majority of independent directors. It is comprised of one independent and two non-independent directors. The existing structure is considered appropriate given the small scale of the Company's enterprise and the associated economic restrictions this places on the Company. The existing structure is aimed at maximising the financial position of the Company by keeping its operating costs to a minimum.

A separate nomination committee has not been formed. The role of the nomination committee is carried out by the full Board in accordance with the Nomination and Remuneration Committee Charter. The Board considers that at this stage, no efficiencies or other benefits would be gained by establishing a separate committee.

Principle 3 – Promote ethical and responsible decision making

All Directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company. The Board has established a Code of Conduct to guide the Directors, managers, employees and officers of the Company with respect to matters relevant to the Company's legal and ethical obligations. The Board has also established a Workplace Diversity Policy which affirms the Company's commitment to promoting a corporate culture that is supportive of diversity and outlines strategies that the Board can undertake to encourage and promote a diverse working environment..

Principle 4 – Safeguard integrity in financial reporting

The Directors require the Chief Executive Officer and external company auditors to state in writing to the Board that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards.

A separate audit committee has not been formed. However, the Company has adopted an Audit Committee Charter. The role of the audit committee is carried out by the full Board in accordance with the Audit Committee Charter. The Board considers that given its size, no efficiencies or other benefits would be gained by establishing a separate audit committee.

CORPORATE GOVERNANCE (Continued)

Principle 5 – Make timely and balanced disclosure

The Directors are committed to keeping the market fully informed of material developments to ensure compliance with the Listing Rules and the Corporations Act. The Directors have established a written policy and procedure to ensure compliance with the disclosure requirements of the Listing Rules.

Principle 6 – Respect the rights of Shareholders

The Directors have established a communications strategy to promote effective communication with Shareholders and encourage effective participation at general meetings. As well as ensuring timely and appropriate access to information for all investors via announcements to the ASX, the Company will ensure that all relevant documents are released on the Company's website.

Principle 7 – Recognise and manage risk

The Directors have established a Risk Management Policy regarding the oversight and management of material business risks.

Principle 8 – Remunerate fairly and responsibly

A separate remuneration committee has not been formed. However, the Company has adopted a Nomination and Remuneration Committee Charter. The role of the remuneration committee is carried out by the full Board in accordance with the Nomination and Remuneration Committee charter. The Board considers that at this stage, no efficiencies or other benefits would be gained by establishing a separate committee.

The Board has provided disclosure in relation to Directors' remuneration in Section 9 of this Prospectus. Further disclosure will be given to investors annually in accordance with the Listing Rules and the Corporations Act.

Share Trade Policy

In light of recent changes to the ASX Listing Rules and in particular the inclusion of Condition 15 of ASX Listing Rule 1 which requires that the listing entity has a trading policy that complies with ASX Listing Rule 12.9, the Company has adopted a Trading Policy. The Trading Policy sets out the following information:

(a) closed periods in which directors, employees and contractors of the Company must not deal in the Company's securities;

(b) trading in the Company's securities which is not subject to the Company's Trading Policy; and

(c) the procedures for obtaining written clearance for trading in exceptional circumstances.

The Company's Trading Policy is available on its website.

ADDITIONAL SHAREHOLDER INFORMATION

SUBSTANTIAL SHAREHOLDERS

The names of the substantial shareholders listed in the company register as at 6 December 2010 are as follows:

Shareholder	Shares	%
KHH Australian Holdings Pty Ltd	12,250,001	13.77
Takes2wo Technologies Pty Ltd	11,550,000	12.99
Australian Glamour Pty Ltd ATF R F Tan Family Trust	9,750,001	11.0
Australian Glamour Pty Ltd ATF R F Tan Superannuation Fund	7,500,000	8.43
Propsperity Assets Ventures Ltd	7,000,000	7.87

DISTRIBUTION OF SHAREHOLDERS

The distribution of members and their holdings of equity securities in the Company as at 6 December 2010 was as follows:

Range of holding	Shareholders	Number Of Ordinary Shares	%
1 – 1,000	5	3,110	0.00
1,001 – 5,000	37	107,183	0.12
5,001 – 10,000	140	1,343,699	1.51
10,001 – 100,000	192	6,890,797	7.75
100,001 and over	63	80,602,539	90.62
Totals	**437**	**88,947,328**	**100.00**

The number of shareholders with less than a marketable parcel of fully paid shares based on the price of the proposed capital raising of $0.01 is 320 holding in total 4,722,303 shares.

UNQUOTED SECURITIES

The Company issued the following unquoted securities:

Class Of Equity Securities	Number	Number Of Security Holders
30 September 2011 Options ($0.05)	1,155,000	1

RESTRICTED SECURITIES

The Company has no restricted securities:

VOTING RIGHTS (ORDINARY SHARES)

In accordance with the Company's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

ADDITIONAL SHAREHOLDER INFORMATION (Continued)

TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest shareholders of the fully paid ordinary shares of the Company as at 6 December 2010 are as follows:

Name	Number Of Ordinary Fully Paid Shares	% Held Of Issued Ordinary Capital
KHH (Aus) Holdings Pty Ltd <KHH A/C>	12,250,001	13.8%
Takes2wo Technologies Pty Ltd	11,550,000	13.0%
Australian Glamour Pty Ltd <R F Tan Family A/C>	9,750,001	11.0%
Australian Glamour Pty Ltd <The R&F Tan Family S/F A/C>	7,500,000	8.4%
Prosperity Assets Ventures Ltd	7,000,000	7.9%
Mr Joseph Ting Kwong Kam	4,075,401	4.6%
Mr Florence Poh Choo Tan	2,500,000	2.8%
Golden Achiever Limited	2,400,000	2.7%
Ms Constance Poh Hoon Lim	2,000,000	2.2%
Ms Choow Lin Tan	2,000,000	2.2%
Mr Yee Chin Tan	1,500,000	1.7%
Ms Clara Lin-Kun Goh	1,500,000	1.7%
Mr Kevin Kok Seng Tan	1,000,000	1.1%
Golden Gate Enterprise Pty Ltd <Lianto Super Fund A/C>	993,750	1.1%
Pathfinder Investments Pty Ltd	923,659	1.0%
Mr Robert Kam & Mrs Paulina Pao-Ying	875,000	1.0%
Ms Serene May Chen Tan	800,000	0.9%
Mrs Ong Sylvia Yohana Lianto	795,000	0.9%
James Anthony Ellis	747,500	0.8%
Ong Boon Seng	657,603	0.7%
Totals	**70,817,915**	**79.6%**

SCHEDULE OF MINERAL TENEMENTS (Continued)

Minerals : Iron Sand
Tenement : Agam
Tenement No: No. 476/Year 2008
Coziron Resources Limited interest in the tenement is an 80% joint venture interest, through its 100% owned subsidiary PT Coziron Copper.

Coordinates	Longitude	Latitude	
001	099 47 29 00	000 10 46 00	LS
002	099 49 07 00	000 10 46 00	LS
003	099 49 07 00	000 13 44 00	LS
004	099 48 16 00	000 13 44 00	LS
005	099 48 16 00	000 12 48 00	LS
006	099 48 08 00	000 12 48 00	LS
007	099 48 08 00	000 12 34 00	LS
008	099 47 54 00	000 12 34 00	LS
009	099 47 54 00	000 11 57 00	LS
010	099 47 29 00	000 11 57 00	LS
011	099 50 02 00	000 16 34 00	LS
012	099 53 34 00	000 16 34 00	LS
013	099 53 34 00	000 20 12 00	LS
014	099 52 54 00	000 20 12 00	LS
015	099 52 54 00	000 19 29 00	LS
016	099 52 08 00	000 19 29 00	LS
017	099 52 08 00	000 18 39 00	LS
018	099 51 25 00	000 18 39 00	LS
019	099 51 25 00	000 18 01 00	LS
020	099 50 02 00	000 18 01 00	LS