COZIRON RESOURCES LIMITED & CONTROLLED ENTITIES
ABN 92 112 866 869

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2008

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CORPORATE DIRECTORY

EXECUTIVE CHAIRMAN
Richard Teng Beng Tan

EXECUTIVE DIRECTORS
Lam Fatt Tan
(Norman) Sai Kwok Miu

COMPANY SECRETARY
Mr Timothy John Spooner

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

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 2008. 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:

Lam Fatt Tan
Richard Teng Beng Tan
Sai Kwok Miu (appointed 7 September 2007)
Gregory Burns (resigned 7 September 2007
George Lazarou (resigned 15 August 2007)

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:

George Lazarou (resigned 15 August 2007)
Ah Aun Ong (appointed 15 August 2007, resigned 20 November 2007)
Timothy John Spooner (appointed 20 November 2007)

Mr Spooner is a practising Chartered Accountant (Australia and UK) and a member of Chartered Secretaries Australia. He is a Partner in Perth accountants and business advisers, MGI Perth, a seven partner practice.

He has over 25 years' experience in the field of corporate and accounting services and has gained extensive corporate knowledge both through his detailed company secretarial knowledge (having been Company Secretary/provided contract Company Secretarial assistance to over a dozen ASX Listed Companies), together with his very extensive public practice experience in both the United Kingdom and Australia.

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 $4,100,491 (2007: $629,757).

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

Rawang Gadang Iron Ore Project

A Ground Magnetic Survey was accomplished during the year. The program covered the area previously drilled and was designed to examine the extensions of known mineralisation. The survey was very successful in delineating the recognised mineralisation and a 350m extension of the Iron mineralisation to the South-East, to the limit of the survey. However, no field activities were carried out at Rawang Gadang. This project is still under the company's assessment. The exploration KP lapsed in the last quarter of the year and the company will consider re-applying for it in the event that the proposed AGAM Iron Sands JV does not proceed.

Inderapura Coal Project Area

With Grange Resources Limited no longer participating in the Joint Venture (JV), the results of the due diligence work were analytically assessed. Grange Resources Ltd has indicated that the production potential for the Inderapura Coal is suitable for domestic consumption by Indonesian or other South East Asian cement manufacturers. The Company will now analyse all compiled data and explore the possibility of defining resources to supply the local cement factory in Padang City at Western Sumatra. The Exploration KP lapsed in the last quarter of the year and the company will consider re-applying for it in the event that the proposed AGAM Iron Sands does not proceed.

Singkarak Copper-Gold Project

An intensive soil sampling and geological mapping program was completed at Singkarak Project over the Pasilihan area, as an adjunct to the previous geological due diligence work. Soil samples were collected on a 100m x 25m grid which was corrected for topography. Soil samples collected from the "C" horizon have been sent to Intertek / Caleb Brett in Jakarta for analysis for Gold and other elements. Duplicate samples were taken at regular intervals to confirm QAQC.

The soil sampling program was highly encouraging. Soil geochemistry shows a distinct anomalous multi-element (Cu-Au-Pb-Sb-Mo) NNE trend generally concurrent with Silica/Clay/Sulphide alteration zones which was mapped in the field. The anomalous area is over 1km long and 250m wide, and is still open to the South. The altered zone gradually subsided towards the North under much younger superimposed rocks of the Ombilin Formation. Copper forms a distinctive Bulls Eye style anomaly greater than 500ppm with about a 300m long and 150m wide area inside the broader anomalous trend. Gold anomaly distribution is more sporadic than Copper. Nevertheless, at 100ppb level, Gold forms coherent anomalies coincident with the other assayed elements. Furthermore, in various soil samples Gold reached 1.26ppm. Final JV arrangements for the Singkarak Project are still under negotiation with the Indonesian partners.

Landas Paeu Coal Project

The Company signed a Heads of Agreement with Pt Persadatama Agung Lestari ("PT PAL") to form a JV to explore the Landas Paeu Coal area, located in East Kalimantan, Indonesia. The Project area comprises 3,940Ha and mineral property located in West Kutai Regency at the Province of East Kalimantan, Borneo Island, Indonesia. The mineral property is prospective for thermal coal, having been previously explored for coal by PT PAL and other Indonesian companies. This exploration has identified a package of 12 coal seams attributed to the Oligocene Warukin Formation over a strike-length of 4.2Km. Warukin Formation Coal is being mined in several locations in South and East Kalimantan and has gained a reputation as a low sulphur and low ash "enviro-coal". Individual seams at the Landas Paeu Coal Project reach a maximum thickness of 13.45m in limited historical drill intercepts. Based on the above, due diligence is ongoing. Analysis of representative coal seam samples shows coal quality parameters meet current export standards for thermal coal.

Previous work in the prospect locale includes outcrop mapping, sampling and shallow diamond drilling. The earlier diamond drilling program was carried out unsystematically.

Under the terms of the Head of Agreement ("Agreement"), Coziron paid PT PAL a consideration of USD$50,000 on the signing of the Agreement in October 2007. The agreement entitles Coziron to acquire 70% of the coal project for a consideration of USD$1 million, half of which is payable in cash, the balance in Coziron shares subject to due diligence. PT PAL will also be entitled to a USD$1 royalty per ton of coal sold from the project. The Agreement is subject to a number of conditions including due diligence and site inspections to the satisfaction of Coziron. In the event that all the conditions are satisfied, Coziron will sign a formal JV with PT PAL.

REVIEW OF OPERATIONS (Continued)

Coziron believes that the project area is highly prospective for thermal coal and that there is significant potential to delineate a sizeable, potentially economic resource. The Company plans to carry out geological mapping, topographic surveys and systematic resource definition drilling to further advance the project. This project is still under the company's assessment.

Ethanol Plant Project in Malaysia

On 30 October 2007 a Heads of Agreement was entered to acquire a 60,000 Litres/day ethanol plant with Empee Biofuels Sdn Bhd. However subsequently the Company decided not to proceed, as the directors foresaw major complications with the project that may not have been in the interest of the shareholders.

Kunyit Iron Ore Project, Lubuk Gadang Lead Zinc Project and Bukit Bara Lunang Coal Project

The company decided to write off the above projects in the third quarter of the year due to unfavourable resource content and in the company's view it is not viable to continue exploring these tenements.

Lead Trading , Exploration and Mining – Indonesian Project

In February 2008 the Company entered into a Heads of Agreement to Joint Venture with PT Galian Endapan Buana ("GEB"), on an 80:20 basis, (CZR 80% GEB 20%) with GEB's interest to be a free carried interest, in respect of a Lead Trading, Exploration and Mining venture in Indonesia.

GEB was awarded the requisite Lead export licence by the West Sumatra Government on 12 February 2008.

Citic International have recently visited our lead site and warehouse in Indonesia. After checking our lead ore inventory, they are of the opinion that the grade of the lead is not up to their specification on dry basis of 50%. Therefore the trial shipment of 500 ton lead ore did not eventuate. However, they are interested in being involved with the company to beneficiate the lead ore to concentrate due to the fact that product grade is guaranteed and concentrate price is tied to the market price of lead at the London Metal Exchange. The supply of low grade lead ore is easily available in Sumatera. In addition, field observation and surface mapping against river and hill traverse outcrop around the galena zone was carried out at the company tenement at Solok Selatan which shows promising indications of the existence of galena and galena veins. If a resource is proven, it will ensure a consistent supply of raw input for the beneficiating plant. The company is also in discussions with Hunan Guiying Yinxing Non-ferrous Smelt Co Ltd and other interested parties to fund and set up the lead beneficiating plant. With the lead price dropping from the high of mid $3,000 in February to about $2,000 currently, beneficiating lead concentrate to add value will be a good option.

AGAM Iron Sands project

During the year the company signed a heads of agreement to joint venture (on an 80:20 basis) with GEB to develop the AGAM Iron Sand Project in West Sumatra. GEB has an exploration licence on a tenement at AGAM with an area of 3,960 hectares. Furthermore, an application for mining and export licences was lodged with the Indonesian authorities and the company is awaiting their approval.

An extensive mapping geology program was carried out at AGAM tenement followed by a shallow drilling program to intercept the Iron Sands Layers. Initially, a three inch diameter hand auger program commenced the drilling program to establish the Iron Sands locations for the Test Pits drilling. Then the exploration program entered its second phase with the digging of 20 test pits using an excavator to identify the thickness of the Mineralised Iron Sands Layers. The 20 test pits ('holes') varied in depth, but generally were between 3 – 4 m deep with an average diameter of 2m. On-the-spot elemental analysis was carried out to determine the iron sands percentage at the mineralised zones. For this purpose an "Innov-X" portable X-Ray Fluorescence (XRF) analyser was used at each intercepted Iron Sands Layer at all 20 test pits.

The Agam Iron Sands project will be explored further and requires further drilling to identify the limits of mineralisation zones. The 8,000m Rotary Air Blast (RAB) drilling program has to be implemented within the next few months to enhance mining opportunities. An accurate sampling and assaying program will be undertaken by Promet Engineers providing the metallurgical testwork and samples will be tested at the ALS Laboratory Group in Perth , Western Australia.

REVIEW OF OPERATIONS (Continued)

Since the end of the financial year, the company has engaged an Indonesian Geophysics company "CV Billanda Utama" in August 2008 to undertake the Ground Electro Magnetic Survey at the two iron sand tenements in AGAM. Thereafter, an in-depth exploration program to fully comprehend the quality and quantity of AGAM Iron Sands mineralisation will be carried out. The company has recently received an Independent Geological Assessment of the project from Ravensgate, minerals industry consultants.

The company has also engaged ProMet Engineers to provide a Preliminary Sighter Testwork prior to the Metallurgical Testwork program for the AGAM Iron Sand project. The intent of the Sighter Testwork is to establish sufficient information to offer recommendations on how to beneficiate the iron sands to marketable grade.

The company has sent a representative sample of 18kg to ProMet Engineers collected from the AGAM site for this purpose. The test is to be conducted at ALS laboratories and will include a Davis Tube Wash, which is utilised to establish a concentrate. This material will then be analysed by XRF to establish the grade (5 size fractions) of the iron sands.

In September 2008, the Company entered into two JV agreements with GEB which are subject to completion of legal due diligence, one for the exploration of iron sands and the other for the exploration of lead. The JV agreements confirm the terms and conditions specified in the Heads of Agreements.

Project Generation

In addition to the company's active Asian exploration project work undertaken during the period, the Company has been considering several prospective exploration project proposals, both domestically in Australia and overseas.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The following significant changes in the state of affairs of the Economic Entity occurred during the financial year:

On 15 August 2007, Mr George Lazarou resigned as a director and company secretary. On the same day Mr Ah Aun Ong was appointed as company secretary in Mr George Lazarou's place. He subsequently resigned as company secretary on 20 November 2007 and Mr Timothy John Spooner was appointed as company secretary in his place. On 7 September 2007, Mr Gregory Burns resigned as a director and Mr Sai Kwok Miu was appointed a director.

On 12 March 2008, 2 million options at 20 cents were exercised by two of the directors, thereby providing $400,000 funding for the company. The funds will be utilised for the lead trading business and to source other prospective projects.

In February 2008 the Company entered into a Heads of Agreement to Joint Venture with PT Galian Endapan Buana ('GEB'), on an 80:20 basis, (CZR 80% GEB 20%) with GEB's interest to be a free carried interest, in respect of a Lead Trading, Exploration and Mining venture in Indonesia.

GEB was awarded the requisite lead export licence by the West Sumatra Government on 12 February 2008. Due diligence is ongoing and the Company in the process of finalising a sales contract with a Chinese company for the first shipment. The company is targeting exports of 24,000 tonnes of lead ore per annum.

The company also decided to write off Kunyit Iron Ore project, Lubuk Gadang Lead Zinc project and Batu Bara Lunang project during the year due to unfavourable resource content, and in the company's view it is not viable to continue exploring these tenements.

Other than stated above, there were no significant changes in the state of affairs of the Company during the financial year.

DIRECTORS' REPORT (Continued)

SUBSEQUENT EVENTS

1,000 out of the 29,760,751 listed options were converted into ordinary shares, raising $200 for the Company. The remaining 29,759,751 expired on 31 July 2008.

In August 2008, the Company engaged an Indonesian Geophysics company "CV Billanda Utama" to undertake the Ground Electro Magnetic Survey at the two iron sand tenements in AGAM. Thereafter, an in-depth exploration program to fully comprehend the quality and quantity of AGAM Iron Sands mineralisation will be carried out. The company has recently received an Independent Geological Assessment of the project from Ravensgate, minerals industry consultants.

In September 2008, the company announced its intention to undertake a non-renounceable rights issue of 1 share for every two shares held to raise up to approximately $2.6 million. This amount is not underwritten.

In September 2008, the Company entered into two joint venture agreements with PT Galian Endapan Buana which are subject to completion of legal due diligence, one for the exploration of iron sands, and another for the exploration of lead.

In relation to the agreement for the exploration of iron sands, a further US$25,000 and the issuance of 2,000,000 Coziron Resources Limited shares is payable upon the delivery of the first shipment of iron sands.

In relation to the agreement for the exploration of lead, a further US$40,000 and the issuance of 3,000,000 shares and 3,000,000 options (exercisable at 30 cents per share within two years) is payable upon the execution of deed of assignment.

The details of amounts payable in relation to the agreement for both JV agreements have been included in Note 31.

On 30th September 2008, Coziron received $100,000 from Australian Glamour Pty Ltd (a company controlled by Richard Tan) and $100,000 from KHH Australian Holdings Pty Ltd (a company controlled by Lam Fatt Tan) by way of short-term loans.

Except for the above, in the opinion of the Directors, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

INFORMATION ON DIRECTORS

Richard Tan	Executive Chairman	
Qualifications	FCCA(UK)	
Experience	Richard is a fellow member of the Chartered Certified Accountants UK, and has been a practising accountant for more than 20 years in Australia. Richard was a substantial shareholder and director of a number of education companies in Australia, that subsequently involved in the creation of IBT Education Ltd, a company listed on ASX. Richard is currently the President of the Western Australian Chinese Chamber of Commerce and a director of a number of private companies.	
Special Responsibilities	Richard is responsible for the financial management of the Company.	
Interest in Shares	11,500,001	Fully paid ordinary shares
Interest in Options	3,500,000	20 cent options exercisable on or before 31/07/2008
	1,500,000	25 cent options exercisable on or before 31/12/2009

INFORMATION ON DIRECTORS (Continued)

Lam Fatt Tan	Executive Director	
Qualifications	Vice President of Chinese Chamber of Commerce	
Experience	Lam Fatt has over 20 years' business experience in both Australia and Malaysia, developing businesses, managing the corporate restructure of public companies and industry liaison. Lam Fatt has previously held directorships in Malaysian public companies and is currently the Vice-President of the Western Australian Chinese Chamber of Commerce and a director of a number of private companies.	
Special Responsibilities	Lam Fatt is responsible for sourcing and negotiating new projects for the Company.	
Interest in Shares	10,555,001	Fully paid ordinary shares
Interest in Options	4,500,000	20 cent options exercisable on or before 31/07/2008
	1,500,000	25 cent options exercisable on or before 31/12/2009

Sai Kwok Miu	Executive Director	
Qualifications	Diploma of Civil Engineering Bachelor of Commerce Degree	
Experience	Sai Kwok holds a Diploma of Civil Engineering from Hong Kong Polytechnic University, and a Bachelor of Commerce Degree from the University of Western Australia. Sai Kwok has previously worked for a large mining company with an iron ore mine on Koolan Isalnd. Sai Kwok has an extensive network centred around the Asian Pacific region. Sai Kwok has 30 years' worth of experience in business development and corporate matters.	
Special Responsibilities	Sai Kwok is responsible for operational management of the Company.	
Interest in Shares	1,808,920	Fully paid ordinary shares
Interest in Options	3,004,544	20 cent options exercisable on or before 31/07/2008

Gregory Burns	Executive Director (resigned 7 September 2007)	
Qualifications	BSc (Geol)	
Experience	Greg is a geologist with over 12 years' experience in mineral exploration after graduating from the University of Canterbury in New Zealand. Greg has extensive skills in all areas of exploration geology from field programs to office-based management, project appraisal and data interpretation. Greg has held positions as an exploration manager with numerous exploration companies in Australia, including Adamus Resources Ltd, which involved working on the highly successful Salman Gold project in Ghana. Greg is a director of a number of other private companies.	
Special Responsibilities	Gregory was responsible for the operational and geological management of the Company.	
Interest in Shares	350,000	Fully paid ordinary shares
Interest in Options	175,000	20 cent options exercisable on or before 31/07/2008
	1,000,000	20 cent options exercisable on or before 31/01/2009

DIRECTORS' REPORT (Continued)

INFORMATION ON DIRECTORS (Continued)

George Lazarou	Non-Executive Director (resigned 15 August 2007)
Qualifications	BCom, CA
Experience	George is a qualified Chartered Accountant who has over 13 years' experience, including the last 5 as a Partner with a West Perth accounting firm, specialising in the areas of Audit, Advisory and Corporate Services. George has extensive skills in the areas of audit, corporate services, due diligence, independent expert reports, merger & acquisitions and valuations. George also brings with him a high level of commercial skills having worked closely with publicly listed companies in the mining, building, engineering, environmental and construction industries. George is also currently a non-executive director of Cortona Resources Ltd.
Special Responsibilities	George was responsible for the corporate governance of the Company.

Interest in Shares	100,000	Fully paid ordinary shares
Interest in Options	50,000	20 cent options exercisable on or before 31/07/2008
	250,000	20 cent options exercisable on or before 31/01/2009

Directorships of other listed companies
No directors have held any other directorships of other listed companies in the 3 years immediately before the end of the financial year.

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**
Lam Fatt Tan	8	8
Richard Tan	8	8
Sai Kwok Miu	8	8
Greg Burns	-	-
George Lazarou	-	-

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 its exploration projects with the object of identifying commercial resources.

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*.

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.

Bonuses

No bonuses were given to key management personnel during the 2007 and 2008 years.

REMUNERATION REPORT (Continued)

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 29 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
Lam Fatt Tan	Executive Director
(Norman) Sai Kwok Miu	Executive Director (appointed 7 September 2007)
Gregory Burns	Executive Director (resigned 7 September 2007)
George Lazarou	Non-Executive Director (resigned 15 August 2007)
(ii) Executives	
Timothy John Spooner	Company Secretary (appointed 20 November 2007)

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 14 June 2006, Gregory Burns was engaged to provide services to the company as an Executive Director. The broad terms of this agreement include:
- during the period commencing on 1 April 2006 and ending on the Listing Date an amount of $4,000 per month plus superannuation;
- on and from the listing date $80,000 per annum plus superannuation;
- provision of a mobile phone and all running costs; and
- on and from the listing date life insurance will be covered up to a maximum of $3,600 per annum.

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)

Employment contracts of key management personnel (continued)

Pursuant to an agreement executed on 19 November 2007, Timothy John Spooner provided services to the company as a Company Secretary. The broad terms of this agreement include $36,000 per annum plus GST to MGI Perth Pty Ltd (to be reviewed annually), a company of which Mr. Spooner is a director of. The agreement may be terminated by either party by providing 3 months written notice and upon payment of any outstanding fees for services rendered.

George was a non-executive director in receipt of directors' fees at the rate of $25,000 p.a.

Remuneration of key management personnel

2008	*Richard Tan* $	*Lam Fatt Tan* $	*Norman Sai Kwok Miu* $	*Greg Burns* $	*George Lazarou* $	*Timothy Spooner* $	*Total* $
Short-term benefits							
Cash salary and fees	-	-	32,664	30,211	3,100	32,125*	98,100
Post-Employment Benefits							
Pension & Superannuation	43,596	43,596	2,940	2,719	279	-	93,130
Share-based payments	-	-	-	-	-	-	-
Total	**43,596**	**43,596**	**35,604**	**32,930**	**3,379**	**32,125**	**191,230**

2007	*Richard Tan* $	*Lam Fatt Tan* $	*Norman Sai Kwok Miu* $	*Greg Burns* $	*George Lazarou* $	*Timothy Spooner* $	*Total* $
Short-term benefits							
Cash salary and fees	36,667	36,667	-	74,667	33,332	-	181,333
Post-Employment Benefits							
Pension & Superannuation	3,300	3,300	-	6,720	1,875	-	15,195
Share-based payments	-	-	-	-	-	-	-
Total	**39,967**	**39,967**	**-**	**81,387**	**35,207**	**-**	**196,528**

* Note that Timothy Spooner, the company secretary, was not in receipt of any remuneration or any other fees from Coziron Resources Limited during the 2007 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 29.

Compensation options granted and exercised during the year ended 30 June 2008
No remuneration options were granted or exercised during the year ended 30 June 2008 (2007: None).

Performance income as a proportion of total income
No performance-based bonuses have been paid to key management personnel during the financial year (2007: $Nil).

END OF REMUNERATION REPORT.

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
9 February 2005	31 January 2009	$0.20	1,250,000
9 February 2005	31 December 2009	$0.25	3,250,000

During the year ended 30 June 2008, 2,000,000 of the Company's 31 July 2008 options were exercised at 20 cents each, raising $400,000. Subsequent to the end of the year the 1,000 of the 31 July 2008 options were converted into ordinary shares. The remaining 29,759,751 options 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, in accordance with advice from the audit committee, is 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 2008 is set out on page 15.

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

Mr Richard Tan
Executive Chairman

Dated this 30th day of September 2008

BDO Kendalls

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ABN 79 112 284 787

30 September 2008

The Directors
Coziron Resources Limited
Level 4, 102 James Street
NORTHBRIDGE WA 6003

Dear Sirs

DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE DIRECTORS OF COZIRON RESOURCES LIMITED

As lead auditor of Coziron Resources Limited for the year ended 30 June 2008, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

This declaration is in respect of Coziron Resources Limited and the entities it controlled during the year.

C Burton

Chris Burton
Director

BDO Kendalls

BDO Kendalls Audit & Assurance (WA) Pty Ltd
Perth, Western Australia.

INCOME STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	Consolidated 2008 $	Consolidated 2007 $	Parent 2008 $	Parent 2007 $
Revenue from continuing operations	5	48,411	122,026	48,411	160,482
Other income	6	13,819	-	13,819	-
Depreciation and amortisation expense	7	(21,101)	(7,009)	(7,776)	(1,292)
Impairment of receivables and assets	7	-	-	(3,559,650)	(248,338)
Write off of exploration assets	7	(3,225,694)	-	-	-
Write off of trade and other receivables	7	(129,134)	-	(120,716)	-
Employee benefits expense	7	(257,558)	(284,362)	(257,558)	(284,362)
Compliance and professional fees		(304,402)	(326,111)	(292,488)	(135,377)
Occupancy expenses		(42,919)	(12,811)	(33,048)	-
Travel expenses		(57,334)	(59,179)	(57,334)	(59,179)
Administration expenses		(113,679)	(53,669)	(42,685)	(53,049)
Share of profit of associates accounted for using the equity method	19	(10,900)	(8,642)	-	-
(Loss) before income tax		**(4,100,491)**	**(629,757)**	**(4,309,025)**	**(621,115)**
Income tax expense	9	-	-	-	-
(Loss) for the year		**(4,100,491)**	**(629,757)**	**(4,309,025)**	**(621,115)**
		Cents	**Cents**		
Earnings/(Loss) per share					
Basic and diluted earnings/(loss) per share	10	(6.38)	(1.04)		

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

BALANCE SHEETS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	Consolidated 2008 $	Consolidated 2007 $	Parent 2008 $	Parent 2007 $
ASSETS					
Current Assets					
Cash and cash equivalents	12	271,651	1,234,957	271,651	1,234,957
Trade and other receivables	13	252,997	76,518	87,885	76,518
Related party receivables	14	-	-	83,581	2,714,482
Inventories	15	51,795	-	-	-
Total Current Assets		**576,443**	**1,311,475**	**443,117**	**4,025,957**
Non-Current Assets					
Other financial assets	16	-	-	-	306,103
Investments in associates accounted for using the equity method	18	25,872	86,228	100,000	100,000
Property, plant and equipment	20	167,228	65,114	81,120	16,135
Exploration assets	21	-	2,971,606	-	-
Total Non-Current Assets		**193,100**	**3,122,948**	**181,120**	**422,238**
TOTAL ASSETS		**769,543**	**4,434,423**	**624,237**	**4,448,195**
LIABILITIES					
Current Liabilities					
Trade and other payables	22	76,126	36,059	76,126	36,059
Total Current Liabilities		**76,126**	**36,059**	**76,126**	**36,059**
TOTAL LIABILITIES		**76,126**	**36,059**	**76,126**	**36,059**
NET ASSETS		**693,417**	**4,398,364**	**548,111**	**4,412,136**
EQUITY					
Contributed equity	23	5,596,348	5,151,348	5,596,348	5,151,348
Reserves	24	(54,586)	(5,130)	-	-
Accumulated losses	25	(4,848,345)	(747,854)	(5,048,237)	(739,212)
TOTAL EQUITY		**693,417**	**4,398,364**	**548,111**	**4,412,136**

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

CASH FLOW STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Note	Consolidated 2008 $	Consolidated 2007 $	Parent 2008 $	Parent 2007 $
Cash flows from operating activities					
Cash paid to suppliers and employees (inclusive of goods and service tax)		(1,048,233)	(729,598)	(730,129)	(525,433)
Management fee received		-	-	-	38,456
Other revenue received		13,819	-	13,819	-
Net cash (outflow) from operating activities	**27**	**(1,034,414)**	**(729,598)**	**(716,310)**	**(486,977)**
Cash flows from investing activities					
Acquisition of subsidiary, net of cash acquired		-	-	-	(321,512)
Purchase of property, plant and equipment		(123,215)	(78,543)	(72,761)	(23,847)
Payments for exploration expenditure		(254,088)	(1,560,714)	-	-
Purchase of available-for-sale financial assets		-	(100,000)	-	(100,000)
Proceeds from sale of property, plant and equipment		-	2,408	-	2,408
Interest received		48,411	122,026	48,411	122,026
Loans to related parties		-	-	(622,646)	(1,536,519)
Loans to unrelated parties		-	(64,259)	-	(64,259)
Net cash (outflow) from investing activities		**(328,892)**	**(1,679,082)**	**(646,996)**	**(1,921,703)**
Cash flows from financing activities					
Proceeds from issue of ordinary shares		-	3,507,850	-	3,507,850
Proceeds from issue of options		-	318,001	-	318,001
Proceeds from conversion of options		400,000	-	400,000	-
Payments for transaction cost arising on shares issued		-	(322,878)	-	(322,878)
Net cash inflow from financing activities		**400,000**	**3,502,973**	**400,000**	**3,502,973**
Net increase/(decrease) in cash and cash equivalents		(963,306)	1,094,293	(963,306)	1,094,293
Cash and cash equivalents at beginning of year		1,234,957	140,664	1,234,957	140,664
Cash and cash equivalents at end of year	**12**	**271,651**	**1,234,957**	**271,651**	**1,234,957**

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 2008

	Issued capital $	Reserves $	Retained earnings $	Total equity $
CONSOLIDATED ENTITY				
At 1 July 2006	**1,648,375**	-	**(118,097)**	**1,530,278**
Issue of shares	3,500,000	-	-	3,500,000
Less: Transaction costs arising on shares issued	(322,878)	-	-	(322,878)
Issue of options	318,001	-	-	318,001
Exercise of options	7,850	-	-	7,850
Total income and expense for the year recognised directly in equity	-	(5,130)	-	(5,130)
Loss for the year	-	-	(629,757)	(629,757)
At 30 June 2007	**5,151,348**	**(5,130)**	**(747,854)**	**4,398,364**
At 1 July 2007	**5,151,348**	**(5,130)**	**(747,854)**	**4,398,364**
Exercise of options	400,000	-	-	400,000
Issue of shares	45,000	-	-	45,000
Total income and expense for the year recognised directly in equity	-	(49,456)	-	(49,456)
Loss for the year	-	-	(4,100,491)	(4,100,491)
At 30 June 2008	**5,596,348**	**(54,586)**	**(4,848,345)**	**693,417**
PARENT ENTITY				
At 1 July 2006	**1,648,375**	-	**(118,097)**	**1,530,278**
Issue of capital	3,500,000	-	-	3,500,000
Less: Transaction costs arising on shares issued	(322,878)	-	-	(322,878)
Issue of options	318,001	-	-	318,001
Exercise of options	7,850	-	-	7,850
Total income and expense for the year recognised directly in equity	-	-	-	-
Loss for the year	-	-	(621,115)	(621,115)
At 30 June 2007	**5,151,348**	**-**	**(739,212)**	**4,412,136**
At 1 July 2007	**5,151,348**	**-**	**(739,212)**	**4,412,136**
Exercise of options	400,000	-	-	400,000
Issue of shares for share-based payment	45,000	-	-	45,000
Total income and expense for the year recognised directly in equity	-	-	-	-
Loss for the year	-	-	(4,309,025)	(4,309,025)
At 30 June 2008	**5,596,348**	**-**	**(5,048,237)**	**548,111**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1. CORPORATE INFORMATION

The financial report of Coziron Resources Limited for the year ended 30 June 2008 was authorised for issue in accordance with a resolution of the directors on 30 September 2008 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 incorporate 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
The financial report for the consolidated group and parent entity has been prepared on a going concern basis following the directors reviewing its going concern status. The ability of the consolidated entity to pay its debts when they are due and payable is dependent upon securing additional capital to fund the operations and planned business activities of both the consolidated group and the parent entity.

The directors are confident that they will secure additional capital to fund the operations and planned business activities of both the consolidated group and parent entity. On 24 September 2008, the company announced its intention to undertake a non-renounceable rights issue of 1 share for every two shares held to raise up to approximately $2.6 million.

In addition, the Group has entered into a funding arrangement with the directors whereby $200,000 has been provided to Coziron interest free to provide working capital to assist with capital funding requirements. Coziron received $100,000 from Australian Glamour Pty Ltd (a company controlled by Richard Tan) and $100,000 from KHH Australian Holdings Pty Ltd (a company controlled by Lam Fatt Tan) by way of short-term loans on 30 September 2008.

(a) Basis of Preparation (Continued)

Going concern (continued)
The directors believe that the Group will continue as a going concern and consequently will realise assets and settle liabilities and commitments in the ordinary course of business and at the amount stated in the financial report.

(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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2008

(c) Business Combinations (Continued)

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2008

(p) Property, Plant and Equipment (Continued)

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

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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2008

(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 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.

(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 2008 reporting periods. The Group's and the parent entity's assessment of the impact of these new standards and interpretations is set out below.

***AASB 8* Operating Segments *and AASB 2007-3* Amendments to Australian Accounting Standards arising from AASB 8**
AASB 8 and AASB 2007-3 are effective for annual reporting periods commencing on or after 1 January 2009. AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a 'management approach' to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and deciding how to allocate resources to operating segments. The Group has not yet decided when to adopt AASB 8. Application of AASB 8 may result in different segments, segment results and different types of information being reported in the segment note of the financial report. However, at this stage, it is not expected to affect any of the amounts recognised in the financial statements.

(y) New Accounting Standards and Interpretations (Continued)

Revised AASB 123* Borrowing Costs *and AASB 2007-6* Amendments to Australian Accounting Standards arising from AASB 123 *[AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]
The revised AASB 123 is applicable to annual reporting periods commencing on or after 1 January 2009. It has removed the option to expense all borrowing costs and - when adopted - will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. There will be no impact on the financial report of the Group, as the Group already capitalises borrowing costs relating to qualifying assets.

***AASB-I 14* The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction**
AASB-I 14 will be effective for annual reporting periods commencing on or after 1 January 2008. It provides guidance on the maximum amount that may be recognised as an asset in relation to a defined benefit plan and the impact of minimum funding requirements on such an asset. None of the Group's defined benefit plans are subject to minimum funding requirements and none of them is in a surplus position. The Group will apply AASB-I 14 from 1 July 2008, but it is not expected to have any impact on the Group's financial statements.

***Revised AASB 101* Presentation of Financial Statements *and AASB 2007-8* Amendments to Australian Accounting Standards arising from AASB 101**
A revised AASB 101 was issued in September 2007 and is applicable for annual reporting periods beginning on or after 1 January 2009. It requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative period. The Group intends to apply the revised standard from 1 July 2009.

***Revised AASB 3* Business Combinations**
The revised AASB is applicable to the annual reporting periods commencing on or after 1 January 2009. The standard introduces more detailed guidance for accounting for acquisition. Adoption of the standard will affect amounts recognised in the financial statements of the Group in the circumstances applied.

The nature of some of the changes in the revised standard may in future periods negatively impact business combinations the Group undertakes. The effect of the nature of the impacts is not considered material.

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	
	2008 $	2007 $	2008 $	2007 $
From continuing operations				
Rendering of services	-	-	-	38,456
Interest	48,411	122,026	48,411	122,026
	48,411	122,026	48,411	160,482

6. OTHER INCOME

Net gain on disposal of property, plant and equipment	-	-	-	-
Other	13,819	-	13,819	-
	13,819	-	13,819	-

7. EXPENSES

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

Depreciation expense				
Plant and equipment	21,101	7,009	7,776	1,292
	21,101	7,009	7,776	1,292
Impairment/Write off				
Exploration assets	3,225,694	-	-	-
Trade and other receivables	129,134	-	120,716	-
Related party receivables	-	-	3,253,547	217,717
Other financial assets	-	-	306,103	30,621
	3,354,828	-	3,680,366	248,338
Employee benefits				
Salary	148,844	174,953	148,844	174,953
Superannuation	13,396	16,046	13,396	16,046
Salary sacrifice	87,192	68,728	87,192	68,728
Annual leave	6,522	11,876	6,522	11,876
Recruitment fees	-	11,990	-	11,990
Staff amenities	1,494		1,494	
Medical costs	110	769	110	769
	257,558	284,362	257,558	284,362
Other				
Net loss on disposal of property, plant and equipment	-	987	-	987
Net foreign exchange (gain)/loss	-	-	-	-
	-	987	-	987

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2008

8. CORRECTION OF ERRORS, REVISION OF ACCOUNTING ESTIMATES AND VARIATION FROM PRELIMINARY FINAL REPORT

Correction of error relating to investments in associates not accounted for using the equity method in previous financial year

On 1 March 2007, Coziron Resources purchased an interest in its associate, Integrated Rubber Industries Limited (refer to Note 19), which was accounted for at cost instead of the equity method. As a result the consolidated loss was understated by $8,642. The consolidated entity's share in the associate's debit reserves was understated by $5,130. The error also had the effect of overstating the investments in associates and consequently the total assets of the consolidated group by $13,772.

The error has been corrected by restating each of the affected financial statement line items for the previous year.

Basic and diluted earnings per share for the previous year have also been restated.

9. INCOME TAX EXPENSE

	Consolidated		Parent	
	2008	2007	2008	2007
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	(4,100,491)	(629,757)	(4,309,025)	(621,115)
Tax at the Australian tax rate of 30% (2007: 30%)	(1,230,147)	(188,927)	(1,292,708)	(186,335)
Non-deductible expenses:				
- entertainment	786	912	786	912
- share of net losses of associates	3,270	2,592	-	-
Tax losses not recognised as own asset				
- revenue losses	224,000	104,750	224,000	104,713
- foreign losses	17,200	22,425	17,200	22,425
- overseas losses	1,002,064	74,315	-	-
Recognition of previously unrecognised temporary differences				
- deductible temporary differences	(17,173)	-	(17,173)	-
Temporary differences not recognised as own asset/(liability)				
- taxable temporary differences	-	(16,067)	-	(16,216)
- deductible temporary differences	-	-	1,067,895	74,501
	-	-	-	-
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 2008

9. INCOME TAX EXPENSE (Continued)

	Consolidated		Parent	
	2008 $	2007 $	2008 $	2007 $
Tax losses				
Unused tax losses for which no deferred tax asset has been recognised:				
Australia				
- Carry forward revenue losses	333,854	111,396	335,359	111,359
- Cary forward foreign losses	68,833	51,633	68,833	51,633
Potential benefit at 30% (2007: 30%)	402,687	163,029	404,192	162,992
Indonesia				
- Cary forward overseas losses	1,076,379	74,315	-	-
Potential benefit at 30% (2007: 30%)	1,076,379	74,315	-	-

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

	Consolidated 2008 $	Consolidated 2007 $	Parent 2008 $	Parent 2007 $
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	67,771	83,544	67,771	83,544
- provision and accruals	5,519	6,564	1,147,915	81,065
- other	-	354	-	354
Potential benefit at 30% (2007: 30%)	73,290	90,462	1,215,686	164,963

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.

In addition, at reporting date $22,238 (2007: $4,132) of deferred tax assets not recognised in relation to its investment in associates. This has not been recognised as it is unlikely at reporting date that the capital loss can be utilised.

10. EARNINGS PER SHARE

Reconciliation of earnings used in calculating earnings per share

	Consolidated	
	2008 $	2007 $
Basic earnings per share		
Loss from operations attributable to ordinary equity holders of Coziron Resources Limited used to calculate basic earnings per share	(4,100,491)	(629,757)

	Consolidated	
	2008 Number	2007 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	64,245,810	60,821,763

11. AUDITORS' REMUNERATION

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
Audit services				
Amounts paid/payable to BDO Kendalls for audit or review of the financial report for the entity or any entity in the group	35,205	-	35,205	-
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	-	13,450	-	13,450
	35,205	13,450	35,205	13,450

12. CASH AND CASH EQUIVALENTS

Cash at bank and in hand	26,625	26,865	26,625	26,865
Cash management account	45,026	208,092	45,026	208,092
Deposits at call	200,000	1,000,000	200,000	1,000,000
	271,651	1,234,957	271,651	1,234,957

Cash at bank and in hand is non-interest bearing. The cash management account and deposits at call bear floating interest rates between 5% and 7% (2007: 4.8% and 6.5%). These deposits have an average maturity of 20 days.

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	271,651	1,234,957	271,651	1,234,957
Balances per statement of cash flows	271,651	1,234,957	271,651	1,234,957

13. TRADE AND OTHER RECEIVABLES

Deposits	46,236	-	46,236	-
Prepayments	197,112	-	32,000	-
Loan – PT Dutssi	-	64,259	-	64,259
Other receivables	9,649	12,259	9,649	12,259
	252,997	76,518	87,885	76,518

As of 30 June 2008, there were no trade or other receivables which were past due but not impaired.
Please refer to Note 26 for assessment of Financial Risk Management.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2008

14. RELATED PARTY RECEIVABLES

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

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
PT Coziron Pertambangan	-	-	3,253,547	2,932,579
PT Coziron Copper	-	-	301,473	-
Coziron Laos Pty Ltd	-	-	(175)	(380)
Less: Provision for impairment	-	-	(3,471,264)	(217,717)
	-	-	83,581	2,714,482
Reconciliation of provision for impairment				
Beginning of the year	-	-	(217,717)	-
Provision of impairment recognised as expense during the year	-	-	(3,253,547)	(217,717)
End of year	-	-	(3,471,264)	(217,717)

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

During the 2007 year, an impairment of $217,717 was made against the loan provided to PT Coziron Pertambangan due to the subsidiary's net assets deficient position.

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.

Further information relating to related party receivables is set out in Note 28.

15. INVENTORIES

Raw materials/ Work in Progress	-	-	-	-
Finished goods				
- at cost	51,795	-	-	-
- at net realisable value	-	-	-	-
	51,795	-	-	-
	51,795	-	-	-

16. OTHER FINANCIAL ASSETS (NON-CURRENT)

Shares in subsidiaries (refer Note 17)	-	-	336,724	336,724
Less: Provision for impairment	-	-	(336,724)	(30,621)
	-	-	-	306,103

These financial assets are carried at cost less accumulated impairment.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2008

17. 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 2008 $	2007 $
PT Coziron Pertambangan	Indonesia	Ordinary	100%	100%
PT Coziron Copper	Indonesia	Ordinary	100%	100%
Coziron Laos Pty Ltd	Australia	Ordinary	100%	100%

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

Acquisition of 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 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. The details of the acquisition are as follows:

	Consolidated 2008 $	Consolidated 2007 $	Parent 2008 $	Parent 2007 $
Purchase consideration	-	321,513	-	321,513
Cash consideration	-	321,513	-	321,513
Assets and liabilities held at acquisition date:				
- Cash and cash equivalents	-	320,513	-	320,513
- Trade and other receivables	-	1,000	-	1,000
	-	321,513	-	321,513
Goodwill on consolidation	-	-	-	-

18. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Shares in associates (refer Note 19)	25,872	86,228	100,000	100,000
Movements in carrying amounts				
Carrying amount at the beginning of the financial year	86,228	-	100,000	-
Purchase of investments in associates	-	100,000	-	100,000
Share of losses after income tax	(10,900)	(8,642)	-	-
Share of income and expenses recognised directly in equity	(49,456)	(5,130)	-	-
End of year	25,872	86,228	100,000	100,000

19. INVESTMENTS IN ASSOCIATES

Information relating to associates is set out below.

Entity	Principal activity	Ownership interest 2008 $	Ownership interest 2007 $
Unlisted			
Integrated Rubber Industries Limited	Rubber processing, saw milling, plantation activities and investment	15.34%	15.95%

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, which intends to list on the Australian Stock Exchange.

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 2008 $	Consolidated 2007 $
Profit/(Loss) before income tax	(10,900)	(8,642)
Income tax expense	-	-
Profit/(Loss) after income tax	(10,900)	(8,642)

Summarised financial information of associates

Integrated Rubber Industries Limited	Consolidated 2008 $	Consolidated 2007 $
Assets	2,009,943	2,522,197
Liabilities	(76,098)	(620,000)
Net Assets	1,933,845	1,902,197
Contributed equity	2,483,376	2,060,493
Reserves	(355,788)	(32,156)
Accumulated losses	(437,419)	(368,859)
Parent entity interest	1,690,169	1,659,478
Minority interest	243,676	242,719
Total equity	1,933,845	1,902,197
Revenues	146,024	17,486
Loss before income tax	(67,603)	(139,865)
Income tax expense	-	-
Loss after income tax	(67,603)	(139,865)
Impairment losses	-	-
Impairment losses reversed	-	-
	-	-

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2008**

20. PROPERTY, PLANT AND EQUIPMENT

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
Land and Buildings				
At cost	-	-	-	-
Accumulated depreciation	-	-	-	-
	-	-	-	-
Leasehold improvements				
At cost	45,455	-	45,455	-
Accumulated amortisation	-	-	-	-
	45,455	-	45,455	-
Total land and buildings	45,455	-	45,455	-
Plant and equipment				
At cost	149,883	72,123	44,733	17,427
Accumulated depreciation	(28,110)	(7,009)	(9,068)	(1,292)
Total plant and equipment	121,773	65,114	35,665	16,135
Total non-current property, plant and equipment	167,228	65,114	81,120	16,135

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 2008	Consolidated 2007	Parent 2008	Parent 2007
Total Leasehold Improvements				
Carrying amount at beginning of financial year	-	-	-	-
Additions	45,455	-	45,455	-
Disposals	-	-	-	-
Depreciation	-	-	-	-
Carrying amount at end of financial year	45,455	-	45,455	-
Total Plant & Equipment				
Carrying amount at beginning of financial year	65,114	-	16,135	-
Additions	77,760	72,123	27,306	20,822
Disposals	-	-	-	(3,395)
Depreciation	(21,101)	(7,009)	(7,776)	(1,292)
Carrying amount at end of financial year	121,773	65,114	35,665	16,135

21. EXPLORATION ASSETS

Costs carried forward in respect of areas of interest in:

	Consolidated 2008	Consolidated 2007	Parent 2008	Parent 2007
Exploration and evaluation phases				
At cost	-	2,971,606	-	-
Accumulated amortisation (and impairment)	-	-	-	-
	-	2,971,606	-	-

21. EXPLORATION ASSETS (Continued)

Reconciliations

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
Exploration and evaluation phases				
Balance at beginning of period	2,971,606	1,410,892	-	-
Consideration for the exploration assets acquired	-	-	-	-
Exploration expenditure capitalised during the year	254,088	1,560,714	-	-
Exploration expenditure written off	(3,225,694)	-	-	-
Balance at end of period	-	2,971,606	-	-

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

Exploration assets written off	3,225,694	-	-	-
	3,225,694	-	-	-

As reflected above, the company has ceased exploration of certain mining tenements 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.

22. TRADE AND OTHER PAYABLES

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
Trade payables	620	15,338	620	15,338
Other payables	2,200	8,845	2,200	8,845
Accruals	54,908	-	54,908	-
Annual leave	18,398	11,876	18,398	11,876
	76,126	36,059	76,126	36,059

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. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave within the next 12 months.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2008

23. CONTRIBUTED EQUITY

	2008 Shares	2008 $	2007 Shares	2007 $
Share capital				
Ordinary shares				
- Fully paid	65,639,253	5,601,618	63,639,253	5,156,618
- Capital raising costs		(322,878)		(322,878)
	65,639,253	5,278,740	63,639,253	4,833,740
Options				
- Fully paid	34,260,751	317,608	36,260,751	317,608
	34,260,751	317,608	36,260,751	317,608
Total contributed equity – parent entity		5,596,348		5,151,348

Movements in ordinary shares

Date	Details	Number	Issue price	$
1-Jul-06	Opening balance	46,100,003		1,648,375
25-Aug-06	Issue of initial public offer shares	17,500,000	$0.20	3,500,000
25-Jan-07	2007 options exercised			
	- Conversion to ordinary shares			68
	- Proceeds received	6,750	$0.20	1,350
26-Feb-07	2007 options exercised			
	- Conversion to ordinary shares			200
	- Proceeds received	20,000	$0.20	4,000
15-Jun-07	2007 options exercised			
	- Conversion to ordinary shares			125
	- Proceeds received	12,500	$0.20	2,500
30-Jun-07	Balance	63,639,253		5,156,618
11-Mar-08	2007 options exercised			
	- Proceeds received	2,000,000	$0.20	400,000
3-Jun-08	Share-based payment*	300,000	$0.15	45,000*
				5,601,618
	Less: Transaction costs arising on shares issued	-		(322,878)
30-Jun-08	Closing balance	65,639,253		5,278,740

* This was a share based payment to one of Coziron's trade creditors in lieu of consulting services. Although the shares were issued at $0.05 per share, the share-based payment is valued at $45,000 as the fair value of the shares as at the date of issue were $0.15 per share.

Movements in options

Date	Details	Number	Issue price	$
1-Jul-06	Opening balance	4,500,000	-	-
22-Nov-06	Issue of options exercisable at $0.20 on or before 31 July 2008	31,800,001	$0.01	318,000
25-Jan-07	2007 options exercised			
	- Conversion to ordinary shares	(6,750)	($0.01)	(67)
26-Feb-07	2007 options exercised			
	- Conversion to ordinary shares	(20,000)	($0.01)	(200)
15-Jun-07	2007 options exercised			
	- Conversion to ordinary shares	(12,500)	($0.01)	(125)
30-Jun-07	Balance	36,260,751		317,608
11-Mar-08	2007 options exercised			
	- Conversion to ordinary shares	(2,000,000)	-	-
30-Jun-08	Closing balance	34,260,751		317,608

23. 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 34,260,751 options over unissued shares as follows:

- 29,760,751 listed options exercisable at $0.20 on or before 31 July 2008
- 1,250,000 unlisted options exercisable at $0.20 on or before 31 January 2009
- 3,250,000 unlisted options exercisable at $0.25 on or before 31 December 2009

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.

24. RESERVES

Reserves	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
Foreign currency translation reserve	(54,586)	(5,130)	-	-
	(54,586)	(5,130)	-	-

Movements in reserves

Foreign currency translation reserve				
Balance at start of period	(5,130)	-	-	-
Currency translation differences	(49,456)	(5,130)	-	-
Deferred tax impact	-	-	-	-
Balance at the end of period	(54,586)	(5,130)	-	-

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.

25. ACCUMULATED LOSSES

Movements in retained earnings

Balance at start of period	(747,854)	(118,097)	(739,212)	(118,097)
Net profit/(loss) for the year	(4,100,491)	(629,757)	(4,309,025)	(621,115)
Balance at end of period	(4,848,345)	(747,854)	(5,048,237)	(739,212)

26. 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.

26. 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:

2008	Floating rates $	Fixed interest maturing in < 1 year $	1 - 5 years $	> 5 years $	Non-interest bearing $	Total $
Financial assets						
Cash and cash equivalents	45,026	200,000	-	-	26,625	271,651
Trade and other receivables	-	-	-	-	252,997	252,997
	45,026	200,000	-	-	279,622	524,648
Weighted average interest rate	-	7.00%	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	-	-	(72,728)	(72,728)
	-	-	-	-	(72,728)	(72,728)
Weighted average interest rate	-	-	-	-	-	-

2007	Floating rates $	Fixed interest maturing in < 1 year $	1 - 5 years $	> 5 years $	Non-interest bearing $	Total $
Financial assets						
Cash and cash equivalents	208,092	1,000,000	-	-	26,865	1,234,957
Trade and other receivables	-	-	-	-	76,518	76,518
	208,092	1,000,000	-	-	103,383	1,311,475
Weighted average interest rate	5.85%	6.27%	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	-	-	(24,183)	(24,183)
	-	-	-	-	(24,183)	(24,183)
Weighted average interest rate	-	-	-	-	-	-

Group and parent entity sensitivity
At 30 June 2008, 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 $6,900 lower/higher (2007 – change of 100 basis points; $19,500 lower/higher), mainly as a result of higher/lower interest income from cash and cash equivalents. The group's interest income from both financial years comes solely from the parent entity.

26. 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 only balances that are due to be paid within the next three months is $57,728 (2007: $24,183) for both consolidated and parent entities.

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 2008

27. CASH FLOW INFORMATION

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
Reconciliation of (loss) after income tax to net cash flow from operating activities				
(Loss) for the year	(4,100,491)	(629,757)	(4,309,025)	(621,115)
Depreciation and amortisation	21,101	7,009	7,776	1,292
Net loss on sale of property, plant & equipment	-	987	-	987
Impairment of related party receivables	-	-	3,253,547	217,717
Impairment of other financial assets	-	-	306,103	30,621
Write-off of exploration assets	3,225,694	-	-	-
Write-off of trade and other receivables	129,134	-	120,716	-
Share of profits from associates accounted for using the equity method	10,900	8,642	-	-
Interest income included in investing activities	(48,411)	(122,026)	(48,411)	(122,026)
Change in operating assets (net of impact from purchase of controlled entity)				
- (increase)/decrease in trade and other receivables	2,610	(4,776)	2,610	(4,776)
- (increase)/decrease in inventories	(51,795)	-	-	-
- (increase)/decrease in other assets	(206,766)	-	(89,693)	
- increase/(decrease) in trade and other payables	(77,820)	10,323	(21,363)	10,323
- increase/(decrease) in other provisions	61,430		61,430	
Net cash flow from operating activities	(1,034,414)	(729,598)	(716,310)	(486,977)

Non-cash financing activities
During the 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.

28. RELATED PARTY TRANSACTIONS

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

Subsidiaries
Interests in subsidiaries are disclosed in Note 17.

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

Loans to related parties				
Beginning of the year	-	-	2,932,199	1,395,680
Advances to subsidiaries	-	-	622,851	1,537,139
Repayments to subsidiaries	-	-	(205)	(620)
End of year	-	-	3,554,845	2,932,199

The loans to related parties have been provided for in the amounts of $3,471,264 (2007: $217,717). Refer to Note 14 for more information.

Outstanding balances
Outstanding balances in relation to transaction with related parties are disclosed in Note 14.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 JUNE 2008**

29. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Key management personnel compensation

Short-term employee benefits	98,100	181,333	98,100	181,333
Post-employment benefits	93,130	15,195	93,130	15,195
	191,230	196,528	191,230	196,528

Further details of compensation of the key management personnel of Coziron Resources Limited are set out in the Remuneration Report on page 12.

(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 1 July 2007	Granted as compensation	Options Exercised	Bought & (Sold)	Balance at 30 June 2008
Richard Tan	6,500,000	-	(1,500,000)	-	5,000,000
Lam Fatt Tan	6,500,000	-	(500,000)	-	6,000,000
Sai Kwok Miu	3,004,544	-	-	-	3,004,544
Greg Burns	1,175,000	-	-	-	1,175,000
George Lazarou	300,000	-	-	-	300,000
Total	**17,479,544**	**-**	**(2,000,000)**	**-**	**15,479,544**

Name	Balance at 1 July 2006	Granted as compensation	Options Exercised	Bought & (Sold)*	Balance at 30 June 2007
Richard Tan	1,500,000	-	-	5,000,000	6,500,000
Lam Fatt Tan	1,500,000	-	-	5,000,000	6,500,000
Sai Kwok Miu	-	-	-	3,004,544	3,004,544
Greg Burns	1,000,000	-	-	175,000	1,175,000
George Lazarou	250,000	-	-	50,000	300,000
Total	**4,250,000**	**-**	**-**	**13,229,544**	**17,479,544**

* This related to a non-renounceable issue of options to all shareholders in November 2006 offering one option for each two shares held at a price of one cent each, exercisable at 20 cents on or before 31 July 2008.

29. 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 2007	Granted as compensation	Received on exercise of options or rights	Bought & (Sold)	Balance at 30 June 2008	Balance held nominally
Richard Tan	10,000,001	-	1,500,000	-	11,500,001	11,500,001
Lam Fatt Tan	10,055,001	-	500,000	-	10,555,001	10,555,001
Sai Kwok Miu	1,842,749	-	-	(33,829)	1,808,920	1,808,920
Gregory Burns	350,000	-	-	-	350,000	350,000
George Lazarou	100,000	-	-	-	100,000	100,000
Total	**22,347,751**	**-**	**2,000,000**	**(33,829)**	**24,313,922**	**24,313,922**

Name	Balance at 1 July 2006	Granted as compensation	Received on exercise of options or rights	Bought & (Sold)	Balance at 30 June 2007	Balance held nominally
Richard Tan	10,000,001	-	1,500,000	-	10,000,001	10,000,001
Lam Fatt Tan	10,000,001	-	-	55,000	10,055,001	10,055,001
Sai Kwok Miu	-	-	-	1,842,749	1,842,749	1,842,749
Gregory Burns	350,000	-	-	-	350,000	350,000
George Lazarou	100,000	-	-	-	100,000	100,000
Total	**20,450,002**	**-**	**-**	**1,428,804**	**22,347,751**	**22,347,751**

29. 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 2007 and 2008 financial years. The directors

(e) Other transactions and balances

Company secretarial services

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

	2008 $	2007 $
Consulting services provided by directors recognised as an expense during the year		
- Timothy John Spooner	32,125	-
- George Lazarou	-	12,499
	32,125	**12,499**

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

Current liabilities	-	-

Legal Services

No legal services were provided by the directors or other key management personnel during the 2007 and 2008 financial years.

30. CONTINGENCIES

In the opinion of the directors there were no material contingent liabilities that exists as at 30 June 2007 or 30 June 2008, nor the interval between 30 June 2008 and the date of this report.

31. COMMITMENTS

Lease commitments	**Consolidated**		**Parent**	
	2008 **$**	**2007** **$**	**2008** **$**	**2007** **$**
Non-cancellable operating leases - future minimum lase payments				
Within one year	59,950	-	59,950	-
Later than one year but not later than 5 years	94,921	-	94,921	-
Later than 5 years	-	-	-	-
	154,871	**-**	**154,871**	**-**

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.

31. COMMITMENTS (Continued)

Exploration commitments	**Consolidated**		**Parent**	
	2008	**2007**	**2008**	**2007**
	$	**$**	**$**	**$**
Non-cancellable operating leases - future minimum lase payments				
Within one year	67,525*	-	67,525*	-
Later than one year but not later than 5 years	-	-	-	-
Later than 5 years	-	-	-	-
	67,525	**-**	**67,525**	**-**

* In September 2008, the Group entered into two joint venture ('JV') agreements with PT Galian Endapan Buana ('GEB') for the exploration of lead and iron sands, which are subject to completion of legal due diligence. The heads of agreement for both JVs have been signed, and the initial payments for US$40,000 (for lead) and US$25,000 (for iron sands) have been affected representing 50% of the total amount payable under each agreement. The amount reflected above is the remaining 50% payable under each agreement which has been translated at the closing rate of AUD 1 = USD 0.9626.

In addition, the JV agreement requires that upon the execution of deed of assignment for the exploration of lead, Coziron is to issue a total of 3,000,000 shares and 3,000,000 options (exercisable at 30 cents per share within two years) to GEB, whilst a further 2,000,000 shares is to be issued to GEB upon the delivery of the first shipment of iron sands.

32. SUBSEQUENT EVENTS

1,000 out of the 29,760,751 listed options were converted into ordinary shares, raising $200 for the Company. The remaining 29,759,751 expired on 31 July 2008.

In August 2008, the Company engaged an Indonesian Geophysics company "CV Billanda Utama" to undertake the Ground Electro Magnetic Survey at the two iron sand tenements in AGAM. Thereafter, an in-depth exploration program to fully comprehend the quality and quantity of AGAM Iron Sands mineralisation will be carried out. The company has recently received an Independent Geological Assessment of the project from Ravensgate, minerals industry consultants.

In September 2008, the company announced its intention to undertake a non-renounceable rights issue of 1 share for every two shares held to raise up to approximately $2.6 million. This amount is not underwritten.

In September 2008, the Company entered into two joint venture agreements with PT Galian Endapan Buana which are subject to completion of legal due diligence, one for the exploration of iron sands, and another for the exploration of lead.

In relation to the agreement for the exploration of iron sands, a further US$25,000 and the issuance of 2,000,000 Coziron Resources Limited shares is payable upon the delivery of the first shipment of iron sands.

In relation to the agreement for the exploration of lead, a further US$40,000 and the issuance of 3,000,000 shares and 3,000,000 options (exercisable at 30 cents per share within two years) is payable upon the execution of deed of assignment.

The details of amounts payable in relation to the agreement for both JV agreements have been included in Note 31.

32. SUBSEQUENT EVENTS (Continued)

On 30th September 2008, Coziron received $100,000 from Australian Glamour Pty Ltd (a company controlled by Richard Tan) and $100,000 from KHH Australian Holdings Pty Ltd (a company controlled by Lam Fatt Tan) by way of short-term loans.

Except for the above, in the opinion of the Directors, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2008

The directors of Coziron Resources Limited declare that:

1. The financial statements and notes, as set out on pages 16 to 49 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 2008 and of the performance for the year ended on that date of the company and economic entity;

2. the Chief Executive Officer and Chief Finance Officer have each declared that:

   (a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
   (b) the financial statements and notes for the financial year comply with the Accounting Standards; and;
   (c) the financial statements and notes for the financial year give a true and fair view;

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

4. The remuneration disclosures included in pages 11 to 13 of the directors' report (as part of the audited remuneration report), for the year ended 30 June 2008, comply with section 300A 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:

Mr Richard Tan
Executive Chairman

Dated this 30th day of September 2008

BDO Kendalls

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INDEPENDENT AUDITOR'S REPORT

To the members of Coziron Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Coziron Resources Limited, which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2(a), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements,* that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies 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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

Independence

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

Basis for Qualified Auditor's Opinion

The group has an investment in Integrated Rubber Industries Limited which is carried in the parent entity accounts at cost being $100,000 and is carried in the consolidated accounts as an investment in associate at $25,872. On consolidation the group has recognised its share of the associate's foreign currency translation reserve which equated to ($54,586) and share of associate's losses of ($10,900).

The audit of Integrated Rubber Industries Limited for the year ended 30th June 2008 including the restatement of the opening balance has not been completed and accordingly, the company has been unable to undertake testing for impairment of the investment in associate in accordance with AASB 136 "Impairment of Assets" and has been unable to correctly account for the investment in associate in accordance with AASB 128 "Investments in Associates" using the equity method of accounting.

Due to the limitation of audited financial records of Integrated Rubber Industries Limited, we have been unable to perform sufficient and appropriate audit procedures in relation to the valuation of the investment or the accounting for investments in associates and our audit opinion is qualified on these matters.

Qualified Auditor's Opinion

In our opinion, except for the effect on the financial statements of the matter referred to in the qualification paragraph, if any,:

(a) the financial report of Coziron Resources Limited is in accordance with the *Corporations Act 2001*, including:

    (i) giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2008 and of their performance for the year ended on that date; and

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

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a).

Material Uncertainty Regarding Continuation as a Going Concern

Without qualifying our opinion, we draw attention to Note 2(a) in the financial report. The consolidated entity incurred a net loss of $4,100,491 during the year ended 30 June 2008 and incurred operating cash outflow of $1,034,414. These conditions, along with other matters as set forth in Note 2(a), indicate the existence of a material uncertainty which may cast significant doubt about the company's and the consolidated entity's ability to continue as a going concern and, therefore whether they will realize their assets and extinguish their liabilities in the normal course of business and at amounts stated in 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 2008. The directors of the company and the consolidated entity 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.

BDO Kendalls

Auditor's Opinion

In our opinion, the Remuneration Report of Coziron Resources Limited for the year ended 30 June 2008, complies with section 300A of the Corporation Act 2001.

BDO Kendalls Audit & Assurance (WA) Pty Ltd

BDO Kendalls

C Burton

Chris Burton
Director

Perth, Western Australia on 30 September 2008

CORPORATE GOVERNANCE

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Best Practice Recommendations*. The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines. As consistency with the guidelines has been a gradual process, where the Company did not have certain policies or committees recommended by the ASX Corporate Governance Council (the Council) in place during the reporting period, we have identified such policies or committees.

Where the Company's corporate governance practices do not correlate with the practices recommended by the Council, the Company is working towards compliance however it does not consider that all the practices are appropriate for the Company due to the size and scale of Company operations.

To illustrate where the Company has addressed each of the Council's recommendations, the following table cross-references each recommendation with sections of this report. The table does not provide the full text of each recommendation but rather the topic covered. Details of all of the recommendations can be found on the ASX Corporate Governance Council's website at
http://www.asx.com.au/supervision/governance/revised_corporate_governance_principles_recommendations.htm

Recommendation	**Section**
Recommendation 1.1 Functions of the board and management	1.1
Recommendation 1.2 Evaluation of senior executives	1.4.10
Recommendation 2.1 Independent directors	1.2
Recommendation 2.2 Independent chairman	1.2
Recommendation 2.3 Role of chairman and chief executive officer	1.2
Recommendation 2.4 Establishment of nomination committee	2.3
Recommendation 2.5 Evaluation of board, committees and individual directors	1.4.10
Recommendation 2.6 Reporting on *Principle 2*	1.2, 1.4.6, 2.3.2
Recommendation 3.1 Establishment of code of conduct	1.1, 3
Recommendation 3.2 Company security trading policy	1.4.9
Recommendation 3.3 Reporting on *Principle 3*	1.1 and 1.4.9
Recommendation 4.1 Establishment of audit committee	2.1
Recommendation 4.2 Structure of audit committee	2.1.2
Recommendation 4.3 Audit committee charter	2.1
Recommendation 4.4 Reporting on *Principle 4*	2.1
Recommendation 5.1 Policies for compliance with continuous disclosure	1.4.4
Recommendation 6.1 Communications strategy	1.4.8
Recommendation 6.2 Reporting on *Principle 6*	1.4.4, 1.4.8
Recommendation 7.1 Policies on risk oversight and management	2.1.3
Recommendation 7.2 Design and implementation of risk management and internal control systems	2.1.3
Recommendation 7.3 Attestations and assurance by chief executive officer and chief financial officer	1.4.11
Recommendation 7.4 Reporting on *Principle 7*	2.1.3
Recommendation 8.1 Establishment of remuneration committee	2.2
Recommendation 8.2 Executive and non-executive director remuneration	2.2.4.1 and 2.2.4.2
Recommendation 8.3 Reporting on *Principle 8*	2.2

1. BOARD OF DIRECTORS

1.1 Role of the Board

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. The Board has the final responsibility for the successful operations of the Company.

To assist the Board carry our its functions, it has developed a Code of Conduct to guide the Directors, the Chief Executive Officer, the Chief Financial Officer and other key executives in the performance of their roles.

1.2 Composition of the Board

To add value to the Company the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given its current size and scale of operations. Directors are appointed based on the specific skills required by the Company and on their decision-making and judgment skills.

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. At present there are no Non-Executive Directors, the Company is actively seeking an independent Non-Executive Director.

An Independent Director is a Non-Executive Director and:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;
- within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member. Or an employee materially associated with the service provided;
- is not a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has no material contractual relationship with the Company or other group member other than as a Director of the Company;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

1.3 Responsibilities of the Board

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company.

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following:

- Leadership of the Organisation: overseeing the Company and establishing codes that reflect the values of the Company and guide the conduct of the Board.
- Strategy Formulation: to set and review the overall strategy and goals for the Company and ensuring that there are policies in place to govern the operation of the Company.
- Overseeing Planning Activities: the development of the Company's strategic plan.
- Shareholder Liaison: ensuring effective communications with shareholders through an appropriate communications policy and promoting participation at general meetings of the Company.
- Monitoring, Compliance and Risk Management: the development of the Company's risk management, compliance, control and accountability systems and monitoring and directing the financial and operational performance of the Company.
- Company Finances: approving expenses and approving and monitoring acquisitions, divestitures and financial and other reporting.
- Human Resources: appointing, and, where appropriate, removing the Chief Executive Officer or Managing Director (CEO / MD) and Chief Financial Officer (CFO) as well as reviewing the performance of the CEO and monitoring the performance of senior management in their implementation of the Company's strategy.
- Ensuring the Health, Safety and Well-Being of Employees: in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to ensure the well-being of all employees.
- Delegation of Authority: delegating appropriate powers to the CEO to ensure the effective day-to-day management of the Company and establishing and determining the powers and functions of the Committees of the Board.

Full details of the Board's role and responsibilities are contained in the Board Charter, a copy of which is available for inspection at the Company's registered office.

1.4 Board Policies

1.4.1 Conflicts of Interest

Directors must:

- disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Company; and
- if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot or is unwilling to remove a conflict of interest then the Director must, as per the *Corporations Act*, absent himself or herself from the room when discussion and/or voting occurs on matters about which the conflict relates.

1.4.2 Commitments

Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company.

1.4.3 Confidentiality

In accordance with legal requirements and agreed ethical standards, Directors and key executives of the Company have agreed to keep confidential, information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

1.4.4 Continuous Disclosure
The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with the *ASX Listing Rules* the Company immediately notifies the ASX of information:
- concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and
- that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

1.4.5 Education and Induction
It is the policy of the Company that new Directors undergo an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an induction package and presentations. Information conveyed to new Directors include:
- details of the roles and responsibilities of a Director;
- formal policies on Director appointment as well as conduct and contribution expectations;
- access to a copy of the Board Charter;
- guidelines on how the Board processes function;
- details of past, recent and likely future developments relating to the Board;
- background information on and contact information for key people in the organisation;
- an analysis of the Company;
- a synopsis of the current strategic direction of the Company; and
- a copy of the Constitution of the Company.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skills gaps where they are identified.

1.4.6 Independent Professional Advice
The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities.

1.4.7 Related Party Transactions
Related party transactions include any financial transaction between a Director and the Company. Unless there is an exemption under the *Corporations Act* from the requirement to obtain shareholder approval for the related party transaction, the Board cannot approve the transaction.

1.4.8 Shareholder Communication
The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to:
- communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders and the general meetings of the Company;
- giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;
- making it easy for shareholders to participate in general meetings of the Company; and
- requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.

1.4.9 Trading in Company Shares
Due to the size of the Company, the Board does not consider it appropriate to implement a Share Trading Policy. Rather, it reminds directors, officers and employees of the prohibition in the Corporations Act 2001 concerning trading in the Company's securities when in possession of "inside information".

1.4.10 Performance Review/Evaluation
It is the policy of the Board to conduct evaluation of its performance. The evaluation process was introduced via the Board Charter adopted on 14 June 2006 and will be implemented for the financial year ended 30 June 2006. The objective of this evaluation will be to provide best practice corporate governance to the Company.

1.4.11 Attestations by CEO and CFO
It is the Board's policy, that the CEO and the CFO make the attestations recommended by the ASX Corporate Governance Council as to the Company's financial condition prior to the Board signing the Annual Report. However, as at the date of this report the Company does not have a designated CEO or CFO These roles are performed by the Managing Director and Company Secretary.

2. BOARD COMMITTEES

2.1 Audit Committee

Due to the size and scale of operations of the Company the full Board undertakes the role of the Audit Committee. Below is a summary of the role and responsibilities of an Audit Committee.

2.1.1 Role
The Audit Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors.

As the whole Board only consists of three (3) members, the Company does not have an audit committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues and an audit committee cannot be justified based on a cost-benefit analysis. However, in accordance with the ASX Listing Rules, the Company is moving towards establishing an audit committee consisting primarily of Independent Directors.

In the absence of an audit committee, the Board sets aside time to deal with issues and responsibilities usually delegated to the audit committee to ensure the integrity of the financial statements of the Company and the independence of the external auditor.

2.1.2 Responsibilities
The Audit Committee or as at the date of this report the full Board of the Company reviews the audited annual and half-yearly financial statements and any reports which accompany published financial statements and recommends their approval to the members.

The Audit Committee or as at the date of this report the full Board of the Company each year reviews the appointment of the external auditor, their independence, the audit fee, and any questions of resignation or dismissal.

The Audit Committee or as at the date of this report the full Board of the Company is also responsible for establishing policies on risk oversight and management.

2.1.3 Risk Management Policies
The Board's Charter clearly establishes that it is responsible for ensuring there is a sound system for overseeing and managing risk. As the whole Board only consists of three (3) members, the Company does not have a Risk Management Committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

2.2 Remuneration Committee

2.2.1 Role
The role of a Remuneration Committee is to assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and incentive policies for employees.
As the whole Board only consists of three (3) members, the Company does not have a remuneration committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

2.2.2 Responsibilities
The responsibilities of a Remuneration Committee, or the full Board include setting policies for senior officers' remuneration, setting the terms and conditions of employment for the Chief Executive Officer, reviewing and making recommendations to the Board on the Company's incentive schemes and superannuation arrangements, reviewing the remuneration of both Executive and Non-Executive Directors and making recommendations on any proposed changes and undertaking reviews of the Chief Executive Officer's performance, including, setting with the Chief Executive Officer goals and reviewing progress in achieving those goals.

2.2.3 Remuneration Policy
Directors' Remuneration for the majority of directors was approved at a Board meeting held on 14 June 2006.

2.2.3.1 Senior Executive Remuneration Policy
The Company is committed to remunerating its senior executives in a manner that is market-competitive and consistent with best practice as well as supporting the interests of shareholders. Consequently, under the Senior Executive Remuneration Policy the remuneration of senior executive may be comprised of the following:
- fixed salary that is determined from a review of the market and reflects core performance requirements and expectations;
- a performance bonus designed to reward actual achievement by the individual of performance objectives and for materially improved Company performance;
- participation in any share/option scheme with thresholds approved by shareholders;
- statutory superannuation.

By remunerating senior executives through performance and long-term incentive plans in addition to their fixed remuneration the Company aims to align the interests of senior executives with those of shareholders and increase Company performance.

The value of shares and options were they to be granted to senior executives would be calculated using the Black and Scholes method.

The objective behind using this remuneration structure is to drive improved Company performance and thereby increase shareholder value as well as aligning the interests of executives and shareholders.

The Board may use its discretion with respect to the payment of bonuses, stock options and other incentive payments.

2.2.3.2 Non-Executive Director Remuneration Policy
Non-Executive Directors are to be paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of Non-Executive Directors. Non-Executive Directors do not receive performance based bonuses and do not participate in equity schemes of the Company.

Non-Executive Directors are entitled to but not necessarily paid statutory superannuation.

2.2.4 Current Director Remuneration
Full details regarding the remuneration of Directors, is included in the Directors' Report.

2.3 Nomination Committee

2.3.1 Role

The role of a Nomination Committee is to help achieve a structured Board that adds value to the Company by ensuring an appropriate mix of skills are present in Directors on the Board at all times.

As the whole Board only consists of three (3) members, the Company does not have a nomination committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

2.3.2 Responsibilities

The responsibilities of a Nomination Committee would include devising criteria for Board membership, regularly reviewing the need for various skills and experience on the Board and identifying specific individuals for nomination as Directors for review by the Board. The Nomination Committee would also oversee management succession plans including the CEO/ MD and his/her direct reports and evaluate the Board's performance and make recommendations for the appointment and removal of Directors. Currently the Board as a whole performs this role.

2.3.3 Criteria for selection of Directors

Directors are appointed based on the specific governance skills required by the Company. Given the size of the Company and the business that it operates, the Company aims at all times to have at least two Directors with experience appropriate to the Company's target market. In addition, Directors should have the relevant blend of personal experience in accounting and financial management and Director-level business experience.

3. COMPANY CODE OF CONDUCT

The Board has decided against the implementation of a code of conduct as it does not believe that it is in the best interests of its employees or other stakeholders to have what purports to be an exhaustive code of conduct. The Board feels that such a code may be too prescriptive and not allow the employees the discretion they need to best serve the Company's stakeholders.

ADDITIONAL SHAREHOLDER INFORMATION

SUBSTANTIAL SHAREHOLDERS

The names of the substantial shareholders listed in the company register as at 13 October 2008 were as follows:

Shareholder	Shares	%
KHH Australian Holdings Pty Ltd	10,500,001	15.92
Australian Glamour Pty Ltd ATF R F Tan Family Trust	6,500,001	9.86
Australian Glamour Pty Ltd ATF R F Tan Superannuation Fund	5,000,000	7.58
Propsperity Assets Ventures Ltd	5,000,000	7.58
Joseph Ting Kwong Kam	3,700,401	5.61

DISTRIBUTION OF SHAREHOLDERS

The distribution of members and their holdings of equity securities in the Company as at 13 October 2008 were as follows:

Range of holding	Shareholders	Number Of Ordinary Shares	%
1 – 1,000	6	4,110	0.01
1,001 – 5,000	41	117,122	0.18
5,001 – 10,000	160	1,557,899	2.36
10,001 – 100,000	198	7,200,633	10.92
100,001 and over	55	57,059,489	86.53
Totals	**460**	**65,939,253**	**100.00**

The number of shareholders with less than a marketable parcel of fully paid shares is 41, holding in total 91,232 shares.

The number of shareholders with less than an economical parcel of fully paid shares is 248, holding in total 2,278,762 shares.

UNQUOTED SECURITIES

The Company issued the following unquoted securities:

Class Of Equity Securities	Number	Number Of Security Holders
31 January 2009 Options ($0.20)	1,250,000	2
31 December 2009 Options ($0.25)	3,000,000	3

RESTRICTED SECURITIES

The Company had no restricted securities as at 13 October 2008.

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.

TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest shareholders of the fully paid ordinary shares of the Company as at 13 October 2008 are as follows:

Name	Number Of Ordinary Fully Paid Shares	% Held Of Issued Ordinary Capital
KHH Australian Holdings Pty Ltd	10,500,001	15.92
Australian Glamour Pty Ltd ATF R&F Tan Family Trust	6,500,001	9.86
Australian Glamour Pty Ltd ATF R&F Tan Superannuation Fund	5,000,000	7.58
Propsperity Assets Ventures Ltd	5,000,000	7.58
Joseph Ting Kwong Kam	3,700,401	5.61
Yee Chin Tan	3,000,000	4.55
Golden Achiever Ltd	2,400,000	3.64
Florence Poh Choo Tan	2,000,000	3.03
Choow Lin Tan	2,000,000	3.03
Constance Poh Hoon Lim	2,000,000	3.03
Pathfinder Investments Pty Ltd	1,073,659	1.63
Kevin Kok Seng Tan	1,000,000	1.52
Robert Kam & Pao-Ying P ATF Kam Family Superannuation Fund	875,000	1.33
John Oakley Clinton ATF Clinton Trading Trust	818,371	1.24
Serene May Chen Tan	800,000	1.21
Golden Gate Enterprise Pty Ltd ATF Lianto Superannuation Fund	662,500	1.00
Boon Seng Ong	657,603	1.00
Tong Yong Lim	600,000	0.91
Sylvia Yohana Lianto Ong	530,000	0.80
Jenny Poon	445,000	0.67
Totals	**49,562,536**	**75.14**

SCHEDULE OF MINERAL TENEMENTS

1	**Minerals :** **Tenement :** **Tenement No:**	**Lead** **Solok Selatan** **540/01/KP/DPPMLH/Bup-2008**		
	Coordinates	**Longitude**	**Latitude**	
	001	101 19 42 00	001 09 16 45	LS
	002	101 20 55 31	001 09 16 45	LS
	003	101 20 55 31	001 10 22 71	LS
	004	101 19 42 00	001 10 22 71	LS

2	**Minerals :** **Tenement :** **Tenement No:**	**Lead** **Solok Selatan** **540/03/KP/DPPMLH/Bup-2008**		
	Coordinates	**Longitude**	**Latitude**	
	001	101 20 10 00	001 09 33 01	LS
	002	101 20 45 00	001 09 33 01	LS
	003	101 20 45 00	001 10 14 12	LS
	004	101 20 10 00	001 10 14 12	LS

3	**Minerals :** **Tenement :** **Tenement No:**	**Iron Sand** **Agam** **No. 476/Year 2008**		
	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