



VIEW RESOURCES LIMITED



ANNUAL REPORT 2011



DIRECTORS

Ranko Matic (Non-Executive Chairman)
William Oliver (Non-Executive Director)
Simon MacKinnon (Non-Executive Director)

COMPANY SECRETARY

Ranko Matic

REGISTERED OFFICE & CONTACTS

Level 1
12 Kings Park Road
WEST PERTH WA 6005
Ph: +61 8 9226 4500
Fax: +61 8 9226 4300
Web: www.viewresources.com.au
Stock Exchange Listing - ASX Code: VRE

SOLICITORS

Steinepreis Paganin
Level 4
The Read Buildings
16 Milligan Street
PERTH WA 6000
Ph: +61 8 9321 4000
Fax: +61 8 9321 4333

AUDITORS

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008
Ph: +61 8 6382 4600
Fax: +61 8 6382 4601

SHARE REGISTRY

Computershare Investor Services Pty Limited
Level 2, Reserve Bank Building
45 St George's Terrace
PERTH WA 6000
Telephone: 1300 787 272

Your directors present their report, together with the financial statements on the consolidated entity, consisting of View Resources Limited and the entities it controlled at the end of, or during, the year ending 30 June 2011.

DIRECTORS

The names of directors in office at any time during or since the end of the year are:

NAME OF PERSON	POSITION	DATE APPOINTED
Mr. William Oliver	Non-Executive Director	23 December 2010
Mr. Ranko Matic	Non-Executive Chairman	23 December 2010
Mr. Simon Mackinnon	Non-Executive Director	7 January 2011

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 person held the position of company secretary at the end of the financial year: Mr Ranko Matic (appointed 23 December 2010). There was no previous company secretary in office during the year as the company was in administration.

PRINCIPAL ACTIVITIES AND SIGNIFICANT CHANGES IN THE NATURE OF ACTIVITIES

During the year the principal continuing activities of the economic entity consisted of mineral exploration and mineral extraction via joint venture arrangements.

There were no other significant changes in the nature of the activities of the group during the year.

OPERATING RESULTS

The consolidated profit of the economic entity after providing for income tax amounted to \$38,347,749 (2010: \$6,865,934).

DIVIDENDS

No dividends were paid or declared since the start of the financial year. No dividend has been recommended.

REVIEW OF OPERATIONS

Carnilya Hill Joint Venture

View Resources (through View Nickel Pty Ltd) has retained a 30% joint venture interest in the Carnilya Hill Joint Venture in Western Australia with Mincor Resources NL (Joint Venture). The Carnilya Hill Mine has been in production for a number of years and the current mine plan anticipates that it will remain in production until the current reserves are depleted in the first quarter of 2012 depending on the nickel price and successful mining techniques being implemented.

Mincor Resources NL ("Mincor", ASX:MCR) is the operator of the Carnilya Hill JV. Mincor has advised the Company that the mine is now in 'harvest mode' meaning that mine development has been completed enabling access to the majority of the remaining ore reserves. Continued mining operations are focused on extracting the ore now available as a result of this mine development.

Production from Carnilya Hill is controlled by the stoping sequence which defines the order in which the remaining stopes can be mined. As a result the actual production can vary significantly on a monthly basis.

According to Mincor the current mining sequence resulted in an overall 25% increase in grade mined during the quarter compared to the previous Quarter. Mining at Carnilya Hill is expected to be completed in the first Quarter of calendar 2012. Mincor's production target for Carnilya Hill for FY2011/2012 is 43,000 tonnes of ore at a grade of 3.1% Ni of which 13,000 tonnes are attributable to View Resources.

Mining continued during the June Quarter with 14,052 tonnes of ore extracted with an average grade of 3.94% Ni. Of this 4,216 tonnes of ore are attributable to View. The production for the 12 months from 30 June 2010 is 76,374 tonnes of ore at an average grade of 3.08% Ni. This is approximately 4,700 tonnes of ore below forecast. The full year production attributable to View is 22,912 tonnes of ore. Ore was treated and concentrate acquired by BHP Billiton Nickel West Pty Ltd under an ore tolling and concentrate purchase agreement.

As at 30 June 2011, the Ore Reserves for the Carnilya Hill Joint Venture (as reported by Mincor Resources NL) were as set out in the table below:

Proved		Probable		Total		
Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Total Ni tonnes
47,000	3.3	0	0	47,000	3.3	1,560

As at 30 June 2011, the Mineral Resource for the Carnilya Hill Joint Venture (as reported by Mincor) are as set out in the table below:

Measured		Indicated		Total		
Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Total Ni tonnes
90,000	4.1	58,500	2.3	148,500	3.4	5,000

The Ore Reserves for the Carnilya Hill Joint Venture (as reported by Mincor Resources NL as at 30 June 2011) attributable to the Company's 30% interest (i.e. 30% of the total Carnilya Hill Ore Reserves) are as set out in the table below:

Proved		Probable		Total		
Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Total Ni tonnes
14,000	3.3	0	0	14,000	3.3	450

As at 30 June 2011, the Mineral Resource for the Carnilya Hill Joint Venture (as reported by Mincor) attributable to the Company's 30% interest (i.e. 30% of the total Carnilya Hill Mineral Resource) is as set out in the table below:

Measured		Indicated		Total		
Tonnes	Ni (%)	Tonnes	Ni (%)	Tonnes	Ni (%)	Total Ni tonnes
27,000	4.1	17,500	2.3	44,500	3.4	1,500

The resources above are inclusive of reserves. The total ore reserves have been reduced from 3,900 tonnes of contained nickel at 30 June 2010 to 1,560 tonnes of contained nickel at 30 June 2011 as a result of depletion through mining.

As the operator of the joint venture, Mincor manages the ongoing exploration programmes and releases results from these programmes as they are available. The exploration conducted to date has been inclusive. Only limited exploration was undertaken by Mincor in the quarter and no significant results were reported.

Regional Exploration

The Company has applied for tenement E39/1641 located in the Eastern Goldfields region of Western Australia. The tenement consists of 27 blocks and is located to the south of Minara Resources' Murrin Murrin mine and adjacent to the NiWest operation currently under development by GME Resources Ltd. The area is believed to have potential for both nickel laterite and nickel sulphide mineralisation.

The tenement area is underlain by rhyolite flows and acid tuffs occurring in thick interlayered beds with volcanoclastic sediments. Mapping has shown that there are a variety of mafic intrusives in the area, with the vast majority intruded as sills, and ultramafic units within the project area. Much of the tenement is covered by alluvial cover however which is likely to have hampered historical exploration.

The area has previously been explored for nickel as well as copper and zinc by a number of companies. Work has ranged from early stage soil sampling to auger and diamond drilling. However there has only been limited exploration in recent times and it is likely that several modern exploration techniques have not been applied in the area.

The Company is currently compiling publicly available data relating to this tenement from which it will determine the exploration strategy to be taken once tenure is granted.

Other Projects

The Company is actively seeking complementary and non-complementary assets, investments and businesses that have the potential to generate additional shareholder value. These other opportunities might include making investments in resource assets outside of nickel. The Company has been considering a number of opportunities in the coal, iron ore, potash, phosphate and other mineral sectors in recent times.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

Andrew Saker and Darren Weaver from Ferrier Hodgson were appointed as Joint and Several Administrators of View Resources Ltd ("View Resources") on Friday, 8 February 2008. Furthermore, Andrew Saker and Darren Weaver were also appointed as Joint and Several Administrators to View Resources subsidiaries namely View Gold Pty Ltd ("View Gold") and View Nickel Pty Ltd ("View Nickel") on Friday, 8 February 2008.

Following a marketing and sale campaign, the Administrators received a DOCA proposal by Brijohn Nominees Pty Ltd (the Syndicate) which was capable of being accepted by creditors.

On the 9th February 2011 the DOCA as described above was effectuated and the recapitalisation proposal for the company completed. Control of View Resources Limited and View Nickel Pty Ltd was handed over to the new and current directors.

As a result of the above the Company has extinguished all liabilities associated with the previous administration of the Group and has undertaken the following transactions as part of the DOCA effectuation;

- Consolidation of the existing fully paid ordinary shares (Shares) on a one (1) for twenty (20) basis together with the consolidation of its existing options in the same ratio as the existing Shares; and
- Issued 50,000,000 new Shares post consolidation at \$0.001 each to raise \$50,000; and
- Issued 800,000,000 new Shares post consolidation at \$0.005 each to raise \$4,000,000; and
- Issue 170,000,000 new options exercisable at \$0.01 each and expiring 31 March 2014.



In raising this capital, the Company has then made a payment of \$2,125,000 to the Creditor's Trust to effectuate the DOCA with the Administrators.

All outstanding legal and ASX requirements to enable the company to relist on the ASX were completed in early June 2011 and relisting occurred on the 14th June 2011.

FINANCIAL POSITION

The net assets of the consolidated group have increased by \$42,336,687 from a net asset deficiency of (\$36,679,133) at 30 June 2010 to net assets of \$5,657,554 at 30 June 2011. This increase is due to the following factors:

- proceeds from recapitalisation of \$4,100,000;
- effectuation of DOCA including forgiveness of debts associated with pre-DOCA liabilities; and
- gain on deconsolidation of View Gold Pty Ltd.

The consolidated group's net working capital, being current assets less current liabilities is \$4,187,354 which is a significant turnaround from the net working capital deficiency of (\$31,037,112) in 2010.

EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years, except that on the 13th September 2011 it entered into a potash farm-in agreement in West Africa which was subject to and conditional upon the Company being satisfied with the results of legal and technical due diligence. On the 27th September 2011 the Company terminated that agreement due to it not being able to be satisfied with its initial legal due diligence.

LIKELY DEVELOPMENTS

The Directors believe, on reasonable grounds, that to include in this report particular information regarding likely developments in the operations of the Company and the expected results of those operations in future financial years would be speculative and likely to result in unreasonable prejudice to the Company. Accordingly, this information has not been included in this report.

ENVIRONMENTAL REGULATION

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

The directors have considered the enacted National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the directors have determined that the NGER Act will have no effect on the Company for the current or subsequent financial year. The directors will reassess this position as and when the need arises.

**INFORMATION ON DIRECTORS**

William Oliver Director (Non-executive)

Qualifications BSc (Hons), GDipAppFin (FINSIA), MAIG, MAusIMM.

Experience Mr Oliver was appointed to the position of director on 23 December 2010. Mr Oliver has 12 years' experience in the international resources industry working for both major and junior companies. He holds an honours degree in Geology from the University of Western Australia as well as a post-graduate diploma in finance and investment from FINSIA. Mr Oliver has led large scale resource definition projects for Rio Tinto and previously worked in near mine exploration/resource definition roles for New Hampton Goldfields and Harmony Gold. He managed exploration in Portugal for Iberian Resources Limited including target generation and grassroots exploration across a range of commodities. More recent roles include Exploration Manager for Bellamel Mining and BC Iron and he is currently Managing Director of Signature Metals (ASX:SBL). He has wide-ranging exploration experience including expertise in near-mine exploration/resource extension and resource definition as well as significant experience in the technical and economic evaluation of resources projects.

Special responsibilities Nil.

Interest in Shares and Options 4,000,000 ordinary shares.

Directorships held in other listed entities Current Managing Director of Signature Metals Ltd (since 1 October 2008).

Ranko Matic Chairman (Non-executive)

Qualifications B.Bus, CA

Experience Mr Matic was appointed to the position of director on 23 December 2010. Mr Matic is a Chartered Accountant with over 20 years experience in the areas of financial and executive management, accounting, audit, business and corporate advisory. Mr Matic has considerable experience in a range of industries with particular exposure to public listed companies and large private enterprises. Mr Matic is a Director of a Chartered Accounting firm and a Corporate Advisory company based in West Perth and has specialist expertise and exposure in the areas of audit, corporate services, due diligence, mergers & acquisitions, and valuations. Through these positions Mr Matic has been involved in an advisory capacity to a significant number of initial public offerings on the ASX in the last 10 years. Mr Matic has also acted as CFO and company secretary for companies in the public listed and private sectors and currently holds non-executive directorships and corporate secretarial roles for several private and publicly listed companies.

Special responsibilities Nil.

Interest in Shares and Options 3,000,000 ordinary shares.

Directorships held in other listed entities Current Non-Executive Director of East Energy Resources Ltd (since 13 July 2007).

INFORMATION ON DIRECTORS

Simon Mackinnon Director (Non-executive)

Qualifications B.Com, CA

Experience Mr Mackinnon was appointed to the position of director on 7 January 2011. Mr Mackinnon is a qualified Chartered Accountant who has worked in various banking and corporate roles across Australia and Europe.

After graduating from University of Western Australia with a Bachelor of Commerce (Finance and Accounting) he worked with KPMG Corporate Finance before moving to London where he gained extensive M&A and Corporate Finance experience in the UK market. A position as Director - Business Development and Strategy with a FTSE listed mining company provided significant corporate, strategic and operational exposure. On returning to Australia, Mr MacKinnon has developed strong trade relationships across Australia, China and India in the servicing of the Australian resource sector.

Special responsibilities Nil.

Interest in Shares and Options 10,000,000 ordinary shares.

Directorships held in other listed entities Previous Non-Executive Director of Conto Resources Limited (3 February 2011 to 5 September 2011)

MEETING OF DIRECTORS

There were no directors meetings held during the financial year, however all board matters were dealt with via circular resolutions. The Consolidated Entity does not have a formally constituted audit committee or remuneration committee as the board considers that the Consolidated Entity's size and type of operation do not warrant such committees.

NON-AUDIT SERVICES

An amount of \$12,777 was paid to BDO Corporate Tax (WA) Pty Ltd for tax advisory services. Further details are set out in Note 20 of the financial statements.

The board of directors is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, as set out in Note 20 of the financial statements, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact the integrity and objectivity of the auditor;
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

INSURANCE OF OFFICERS

For the year ended 30 June 2011, all directors and the specified executives of the consolidated group were insured by the Company. The insurance covers legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the consolidated entity, and any other payments



arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company. The premiums for each director amounted \$4,235 (inc. GST).

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditors' Independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 49.

AUDITOR

BDO Audit (WA) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

SHARES UNDER OPTION

At the date of this report there are 170,000,000 unissued ordinary shares in respect of which options are outstanding.

Balance at the beginning of the year	2,125,000
--------------------------------------	-----------

Movements of share options during the year

Forfeited	(1,075,000)
Consolidation of options – 1 for 20	(997,500)
Issued, exercisable at \$0.01, on or before 31 March 2014	170,000,000

Total number of options outstanding as at 30 June 2011

170,052,500

Movements subsequent to year end:

Expired on 1 August 2011 (\$7.80)	(52,500)
-----------------------------------	----------

Total number of options outstanding as at the date of this report

170,000,000

The balance is comprised of the following:

Expiry date	Grant Date	Exercise price (cents)	Number of options
31 March 2014	23 February 2011	1	170,000,000

Total number of options outstanding at the date of this report

170,000,000

No person entitled to exercise any option referred to above has or had, by virtue of the option, a right to participate in any share issue of any other body corporate. There were no shares issued on the exercise of options during the year.



REMUNERATION REPORT (Audited)

This report details the nature and amount of the remuneration for each key management person of View Resources Limited and for the executives receiving the highest remuneration for 30 June 2011. From the period 8th February 2008 to 9th February 2011 the group has been in administration. The current directors were not the directors during any part of the financial year end for the 30 June 2010. The comparative information for this report has been excluded due to there being no known remuneration for KMP in office during the year and any required information not being available as all the information and knowledge resided with the previous directors and the accounting records as provided are not complete enough to extract details of remuneration, if any, for the year ended 30 June 2010.

The remuneration report is set out under the following headings:

- A Principles used to determine the nature and amount of remuneration
- B Details of remuneration
- C Service agreements
- D Share-based compensation

The information provided under headings A-D includes remuneration disclosures that are required under accounting Standard AASB 124 *Related Party Disclosures*. These disclosures have been transferred from the financial report and have been audited.

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

In determining competitive remuneration rates, the Board, acting in its capacity as the remuneration committee, seeks independent advice on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes benefit plans and share plans. Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

The Board recognises that View Resources Limited operates in a global environment. To prosper in this environment we must attract, motivate and retain key executive staff.

Market Comparisons

Consistent with attracting and retaining talented executives, the board endorses the use of incentive and bonus payments. The board will continue to seek external advice to ensure reasonableness in remuneration scale and structure, and to compare the Company's position with the external market. The impact and high cost of replacing senior employees and the competition for talented executives requires the committee to reward key employees when they deliver consistently high performance.

Board Remuneration

Shareholders approve the maximum aggregate remuneration for non-executive directors which currently stands at \$300,000 per annum, as approved by shareholders at the Annual General Meeting on 21 November 2006. The Board determines actual payments to directors and reviews their remuneration annually based, on independent external advice with regard to market practice, relativities, and the duties and accountabilities of directors. A review of directors' remuneration is conducted annually to benchmark overall remuneration including retirement benefits.

Performance-based Remuneration

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



Company Performance, Shareholder Wealth and Directors and Executives Remuneration

The remuneration policy has been tailored to increase the direct positive relationship between shareholders investment objectives and directors and executives performance. Currently, directors and executives are encouraged to hold shares in the Company to ensure the alignment of personal and shareholder interests. The company currently does not offer performance based remuneration during the exploration phase of operations. This policy may change once the exploration phase is complete and the company is generating revenue. At present, the existing policy is not impacted by the company's performance, including earnings and changes in shareholder wealth.

The following summarises the performance of the Company over the last 5 financial years:

	2007	2008	2009	2010	2011
Revenue (\$)	1,788,299	7,109,642	272,771	362,329	149,904
Net profit/(loss) after income tax (\$)	(20,864,594)	(100,452,964)	(5,659,139)	6,865,934	38,347,749
Share price at year end (cents/share)	44.0	Suspended	Suspended	Suspended	0.014
Dividends paid (cents/share)	-	-	-	-	-

B Details of remuneration (audited)

Amounts of remuneration

There was no known remuneration for the directors and the key management personnel (as defined in AASB 124 *Related Party Disclosures*) of View Resources Limited and the View Resources Group for the year ended 30 June 2010.

The remuneration for each director and each executive officer of the Company receiving the highest remuneration during the year was as follows:

2011

Key Management Person	Short-term Benefits				Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Performance Related	Remuneration Consisting of Options
	Cash, salary & Commissions	Cash Profit Share	Non-Cash Benefit	Other	Super-annuation	Other	Equity	Options			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
Mr W Oliver (1)	16,500	-	-	-	-	-	-	-	16,500	-	-
Mr R Matic (2)	16,500	-	-	-	-	-	-	-	16,500	-	-
Mr S Mackinnon	16,500	-	-	-	-	-	-	-	16,500	-	-
	49,500	-	-	-	-	-	-	-	49,500	-	-

¹ Cash from other activities paid to Mr Oliver are paid to Billandbry Consulting Pty Ltd a company with which Mr Oliver is a shareholder and director. The payments are for the provision of geological consulting services and disclosed in Note 19 (d) of these financial statements.

² Cash from other activities paid to Mr Matic are paid to Bentleys (WA) Pty Ltd and Capital and Corporate Advisors Pty Ltd, companies with which Mr Matic is a shareholder and director. The payments are for the provision of tax advisory services, corporate secretarial and accounting services and disclosed in Note 19 (d) of these financial statements.

C Service agreements (audited)

There were no key management personnel that have or had service agreements for the year ended 30 June 2011.

Employment Contracts Of Directors

The directors are not employed under any formal contracts.



Key Management Person	Term of Agreement	Base Salary (excludes GST) \$	Termination Benefit
Willam Oliver	No fixed term	42,000	Nil
Ranko Matic	No fixed term	42,000	Nil
Simon Mackinnon	No fixed term	42,000	Nil

D Share-based compensation (audited)**Options**

There were no options granted or other share based compensation during the financial year affecting remuneration in this or future reporting periods.

END OF REMUNERATION REPORT

This directors' report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Ranko Matic
Non-Executive Chairman

Dated this 30th day of September 2011



CORPORATE GOVERNANCE STATEMENT

The Board has reviewed its current practices in light of the revised ASX Corporate Governance Principles and Recommendations with a view to making amendments where applicable after considering the Company's size and the resources it has available.

As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of any additional formal corporate governance committees will be given further consideration.

The Board sets out below its "if not why not" report in relation to those matters of corporate governance where the Company's practices depart from the Recommendations.

	RECOMMENDATION	COMMENT
1.	Lay solid foundations for management and oversight	
1.1	Formalise and disclose the functions reserved to the board and those delegated to management.	Adopted. The Company's Corporate Governance Policy includes a Board Charter, which discloses the specific responsibilities of the board.
1.2	Companies should disclose the process for evaluating the performance of senior executives.	Adopted. The board will monitor the performance of senior management, including measuring actual performance of senior management against planned performance. The board has adopted a policy to assist in evaluating Board performance under section 9 of its Corporate Governance Policies (Performance Evaluation Practices).
1.3	Companies should provide the information indicated in the <i>Guide to reporting on Principle 1</i> .	Adopted. Board Charter available at www.viewresources.com.au
2.	Structure the board to add value	
2.1	A majority of the board should be independent directors.	Adopted. The Company has 3 independent Directors from a total of three Directors.
2.2	The chairperson should be an independent director.	Adopted. The Chairman is Mr Ranko Matic, who is an independent Director.
2.3	The roles of chairperson and chief executive officer should not be exercised by the same individual.	Adopted. The Company intends to undertake a recruitment process to secure an appropriate Managing Director. Until this task is complete, the Non-Executive Directors will share the day to day duties of the Company in conjunction with the Company Secretary.
2.4	The board should establish a nomination committee.	Not Adopted. The Board has not established a nomination committee. Given the present size of the Company, the Board has decided that a nomination committee is not appropriate. The functions of the nomination committee are carried out by the full Board.
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors	Adopted. The chairman will review the composition of the Board and the performance of each Director to ensure that it continues to have a mix of skills and experience necessary for the conduct of the company's activities. Any new directors will receive an induction appropriate for his/her experience.
2.6	Provide the information indicated in <i>Guide to Reporting on Principle 2</i> .	Adopted. The following material is in the Company's Corporate Governance Policies which is available on the Company's website: - A description of the procedure for the selection and appointment of new directors and the re-election of incumbent directors; - The charter of the nomination committee; and - The board's policy for the nomination of directors.
3.	Promote ethical and responsible decision-making	
3.1	Establish a code of conduct and disclose the code or a summary as to the code as to: (a) the practices necessary to maintain confidence in the company's integrity; (b) the practices necessary to take into account their legal obligations and the	Adopted. The Board has adopted a written code of conduct which is included in the Corporate Governance Policies and is posted on the company's website. This will provide a framework for decisions and actions in relation to ethical conduct in employment.



	RECOMMENDATION	COMMENT
	reasonable expectations of their stakeholders; and (c) the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them	Not Adopted. The Board will consider adopting a diversity policy in the future.
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	Not Adopted. The Company will disclose this information in its future annual reports as applicable
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	Adopted. There are no women employees in the company.
3.5	Provide the information indicated in <i>Guide to Reporting on Principle 3</i> .	Adopted. The Company's Code of Conduct is publicly available in the Corporate Governance Policies posted on the company's website. When the Company adopts a diversity policy, it will be publicly available in the Corporate Governance Policies posted on the company's website.
4.	<i>Safeguard integrity in financial reporting</i>	
4.1	The board should establish an audit committee.	Not adopted. The Board has not established a separate audit committee. Given the present size of the Company, the Board has decided that an audit committee is not appropriate. The functions of the audit committee are carried out by the full Board.
4.2	Structure the audit committee so that it consists of: (a) only non-executive directors; (b) a majority of independent directors; (c) an independent chairperson, who is not chairperson of the board; and (d) at least three members.	Not adopted. The Board has not established a separate audit committee. Given the present size of the Company, the Board has decided that an audit committee is not appropriate. The functions of the audit committee are carried out by the full Board.
4.3	The audit committee should have a formal charter.	Adopted. The Audit Committee Charter is publicly available in the Corporate Governance Policies that are posted on the company's website.
4.4	Provide the information indicated in <i>Guide to Reporting on Principle 4</i> .	Adopted. The following material will be included in the corporate governance statement in the Company's annual reports: • the names and qualifications of those appointed to the audit committee and their attendance at meetings of the committee, or, where the Company does not have an audit committee, how the functions of an audit committee are carried out • the number of meetings of the audit committee • explanation of any departures from Recommendations 4.1, 4.2, 4.3 or 4.4. The following material is publicly available in the Corporate Governance Policies posted on the company's website: • the Audit Committee Charter, which includes information on procedures for the selection and appointment of the external auditor, and for the rotation of external audit engagement partners.



	RECOMMENDATION	COMMENT
5.	<i>Make timely and balanced disclosure</i>	
5.1	Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.	Adopted. The Company has adopted a Continuous Disclosure Policy applicable to all Directors of the Company and senior management.
5.2	Provide the information indicated in <i>Guide to Reporting on Principle 5</i> .	Adopted. The Company's Continuous Disclosure Policy is publicly available in the Corporate Governance Policies posted on the company's website.
6.	<i>Respect the rights of shareholders</i>	
6.1	Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings.	Adopted. The Company places a high priority on communication with Shareholders and is aware of the obligations it has under the Corporations Act and the Listing Rules to keep the market fully informed of information which is not generally available and which may have a material effect on the price or value of the Company's securities. The Company has adopted a Shareholders Communication Policy which is publicly available in the Corporate Governance Policies posted on the company's website, which states that information is communicated to shareholders through: • continuous disclosure to ASX of all material information; • periodic disclosure through the annual report (or concise annual report), half year financial report and quarterly reporting of exploration, production and corporate activities (if required); • notices of meetings and explanatory material; • the annual general meeting; and • the Company's web-site.
6.2	Provide the information indicated in <i>Guide to Reporting on Principle 6</i> .	Adopted. The Company's Shareholders Communication Policy is publicly available in the Corporate Governance Policies posted on the company's website.
7.	<i>Recognise and manage risk</i>	
7.1	The board or appropriate board committee should establish policies on risk oversight and management.	Adopted. The Company has adopted a Risk Management and Internal Compliance and Control Policy.
7.2	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its business risks.	Adopted. The Board and any future Managing Director has and will continue to design and implement risk management and internal control systems and provide reports at the relevant time.
7.3	The chief executive officer (or equivalent) and the chief financial officer (or equivalent) should state to the board in writing that: (a) the statement given in accordance with Recommendation 4.1 (the integrity of financial statements) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board; and (b) the company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.	Adopted. The Board has received a Section 295A declaration pursuant to the 2011 financial period.
7.4	Provide the information indicated in <i>Guide to</i>	Adopted.



	RECOMMENDATION	COMMENT
	<i>Reporting on Principle 7.</i>	The Company's risk Management and Internal Compliance and Control Policy is publicly available in the Corporate Governance Policies posted on the company's website.
8.	<i>Remunerate fairly and responsibly</i>	
8.1	The board should establish a remuneration committee.	Not adopted. The Board has not established a separate remuneration committee. Given the present size of the Company, the Board has decided that a remuneration committee is not appropriate. The functions of the remuneration committee are carried out by the full Board.
8.2	Structure the remuneration committee so that it consists of: (a) a majority of independent directors; (b) an independent chairperson; and (c) at least three members.	Not adopted. The Board has not established a separate remuneration committee. Given the present size of the Company, the Board has decided that a remuneration committee is not appropriate. The functions of the remuneration committee are carried out by the full Board.
8.3	Clearly distinguish the structure of non-executive directors' remuneration from that of executives.	Adopted. There are currently no executive directors.
8.4	Provide the information indicated in <i>Guide to Reporting on Principle 9.</i>	Adopted. The following material will be included in the corporate governance statement in the Company's annual reports: - the names of the members of the remuneration committee and their attendance at meetings of the committee; - the existence and terms of any schemes for retirement benefits, other than superannuation, for non-executive directors; - an explanation of any departures from Recommendations 8.1, 8.2, 8.3 or 8.4. The Company's Remuneration Committee Charter and the Company's Security's Trading Policy are publicly available in the Corporate Governance Policies posted on the company's website.



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2011

		Consolidated	
	Notes	2011 \$	2010 \$
Revenue from continuing operations	3	149,904	362,329
Other income	4	42,645,777	-
Share of net profits/(losses) of associate	12	2,893,200	5,629,367
Mining expense		-	(67,500)
Director fees		(49,500)	-
Finance costs	5	(728,026)	(2,192,923)
Vehicle expenses		-	(25,720)
Legal and other professional fees		(365,143)	(343,133)
Administrators costs		(178,976)	(278,307)
DOCA payments		(4,300,280)	-
Impairments	12	(1,509,869)	-
Asset write-offs		(20,000)	-
Net other expenses		(26,726)	(221,257)
Insurance expense		(16,357)	-
Profit/ (Loss) before income tax		38,494,004	2,862,856
Income tax expense	6	-	-
Profit/ (Loss) from continuing operations		38,494,004	2,862,856
Profit/ (Loss) from discontinued operations	7	(146,255)	4,003,078
Profit/ (Loss) for the year		38,347,749	6,865,934
Total comprehensive income for the year		-	-
Total comprehensive Profit/(Loss) attributable to owners of the parent entity		38,347,749	6,865,934
Earnings/ (loss) per share from continuing and discontinued operations		Cents	Cents
Basic earnings/ (loss) per share	25	12.03	1.56
Diluted earnings per share	25	10.15	-
Earnings/ (loss) per share from continuing operations:			
Basic earnings/ (loss) per share	25	12.07	0.65
Diluted earnings per share	25	10.18	-
Earnings/ (loss) per share from discontinued operations:			
Basic earnings/ (loss) per share	25	(0.04)	0.91
Diluted earnings per share	25	(0.03)	-

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011



	Notes	Consolidated	
		2011	2010
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	8	4,682,565	9,508,314
Trade and other receivables	9	7,347	-
Total current assets		<u>4,689,912</u>	<u>9,508,314</u>
Non-current assets			
Other assets	10	13,139	-
Property, plant and equipment	11	-	20,000
Investment accounted for using the equity method	12	1,457,061	5,200,424
Total non-current assets		<u>1,470,200</u>	<u>5,220,424</u>
Total assets		<u>6,160,112</u>	<u>14,728,738</u>
LIABILITIES			
Current liabilities			
Trade and other payables	13	502,558	29,076,820
Borrowings	14	-	11,468,606
Total current liabilities		<u>502,558</u>	<u>40,545,426</u>
Non-current liabilities			
Borrowings	14	-	10,862,445
Total non-current liabilities		<u>-</u>	<u>10,862,445</u>
Total liabilities		<u>502,558</u>	<u>51,407,871</u>
Net assets/(liabilities)		<u>5,657,554</u>	<u>(36,679,133)</u>
Equity			
Contributed equity	16	3,948,683	138,078,582
Reserves	17	40,076	3,312,280
Retained Earnings/ (Accumulated losses)		<u>1,668,795</u>	<u>(178,069,995)</u>
Total equity/(deficiency in equity)		<u>5,657,554</u>	<u>(36,679,133)</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011**

	Consolidated			
	Retained			
	Earnings/			
	Accumulated			
	Losses			
	Issued		Other	Total
	Capital		Reserves	
Balance at 1 July 2009	138,078,582	(184,935,929)	3,312,280	(43,545,067)
Profit for the year	-	6,865,934	-	6,865,934
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	6,865,934	-	6,865,934
Transactions with owners, directly in equity	-	-	-	-
Balance at 30 June 2010	138,078,582	(178,069,995)	3,312,280	(36,679,133)
Balance at 1 July 2010	138,078,582	(178,069,995)	3,312,280	(36,679,133)
Profit for the year	-	38,347,749	-	38,347,749
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	38,347,749	-	38,347,749
Transactions with owners, directly in equity				
Issue of share capital	4,100,180	-	-	4,100,180
Capital raising costs	(151,317)	-	-	(151,317)
Share based payment	-	-	40,076	40,076
Reduction of share capital	(138,078,762)	141,391,041	(3,312,280)	1
Balance at 30 June 2011	3,948,683	1,668,795	40,076	5,657,554

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

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2011



VIEW RESOURCES LIMITED

		Consolidated	
	Notes	2011	2010
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		-	1,578,000
Payments to suppliers and employees (inclusive of goods and services tax)		(1,547,537)	(3,064,924)
Interest received		152,773	79,604
Payments to suppliers, DOCA		(4,541,446)	-
Net cash inflow (outflow) from operating activities	26	(5,936,210)	(1,407,320)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	8,578,004
Proceeds from associates		10,339,679	16,074,121
Contributions to associates		(5,173,786)	(6,738,570)
Proceeds from environmental bonds		-	4,252,050
Cash paid as result of loss of subsidiary	26(c)	(623,609)	-
Net cash inflow (outflow) from investing activities		4,542,284	22,165,605
Cash flows from financing activities			
Proceeds from share issue		4,100,000	-
Cost of capital raising		(151,317)	-
Repayment of borrowings		(7,380,506)	(14,492,784)
Net cash (outflow) inflow from financing activities		(3,431,823)	(14,492,784)
Net (decrease) increase in cash held		(4,825,749)	6,265,501
Cash at the beginning of the financial year		9,508,314	3,242,813
Cash at the end of the financial year	8	4,682,565	9,508,314

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.



These consolidated financial statements and notes represent those of View Resources Limited and Controlled Entities (the “consolidated group” or “group”).

The separate financial statements of the parent entity, View Resources, have not been presented within this financial report as permitted by the Corporations Act 2001.

The financial statements were authorised for issue on 30th September 2011 by the directors of the company

1. Summary of significant accounting policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out in accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. The financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

These financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a) Comparatives

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

Limitations on Preparation

Andrew Saker and Darren Weaver from Ferrier Hodgson were appointed as Joint and Several Administrators of View Resources Ltd (“View Resources”) on Friday, 8 February 2008. Furthermore, Andrew Saker and Darren Weaver were also appointed as Joint and Several Administrators to View Resources subsidiaries namely View Gold Pty Ltd (“View Gold”) and View Nickel Pty Ltd (“View Nickel”) on Friday, 8 February 2008.

Immediately following the appointment, the administrators took control of the Group’s assets including View Resource’s assets and continued to carry on the Group’s business.

The current Company Directors were not Directors as at the comparative Reporting Date, nor were they parties involved with the Company. Every reasonable effort has been made by the Directors to ascertain the true position of the Group as at 30 June 2010. However, there may be information that the current Directors have not been able to obtain, the impact of which may or may not be material on the accounts.

b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by View Resources Limited at the end of the reporting period. A controlled entity is any entity over which View Resources has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist where the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 23 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

c) Income tax

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

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

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

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

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

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

**Income Tax (Continued)**

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

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

Tax consolidation

View Resources Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax liabilities, except for any deferred tax liabilities resulting from unused tax losses and tax credits, which are immediately assumed by the parent entity. The group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 12 August 2003. The tax consolidated group has entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

d) Foreign currency translation*Transactions*

Foreign currency transactions are initially translated into Australian currency at the rate of exchange at the date of the transaction. At reporting date amounts payable and receivable in foreign currencies are translated to Australian currency at rates of exchange current at that date. Resulting exchange differences are recognised in determining the profit or loss for the year.

e) Trade receivables

All trade debtors are recognised at the amounts receivable as they are due for settlement no more than 120 days from the date of recognition.

Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists and in any event when the debt is more than 60 days overdue.

f) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.



g) Property, plant and equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation of property, plant and equipment

The Depreciation amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The expected useful lives are as follows:

- Computer equipment 3-5 years
- Plant and equipment 3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

h) Impairment of assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount recognised immediately in the profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.



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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives, or more frequently if events or changes in circumstances indicate that they might be impaired.

i) Investments in Associates

Associate companies are companies in which the Group has significant influence through holding, directly or indirectly, 20% or more of the voting power of the company. Investments in associates are accounted for in the financial statements by applying the equity method of accounting whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate company. In addition the Group's share of the profit or loss of the associate company is included in the Group's profit or loss.

The carrying amount of the investment includes goodwill relating to the associate. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the investor's share of the associate's profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the relation to the Group's investment in the associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Group will resume the recognition of its share of those profits once its share of the profits equals the share of the losses not recognised.

Details of the Group's investments in associates are shown at Note 12.

j) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

k) Borrowings

Loans and debentures are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of other creditors.

On issue of convertible notes, the fair value of the liability component, being the obligation to make future payments of principal and interest to noteholders, is calculated using a market interest rate for an equivalent non-convertible note. The residual amount, representing the fair value of the conversion option, is included in equity as other equity securities with no recognition of any change in the value of the option in subsequent periods. The liability is included in borrowings and carried on an amortised cost basis with interest on the notes recognised as borrowing costs on an effective yield basis until the liability is extinguished on conversion or maturity of the notes.



l) Exploration and evaluation expenditure

Exploration and evaluation expenditures are written off as incurred, except when such costs are expected to be recouped through successful development and exploitation, or sale, of an area of interest. In addition, exploration assets recognised on acquisition of an entity are carried forward provided that exploration and/or evaluation activities in the area have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing.

The expenditure carried forward when recovery is expected represents an accumulation of direct net exploration and evaluation costs incurred by or on behalf of the Group and applicable indirect costs, in relation to separate areas of interest for which rights of tenure are current.

The successful commercial exploitation of all exploration and evaluation expenditure is dependent upon the Company raising adequate debt and equity funding, which is dependent upon continued investor support.

If it is established subsequently that economically recoverable reserves exist in a particular area of interest, resulting in the decision to develop a commercial mining operation, then in that year the accumulated expenditure attributable to that area, to the extent that it does not exceed the recoverable amount for the area concerned, will be transferred to mine development. As such it will be subsequently amortised against production from that area. Any excess of accumulated expenditure over recoverable amounts will be written off to the statement of comprehensive income.

m) Mine properties and mine development

These assets represent the capital cost incurred on areas of interest for which it has been established, to the satisfaction of the directors, that economically recoverable resources exist.

Costs accumulated in respect of each area of interest represent direct and applicable indirect expenditure incurred by or on behalf of the relevant entity. Indirect expenditure principally consists of charges for depreciation of equipment used in development activities. The costs of successful exploration and evaluation and access and capital development are classified as mine development.

Capital development on underground mines includes expenditure on shaft sinking, declines, development and access drives and ventilation shafts. Amortisation of these costs is provided separately for each mineral resource or mine from the commencement of commercial production as follows:

Mine development is calculated on a units-of-production basis over the estimated recoverable resources. In order to calculate the amortisation, the total costs of development, including net cost incurred to date and estimated future capital development costs are totalled and divided by the total resources. Annual depletion is calculated based on the units of production during the period multiplied by the per unit cost.



n) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with short periods to maturity and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

o) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

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

p) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wages increases and the probability that the employee may satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Equity-settled compensation

The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account.

Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the good or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is shown in the option reserve.

The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest



q) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cashflows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

r) Earnings per share

(i) Basic earnings per share

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

(ii) Diluted earnings per share

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

s) 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.

t) Issued capital

Ordinary shares are classified as equity.

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

u) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**v) Financial instruments****Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Amortised cost is calculated as:

- a. the amount at which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- d. less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Group does *not* designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

i. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

ii. Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired.

Financial guarantees

Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition.

The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.



v) Financial instruments

The fair value of financial guarantee contracts has been assessed using a probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

De-recognition

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

w) New accounting standards and interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Group has decided not to early adopt. A discussion of those future requirements and their impact on the Group is as follows:

- AASB 9: Financial Instruments (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Group has not yet determined any potential impact on the financial statements.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
 - simplifying the requirements for embedded derivatives;
 - removing the tainting rules associated with held-to-maturity assets;
 - removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
 - allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
 - requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
 - requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.
- AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] (applicable for annual reporting periods commencing on or after 1 January 2011).
- This Standard details numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. Key changes include:
- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;

w) New accounting standards and interpretations

- adding an explicit statement to AASB 7 that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;
- amending AASB 101 to the effect that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;
- adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and
- making sundry editorial amendments to various Standards and Interpretations.

This Standard is not expected to impact the Group.

- AASB 2010-5: Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable for annual reporting periods beginning on or after 1 January 2011).

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

- AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards, and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard is not expected to impact the Group.

- AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the entity adopts AASB 9.

As noted above, the Group has not yet determined any potential impact on the financial statements from adopting AASB 9.

- AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes.

The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140: Investment Property.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments brought in by this Standard also incorporate Interpretation 121 into AASB 112.

The amendments are not expected to impact the Group.

- AASB 2010-9: Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1] (applies to periods beginning on or after 1 July 2011).

This Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards.

The amendments brought in by this Standard provide relief for first-time adopters of Australian Accounting



w) New accounting standards and interpretations

Standards from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.

Furthermore, the amendments brought in by this Standard also provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.

This Standard is not expected to impact the Group.

x) Critical accounting judgments, estimates and assumptions

The preparation of these financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.



2. Segment Information

The consolidated entity operates within two reportable segments, being mineral exploration and extraction, and discontinued operations. The segment information provided to the chief operating decision maker is as follows:

2011	Exploration activities \$	Total continuing operations \$	Discontinuing operation Mining operations \$	Consolidated \$
Sales to external customers	-	-	-	-
Other revenue	149,904	149,904	11,143	161,047
Total segment revenue	149,904	149,904	11,143	161,047
Segment result before income tax	38,494,004	38,494,004	(146,255)	38,347,749
Profit before income tax				38,347,749
Segment assets	6,160,112	6,160,112	-	6,160,112
Total assets				6,160,112
Segment liabilities	502,558	502,558	-	502,558
Total Liabilities				502,558
Impairment of non-current assets	1,509,869	1,509,869	-	1,509,869
Share of net profits of associate	2,893,200	2,893,200	-	2,893,200
2010	Exploration activities \$	Total continuing operations \$	Discontinuing operation Mining operations \$	Consolidated \$
Sales to external customers	-	-	-	-
Other revenue	362,329	362,329	829,914	1,192,243
Total segment revenue	362,329	362,329	829,914	1,192,243
Segment result before income tax	2,862,856	2,862,856	4,003,078	6,865,934
Profit before income tax				6,865,934
Segment assets	13,827,168	13,827,168	901,570	14,728,738
Total assets				14,728,738
Segment liabilities	15,575,392	15,575,392	35,832,479	51,407,871
Total Liabilities				51,407,871
Share of net profit of associate	5,629,367	5,629,367	-	5,629,367

The consolidated entity is presently only exploring and mining in one geographical segment, being Western Australia.

3. Revenue from continuing operations

	Consolidated	
	2011	2010
	\$	\$
<i>Sales revenue</i>		
Sale of Goods	-	5,180
<i>Other revenue</i>		
Interest	149,904	65,180
Sundry revenue	-	291,969
	<u>149,904</u>	<u>362,329</u>

4. Other income

Gain on Deconsolidation of View Gold Pty Ltd - Note 26(c)	35,077,165	-
DOCA liability write-offs	7,568,612	-
	<u>42,645,777</u>	<u>-</u>

5. Expenses

Profit before income tax includes the following specific expenses:

Finance costs		
Interest paid/payable	-	1,216,341
Finance charges paid/payable	728,026	976,582
Finance costs expensed	<u>728,026</u>	<u>2,192,923</u>

6. Income tax expense

(a) Income tax expense

Current tax	-	-
Deferred tax	-	-
Under (over) provided in prior years	-	-
	<u>-</u>	<u>-</u>

Deferred income tax expense included in income tax expense comprises:

(Increase) in deferred tax assets	(3,942)	-
Increase in deferred tax liabilities	3,942	-
	<u>-</u>	<u>-</u>

(b) Reconciliation of income tax expense to prima facie tax payable

The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

Tax at the Australian tax rate of 30% (2010 - 30%)	11,548,201	2,059,780
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Prior year adjustments	2,519,227	
- Impairment	432,847	
- Other non deductible expenses	1,290,084	
- Other non assessable income	-	
	<u>15,790,359</u>	<u>2,059,780</u>
Deferred tax (liability)/ asset in respect to losses brought to account	<u>(15,790,359)</u>	<u>(2,059,780)</u>



Income tax expense

-	-
---	---

(c) Deferred Tax Assets

Tax Losses	29,752,976	44,629,536
Provisions	92,705	503,177
Other	661,202	987,585
Total deferred tax assets	30,506,883	46,120,298
Set-off deferred tax liabilities	(3,942)	-
Net deferred tax assets	30,502,941	46,120,298
Net deferred tax assets not recognised	(30,502,941)	(46,120,298)

(d) Deferred Tax Liabilities

Exploration expenditure	3,942	-
Total deferred tax liabilities	3,942	-
Set-off deferred tax assets	(3,942)	-
Net deferred tax liabilities	-	-

Tax losses

Unused tax losses for which no deferred tax asset has been recognised	99,176,585	148,765,119
Potential tax benefit @ 30%	29,752,976	44,629,536

All unused tax losses were incurred by Australian entities.

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the statement of financial position date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by law.

View Resources Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Each entity in the group recognises its own current and deferred tax liabilities, except for any deferred tax liabilities resulting from unused tax losses and tax credits, which are immediately assumed by the parent entity. The group notified the Australian Tax Office that it had formed an income tax consolidated group to apply from 12 August 2003. The tax consolidated group has entered a tax sharing agreement whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

7. Discontinued operations

During March 2008 the administrators of View Resources Limited announced their intention to sell the Bronzewing asset and initiated an active program to locate a buyer and complete the sale. On 01 April 2009, the consolidated group entered into a sale agreement and this sale was completed in September 2009 when all conditions precedent were met. For the year ending 30 June 2008 the disposal of the asset triggered the discontinuing of its operations in the Mining business segment. View Gold Pty Ltd was deconsolidated on the 9 February 2011.

Financial information of the discontinued operation to the 30 June 2011 is included below. Refer to Note 26(c) for further disclosures regarding the gain on deconsolidation of View Gold Pty Ltd.

Financial performance:

The financial performance and cash flow information present are for the year ended 30 June 2011 and 30 June 2010.

	Consolidated	
	\$	\$
	2011	2010
Revenue	11,143	829,914
Other Income	-	214,583
Expenses	(157,398)	(2,408,385)
Profit/ (Loss) before tax	(146,255)	(1,363,888)
Income tax expense	-	-
Profit/ (Loss) after income tax of discontinued operation	(146,255)	(1,363,888)
Reversal of unused rehabilitation provision	-	5,366,966
Income tax expense	-	-
Reversal of unused rehabilitation provision after income tax	-	5,366,966
Total profit/(loss) after tax attributable to the discontinued operation	(146,255)	4,003,078

Cash flow Information

Net cash outflow from operating activities	(769,864)	(1,480,854)
Net cash inflow from investing activities	-	12,829,847
Net cash outflow from financing activities	-	(7,310,000)
Net decrease in cash generated by the division	(769,864)	4,038,993

Carrying amounts of assets and liabilities

Cash and cash equivalents	-	901,570
Total assets	-	901,570
Trade and other payables	-	(24,970,034)
Borrowings	-	(10,862,445)
Total liabilities	-	(35,832,479)
Net liabilities	-	(34,930,909)

**8. Current assets – Cash and cash equivalents**

	Consolidated	
	\$	\$
	2011	2010
Cash at bank and in hand	4,682,565	9,508,314

9. Current assets – Trade and other receivables

	Consolidated	
	\$	\$
	2011	2010
Other receivables	7,347	-

There are no balances within trade and other receivables that contain assets that are impaired and are past due. It is expected these balances will be received when due. Impaired assets are provided for in full.

10. Non-current assets – Other assets

	Consolidated	
	\$	\$
	2011	2010
Exploration expenditure capitalised	13,139	-

Recoverability of the carrying amount of exploration assets is dependent on the successful exploration and sale of the mineral resource. Capitalised costs amounting to \$13,139 have been included in cash flows from operating activities in the statement of cash flows.

11. Non-current assets – Property, plant & equipment

	Consolidated	
	\$	\$
	2011	2010
General plant and equipment	-	20,000
Less: accumulated depreciation	-	-
	-	20,000
Total plant and equipment	-	20,000

Reconciliations

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

	Computer Equipment \$	Office Equipment \$	Plant & Equipment \$	Total \$
Consolidated				
Carrying amount at 1 July 2009	-	-	20,000	20,000
Depreciation (expense)	-	-	-	-
Carrying amount at 30 June 2010	-	-	20,000	20,000
Asset write-offs	-	-	(20,000)	(20,000)
Carrying amount at 30 June 2011	-	-	-	-

12. Non-current assets - Investments accounted for using the equity method

	Consolidated	
	\$ 2011	\$ 2010
Investment in Carnilya Joint Venture	1,457,061	5,200,424
	<u>1,457,061</u>	<u>5,200,424</u>
(a) Movements in carrying amount		
Carrying amount at the beginning of the year	5,200,424	8,906,605
Net cash receipts from investment during the year	(5,126,694)	(9,335,548)
Impairment of investment	(1,509,869)	-
Share of profit/ (loss) of associate	2,893,200	5,629,367
	<u>1,457,061</u>	<u>5,200,424</u>

During the year, the Group had a 30% interest in Carnilya Hill Farm-in and joint venture for nickel exploration. The interest in the joint venture is controlled by Mincor Resources NL.

(b) Summarised financial information of associates

Group's Share of:

	Assets \$	Liabilities \$	Revenues \$	Profit/(Loss) \$
2011				
Mincor Carnilya Hill (30% Interest in Unincorporated JV)	1,901,451	585,637	10,161,465	2,893,200
2010				
Mincor Carnilya Hill (30% Interest in Unincorporated JV)	3,458,226	916,295	17,632,377	5,629,367

The share of contingent liabilities of associate is \$Nil (2010: \$Nil)

13. Current liabilities – Trade and other payables

Trade creditors	44,205	7,929,212
Accrued expenses	18,975	19,348,542
Other creditors	439,378	1,276,187
Employee benefits – annual leave provision	-	522,879
	<u>502,558</u>	<u>29,076,820</u>

**14. Borrowings****Current**

	Consolidated	
	\$	\$
	2011	2010
Administrators debt (a)(b)	-	11,468,606
Total current borrowings	-	11,468,606

Non-Current

Lease liabilities	-	10,862,445
Total non-current borrowings	-	10,862,445

(a) Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	Consolidated	
	\$	\$
	2011	2010
Bank loans	-	11,468,606
Total secured liabilities	-	11,468,606

(b) Assets pledged as security

Austral-Asia Resources Infrastructural Investments Pty Limited ("AARI") entered into an agreement on the 11 March 2008 with the Administrators of View Nickel to refinance debts due to IBAL and fund future cash calls in relation to the Carnilya Hill Joint Venture. The Administrators are personally liable for repayment of funds used under this facility, as a result of finalisation of the DOCA this facility is no longer required and as part of DOCA the facility was settled.

(c) Interest rate risk exposures

The following table sets out the Group's exposure to interest rate risk, including the contractual repricing dates and the effective weighted average interest rate by maturity periods.

Exposures arise predominantly from liabilities bearing variable interest rates as the Group intends to hold fixed rate liabilities to maturity.

For the period ended 30 June 2011 there are no such liabilities subject to interest rate exposures.

	Floating interest rate	1 year or less	Over 1 to 2 years	Fixed interest rate				Over 5 years	Total
				Over 2 to 3 years	Over 3 to 4 years	Over 4 to 5 years			
2010									
Administrators loan facility (note 14)	11,468,606	-	-	-	-	-	-	-	11,468,606
Lease liabilities (note 14)	10,862,445	-	-	-	-	-	-	-	10,862,445
	22,331,051								22,331,051
Weighted average interest rate	7.30%	-	-	-	-	-	-	-	

15. Non-current liabilities - Provisions

	Consolidated	
	\$ 2011	\$ 2010
Provision for rehabilitation	-	-
Movement in provision for rehabilitation	-	-
Opening balance	-	5,365,966
Less: unused amounts reversed	-	(5,365,966)
Closing balance	-	-

Amounts not expected to be settled within 12 months. Nil (2010: Nil)

16. Contributed equity

	Consolidated	
	2011 \$	2010 \$
881,953,670 (2010: 439,055,266) Ordinary shares – Fully paid	145,688,424	141,588,244
Capital raising costs	(3,660,979)	(3,509,662)
Reduction of capital against losses, net of capital raising costs	(138,078,762)	-
	3,948,683	138,078,582

a) Ordinary Shares

At the beginning of the reporting period:

- 24 February 2011 – Capital consolidation (i)

Shares issued during the year after Capital consolidation

- 24 February 2011
- 24 February 2011
- 20 May 2011

At the end of the reporting period

No. of shares	No. of shares
439,055,266	439,055,266
(417,101,596)	-
21,953,670	439,055,266
800,000,000	-
50,000,000	-
10,000,000	-
881,953,670	439,055,266

(i) The capital consolidation was undertaken as part of the recapitalisation of the company and DOCA effectuation. The consolidation was on a 1 for 20 basis, leaving 21,953,670 ordinary shares on issue immediately after the consolidation.

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

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

b) Options

- For details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 27: Share-based payments.
- For information relating to share options issued to key management personnel during the financial year, refer to Note 27.

**c) Capital Management**

The objectives of management when managing capital is to safeguard the Group's ability to continue as a going concern, so that the Group may continue to provide returns for shareholders and benefits for other stakeholders. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Company at 30 June 2011 is as follows:

	2011	2010
	\$	\$
Cash and cash equivalents	4,682,565	9,508,314
Trade and other receivables	7,347	-
Trade and other payables	(502,558)	29,076,820
Borrowings	-	11,468,606
Working capital position	4,187,354	(31,037,112)

17. Reserves

The share-based payment reserve is used to record the value of options provided to employees and directors as part of their remuneration and other share based payments. Refer movement to Statement of Changes in Equity.

18. Interests of Key Management Personnel (KMP)

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2011.

The totals of remuneration paid to KMP of the company and the group during the year are as follows:

	2011	2010
	\$	\$
Short-term employee benefits	49,500	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Share based payments	-	-
	49,500	-

No compensation was paid in respect to termination benefits. In regards to comparatives for 30 June 2010, from the period 8th February 2008 to 9th February 2011 the group had been in administration. The current directors were not the directors during any part of the financial year end for the 30 June 2010. There were no Key Management Personnel for the year ended 30 June 2010.

a) KMP Options and Rights Holdings

The number of options over ordinary shares held by each KMP of the Group during the financial year is nil (2010: nil).

KMP Shareholdings

30 June 2011	Balance at beginning of the year	Granted as remuneration during the year	Issued on exercise of options	Other changes during the year (Cash Purchases)	Balance at end of year
Mr W Oliver	-	-	-	4,000,000	4,000,000
Mr R Matic	-	-	-	3,000,000	3,000,000
Mr S Mackinnon	-	-	-	10,000,000	10,000,000
	-	-	-	17,000,000	17,000,000

Shareholdings for KMP for the financial year 30 June 2010 is nil.

Other KMP Transactions

There have been no other transactions involving equity interests other than those described in the tables above. For details of other transactions with KMP, refer to Note 19: Related Party Transactions.

19. Related parties

a) Parent Entities

The parent entity within the Group is View Resources Limited.

b) Subsidiaries

Interests in subsidiaries are set out in note 23.

c) Key management personnel

Disclosures relating to key management personnel are set out in note 18.

d) Transactions with related parties

For the period 8th February 2008 to 9th February 2011 the group had been in administration. The current directors were not the directors during any part of the financial year end for the 30 June 2010. Most of the information relating to related party transactions for the year ended 30 June 2010 has been excluded or is incomplete due to the required information not being available as all the information and knowledge resided with the previous directors and Administrators and the accounting records as provided are not complete enough to extract details of who all the related parties are and payments made. The current Board is not able to determine who were related parties at the time and is not able to ascertain full details of the disclosures required.

For the period from the 9 February 2011 until the 30 June 2011, there were payments made to Billandbry Consulting Pty Ltd a company with which Mr Oliver is a shareholder and director. The payments are for the provision of geological consulting services and amounted to \$2,500 (2010: Nil).

For the period from the 9 February 2011 until the 30 June 2011, there were payments made to Bentleys (WA) Pty Ltd and Capital and Corporate Advisors Pty Ltd, company's with which Mr Matic is a shareholder and director. The payments are for the provision of tax advisory services, corporate secretarial and accounting services and amounted to \$105,845 (2010: Nil).

There were no other transactions with related parties. All related party transactions are on normal commercial terms and conditions.

**20. Remuneration of auditors**

During the year the following amounts were paid or payable to the auditor BDO Audit (WA) Pty Ltd:

	Consolidated	
	2011	2010
	\$	\$
Audit and review of financial reports and other audit work under the Corporations Act 2001 for the years ended:-		
2008	32,760	-
2009	30,000	-
2010	30,000	-
2011	29,000	-
Taxation services	12,777	-
	<u>134,537</u>	<u>-</u>

21. Contingent liabilities

There were no material contingent liabilities, not provided for in the financial statements of the Company as at 30 June 2011 (2010: nil).

22. Commitments for expenditure**(a) Tenement Expenditure Commitments:**

The Company is required to maintain current rights of tenure to tenements, which require outlays of expenditure in 2011/2012. Under certain circumstances these commitments are subject to the possibility of adjustment to the amount and/or timing of such obligations, however, they are expected to be fulfilled in the normal course of operations.

	2011	2010
	\$	\$
The Company has tenement rental and expenditure commitments of:		
Payable:		
– not later than 12 months	30,269	-
– between 12 months and 5 years	121,081	-
– greater than 5 years	-	-
	<u>151,350</u>	<u>-</u>

(b) Capital commitments

There are no capital commitments.

23. Controlled entities

Name of Entity	Country of Incorporation	Class of Shares	Percentage Owned (%)	
			2011	2010
View Nickel Pty Ltd	Australia	Ordinary	100%	100%
View Gold Pty Ltd	Australia	Ordinary	-	100%

Disposal of controlled entities

On the 9 February 2011, the parent entity deconsolidated its 100% interest in View Gold Pty Ltd. Refer to notes 26(c) and 7 for details of the deconsolidation.

24. Events after reporting the period

The directors are not aware of any matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years, except that on the 13th September 2011 it

entered into a potash farm-in agreement in West Africa which was subject to and conditional upon the Company being satisfied with the results of legal and technical due diligence. On the 27th September 2011 the Company terminated that agreement due to it not being able to be satisfied with its initial legal due diligence.

25. Earnings per share

	Consolidated	
	2011	2010
	\$	\$
a) Reconciliation of earnings to profit or loss:		
Profit/(loss)	38,347,749	6,865,934
Earnings used to calculate basic and diluted EPS	38,347,749	6,865,934
b) Reconciliation of earnings to profit or loss from continuing operations:		
Profit/(loss) from continuing operations	38,494,004	2,862,856
Earnings used to calculated basic and diluted EPS from continuing operations	38,494,004	2,862,856
c) Reconciliation of earnings to profit of loss from discontinued operations:		
Profit/(loss) from discontinued operations	(146,255)	4,003,078
Earnings used to calculated basic and diluted EPS from discontinued operations	(146,255)	4,003,078
	Consolidated	
	2011	2010
	Number	Number
d) Weighted average number of ordinary shares used as the denominator in calculating basic EPS	318,857,780	439,055,266
Weighted average number of dilutive options outstanding	59,150,685	-
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	378,008,465	439,055,266
e) Diluted earnings per share is not reflected for discontinued operations as the result is anti-dilutive in nature.		
f) Anti-dilutive options on issue not used in dilutive EPS calculation	52,500	2,125,000

26. Cash flow information

	Consolidated	
	2011	2010
	\$	\$
a) Reconciliation of profit/(loss) rom ordinary activities after income tax to net cash inflow / (outflow) from operating activities		
Profit/ (Loss) from ordinary activities after income tax	38,347,749	6,865,934
Capitalised borrowing costs and interest	(7,347)	2,192,923
Share-based payment	40,076	-
Net (gain)/loss on disposal of fixed assets	-	(5,366,294)
Net (gain)/loss on disposal of investments	(35,057,165)	142,053
Share profit in associate	(2,893,200)	(5,629,367)
DOCA debts written off	(7,849,854)	-
Change in operating assets and liabilities, net of effects from purchase of controlled entity:		
(Increase)/decrease in trade debtors and receivables	(13,139)	(44,758)
Increase/(decrease) in trade and other creditors	(13,388)	432,189
Increase/(decrease) in provisions/ impairments	1,510,058	-
Net cash inflow (outflow) from operating activities	(5,936,210)	(1,407,320)

**b) Non-cash financing and investing activities**

- -

c) Disposal of Entities

During March 2008 the administrators of View Resources Limited announced their intention to sell the Bronzewing asset and initiated an active program to locate a buyer and complete the sale. On 01 April 2009, the consolidated group entered into a sale agreement this sale was completed in September 2009 when all conditions precedent were met. For the year ending 30 June 2008 the disposal of the asset triggered the discontinuing of its operations in the Mining business segment, that is View Gold Pty Ltd. As part of the Group's plan as part of the finalisation of the DOCA, View Gold Pty was deconsolidated on the 9 February 2011.

Assets and liabilities held at deconsolidation date

Cash	623,609	-
Trade creditors	(24,838,329)	-
Lease liabilities	(10,862,445)	-
	(35,077,165)	-
Net gain on disposal	35,077,165	-
Net cash transferred from group on deconsolidation	(623,609)	-

27. Share-based payments

- i. On 24 February 2011, 20,000,000 share options were granted to AARI as a share based payment on completion of the DOCA. The options are exercisable on or before 31 March 2014. The options hold no voting or dividend rights and are not transferable.
- ii. Options granted to key management personnel are as follows:

Grant Date	Number
-	Nil

- iii. A summary of the movements of all company options issues is as follows:

	Number	Weighted average exercise price
Options outstanding as at 30 June 2009	2,125,000	\$0.39
Granted	-	-
Forfeited	-	-
Exercised	-	-
Expired	-	-
Options outstanding as at 30 June 2010	2,125,000	\$0.39
Forfeited	(1,075,000)	\$0.39
Consolidation of options, 1:20	(997,500)	\$0.39
Options outstanding as at 30 June 2010, restated	52,500	\$7.80
Granted	20,000,000	\$0.01
Forfeited	-	-
Exercised	-	-
Expired	-	-
Options outstanding as at 30 June 2011	20,052,500	\$2.61

Options exercisable as at 30 June 2010:	2,125,000
Options exercisable as at 30 June 2011:	20,052,500

As at the date of exercise, the weighted average share price of options exercised during the year was nil (2010: nil).

27. Share-based payments

The weighted average remaining contractual life of options outstanding at year end was 2.75 years. The exercise price of outstanding shares at the end of the reporting period was \$2.61.

The fair value of the options granted to employees is deemed to represent the value of the employee services received over the vesting period, there were no such options for the period ending 30 June 2011. The weighted average fair value of options granted during the year was \$0.002 (2010: nil). These values were calculated using the Black-Scholes option pricing model applying the following inputs:

Weighted average exercise price:	\$0.01
Weighted average life of the option:	3.1 years
Expected share price volatility:	82.86%
Risk-free interest rate:	5.02%

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements. The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

- iv. No shares were granted to key management personnel as share-based payments during the period. The options granted above were for creditor payments in relation to the deed of company and arrangement and the share based payment expense of \$40,076 (2010: Nil) is recorded as part of DOCA payments in the statement of comprehensive income.

28. Parent entity disclosures

	2011 \$	2010 \$
(a) Financial Position		
Assets		
Current Assets	2,358,321	2,266,113
Non-Current Assets	13,140	20,001
Total Assets	2,371,461	2,286,114
Liabilities		
Current Liabilities	21,708	3,941,787
Non-Current Liabilities	1,909,495	2,311,978
Total Liabilities	1,931,203	6,253,765
Equity		
Issued Capital	3,948,683	138,078,582
Reserves	40,076	3,312,280
Retained Profits (Losses)	(3,548,501)	(145,358,513)
Total Equity	440,258	(3,967,651)
(b) Financial Performance		
(Loss)/ profit for the period	(144,028)	1,584,341
Other comprehensive income	-	-
Total Comprehensive Income	(144,028)	1,584,341
(c) Contingent Liabilities of the Parent Entity		
There are no such contingencies.		
(d) Commitments of the Parent Entity		
Not longer than 1 year	30,269	-
Longer than 1 year and not longer than 5 years	121,081	-
Longer than 5 years	-	-
Total	151,350	-

**29. Financial Risk Management**

The Group's principal financial instruments comprise cash and short-term deposits. The Group has various other financial assets and liabilities such as other receivables and payables, which arise directly from its operations.

The Group's activities expose it to a variety of financial risks, including, credit risk, liquidity risk and cash flow interest rate risk. The company is not exposed to foreign exchange or price risk.

Risk management is carried out by the Board of Directors, who evaluate and agree upon risk management and objectives.

The board of directors were not the directors at 30 June 2010, and as such there are no comparative financial risk management policies for these periods.

(a) Market Risk**(i) Interest rate risk**

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

2011

	Floating Interest Rate	Fixed Interest Rate		Non Interest Bearing	Total	Weight Effective Interest Rate
		1 Year or Less	1 to 5 Years			
	2011 \$	2011 \$	2011 \$	2011 \$	2011 \$	2011 %
Financial Assets						
Cash	3,682,565	1,000,000	-	-	4,682,565	3.02%
Trade and other receivables	-	-	-	7,347	7,347	
Total Financial Assets	3,682,565	1,000,000	-	7,347	4,689,912	
Financial Liabilities						
Trade and other payables	-	-	-	502,558	502,558	-
Total Financial Liabilities	-	-	-	502,558	502,558	

2010

	Floating Interest Rate	Fixed Interest Rate		Non Interest Bearing	Total	Weight Effective Interest Rate
		1 Year or Less	1 to 5 Years			
	2010 \$	2010 \$	2010 \$	2010 \$	2010 \$	2010 %
Financial Assets						
Cash	9,508,314	-	-	-	9,508,314	-
Trade and other receivables	-	-	-	-	-	
Total Financial Assets	9,508,314	-	-	-	9,508,314	
Financial Liabilities						
Trade and other payables	22,331,051	-	-	29,076,820	51,407,871	7.30%
Total Financial Liabilities	22,331,051	-	-	29,076,820	51,407,871	

The Group policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates. The Group does not have any receivables or payables that may be affected by interest rate risk.

Sensitivity analysis

At 30 June 2011, if interest rates had changed by +/-100 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for both the Group and the parent entity would have been \$46,941 (2010: n/a) lower/higher as a result of lower/higher interest income from cash and cash equivalents. Management have deemed a movement of 100 basis points to be an appropriate measure for this sensitivity analysis.

(b) Credit risk

The Group does not have any significant concentrations of credit risk. Credit risk is managed by the Board and arises from cash and cash equivalents as well as credit exposure including outstanding receivables.

All cash balances held at banks are held at internationally recognised institutions. The majority of receivables held within the Group relates to receivables from the Group's JV investment. The credit quality of financial assets that are neither past due or impaired can be assessed by reference to historical information about default rates.

The maximum exposure to credit risk at reporting date is the carrying amount of the financial assets disclosed within the financial report.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about default rates.

Financial assets that are neither past due and not impaired are as follows:-

	2011 \$	2010 \$
Financial assets - counterparties without external credit rating		
Financial assets with no defaults in the past	7,347	-
Cash and cash equivalents		
'AA' S&P rating	4,682,565	9,508,314

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash balances and access to equity funding.

The Group's exposure to the risk of changes in market interest rates relate primarily to cash assets.

The directors monitor the cash-burn rate of the Group on an on-going basis against budget and the maturity profiles of financial assets and liabilities to manage its liquidity risk.

As at reporting date the Group had sufficient cash reserves to meet its requirements. The Group has no access to credit standby facilities or arrangements for further funding or borrowings in place.

29. Financial Risk Management (continued)

The financial liabilities the Group had at reporting date were other payables incurred in the normal course of the business. These were non interest bearing and were due within the normal 30-60 days terms of creditor payments.

*Maturities of financial liabilities*

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Consolidated Group	Less than 6 months	6-12 months	1-2 years	2-5 years	Over 5 years	Total contractual cash flows	Carrying amount (assets)/ liabilities
	\$	\$	\$	\$	\$	\$	\$
As at 30 June 2011							
Trade and other payables	502,558	-	-	-	-	502,558	502,558
As at 30 June 2010							
Trade and other payables	51,407,871	-	-	-	-	51,407,871	51,407,871

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the reporting date are recorded at amounts approximating to their carrying amount.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price. At reporting date the Group had no such financial assets.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

30. Company Details

The registered office and principal place of business is:

C/- Bentleys
Level 1, 12 Kings Park Road
West Perth WA 6005
Telephone: 08 9226 4500
Facsimile: 08 9226 4300



The directors of the company declare that:

1. The financial statements set out on pages 15 to 47 are in accordance with the *Corporations Act 2001* and:
 - a) comply with Accounting Standards, which as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b) give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the company and consolidated group;
2. the Chief Executive Officer and Chief Finance Officer, as required by Section 295A of the Corporations Act, have each declared that;
 - a) the financial records of the company for the financial year have been properly maintained in accordance with s286 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; and

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

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

Ranko Matic
Non-Executive Chairman

Dated this 30th day of September 2011



Tel: +8 6382 4600
Fax: +8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

30 September 2011

The Directors
View Resources Limited
Level 1, 12 Kings Park Road
WEST PERTH WA 6005

Dear Sirs,

**DECLARATION OF INDEPENDENCE BY BRAD MCVEIGH TO THE DIRECTORS OF
VIEW RESOURCES LIMITED**

As lead auditor of View Resources Limited for the year ended 30 June 2011, 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 View Resources Limited and the entities it controlled during the period.

Brad McVeigh
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia



Tel: +8 6382 4600
Fax: +8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

QUALIFIED INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VIEW RESOURCES LIMITED

Report on the Financial Report

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

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of View Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



Basis for Qualified Opinion

The financial report which comprises the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows, description of accounting policies and other selected explanatory notes for the preceding corresponding period has been disclaimed. Accordingly, we are not in a position to and do not express any assurance in respect of the comparative information for the year ended 30 June 2010, or on current year results or cash flows as a result of any adjustments that would have been made on prior period amounts.

The financial report discloses a gain on the deconsolidation of View Gold Pty Limited of \$35,077,165 and deed of company administration liability write-offs of \$7,568,612. We were unable to determine the accuracy of assets and liabilities of the group due to the disclaimed opinion in the corresponding preceding financial year. Due to this we were unable to verify the accuracy of the gain on deconsolidation and deed of company administration liability write off had in the consolidated statement of comprehensive income of View Resources Limited for the year ended 30 June 2011.

The financial report discloses an expense item described as DOCA payments totalling \$4,300,280. We were unable to obtain sufficient appropriate audit evidence to verify the accuracy of \$700,153 included in the total. Given this limitation of scope we cannot, and do not express an opinion on this balance included in the consolidated statement of comprehensive income for the year ended 30 June 2011.

Included in View Resources Limited's consolidated statement of financial position as at 30 June 2011 is an investment of 30% in the associate Carnilya Hill Joint Venture which is accounted for under the equity method and is carried at \$1,315,813. View Resources Limited's share of the Carnilya Hill Joint Venture's net income of \$2,893,200 is included in View Resources Limited's consolidated statement of comprehensive income for the year then ended. We were unable to obtain sufficient appropriate audit evidence to verify the accuracy of the investment and as such we were unable to determine whether any adjustments to these amounts were necessary. Given this limitation of scope we cannot, and do not express an opinion on result of the associate included in the consolidated statement of comprehensive income for the year ended 30 June 2011, or any consequential impact it may have on the carrying value of the investment.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph:

- (a) the financial report of View Resources Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the Remuneration Report

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



Basis for Qualified Opinion

The Remuneration Report for the preceding corresponding period has been disclaimed. Accordingly, we are not in a position to and do not express any assurance in respect of the comparative information for the year ended 30 June 2010 or any effect that it may have on the current year remuneration report.

Qualified Opinion

In our opinion, except for the effects of the disclaimed audit opinion in the preceding year, as described in the Basis for Qualified Opinion paragraph noted above, the Remuneration Report of View Resources Limited for the year ended 30 June 2011 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'BDO' on the top line and 'SM by 1' on the bottom line.

Brad McVeigh
Director

Perth, Western Australia
Dated this 30th day of September 2011

ADDITIONAL INFORMATION

Additional information required by Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 26 September 2011.

(a) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

Range	Total holders	Units	% of Issued Capital
1 - 1,000	4,475	1,653,354	0.19
1,001 - 5,000	2,034	4,794,580	0.54
5,001 - 10,000	243	1,829,065	0.21
10,001 - 100,000	182	5,408,308	0.61
100,001 - 999,999,999	225	868,268,363	98.45
1,000,000,000 - 9,999,999,999	0	0	0.00
Rounding			0.00
Total	7,159	881,953,670	100.00

Unmarketable Parcels

Minimum Parcel Size	Holders	Units
Minimum \$ 500.00 parcel at \$ 0.0130 per unit	38462	6894
		10846357

(b) Twenty largest shareholders

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

Rank	Name	Units	% of Units
1.	BRIJOHN NOMINEES PTY LTD <NELSONIO A/C>	70,000,000	7.94
2.	PHEAKES PTY LTD <SENATE A/C>	47,913,200	5.43
3.	MR ARIF ELBERT MATTHEE + MRS HAMEEDAH MATTHEE <THE AH SUPER FUND A/C>	44,000,000	4.99
4.	MR MICHAEL FOSTER BLACK + MRS LYNETTE ROBIN BLACK <PE SUR SUPP CO STF S/F 2 A/C>	32,000,000	3.63
5.	TT NICHOLLS PTY LTD <SUPER A/C>	32,000,000	3.63
6.	CELTIC CAPITAL PTY LTD <THE CELTIC CAPITAL A/C>	29,249,530	3.32
7.	MR DAVID ARTHUR PAGANIN <D A PAGANIN FAMILY NO 2 A/C>	21,271,700	2.41
8.	MR JOHN DELLA BOSCA <JA&JG DELLA BOSCA FAMILY A/C>	16,000,000	1.81
9.	MR JASON PETERSON + MRS LISA PETERSON <J & L PETERSON S/F A/C>	16,000,000	1.81
10.	MR TODD ROBERT PEARSON	15,074,737	1.71
11.	MR ROBERT JONATHAN WALL	15,000,000	1.70
12.	KOBIA HOLDINGS PTY LTD <THE KOBIA A/C>	14,000,000	1.59
13.	PO KING (FAR EAST) PTY LTD <THE GRAM SUPER FUND A/C>	14,000,000	1.59
14.	MR WADE ROUTLEDGE + MRS GAY EDWINA ROUTLEDGE <THE WADE ROUTLEDGE S/F A/C>	14,000,000	1.59
15.	MR MARK WILLIAM TOPLEY <TOPLEY FAMILY A/C>	13,000,000	1.47
16.	CHANCERY HOLDINGS PTY LTD <MCKENZIE NO 2 SUPER FUND A/C>	12,000,000	1.36
17.	GURNEY CAPITAL NOMINEES PTY LTD	12,000,000	1.36
18.	MITCHELL GRASS HOLDINGS PTY LTD <WOOD FAMILY A/C>	12,000,000	1.36
19.	MR ROGER STEINEPREIS <RC STEINEPREIS FAMILY NO 2 A/C>	11,521,700	1.31
20.	ABROLHOS EDGE PTY LTD <ABROLHOS EDGE SUPER A/C>	10,000,000	1.13
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (TOTAL)		451,030,867	51.14

(c) Substantial shareholders

Name	Units
BRIJOHN NOMINEES PTY LTD <NELSONIO A/C>	70,000,000
PHEAKES PTY LTD <SENATE A/C>	47,913,200

(d) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(e) Options

There are no listed options. There are 170,000,000 unlisted options over unissued shares on issue to 14 holders.

(f) Schedule of interest in mining tenements

Location	Tenement	Percentage held / earning
MURRIN MURRIN STH	E39/1641	100% Pending
CARNILYA	L26/0241	30%
CARNILYA	M26/0047	30%
CARNILYA	M26/0048	30%
CARNILYA	M26/0049	30%
CARNILYA	M26/0453	30%



VIEW RESOURCES LIMITED

REGISTERED OFFICE
Level 1
12 Kings Park Road
WEST PERTH WA 6005
Ph: +61 8 9226 4500
Fax: +61 8 9226 4300
Web: www.viewresources.com.au