

Buxton

Resources Limited



Annual Report



2009

CORPORATE DIRECTORY

ABN 86 125 049 550

Directors

Michael Ivey (Non Executive Chairman)
Ron Smit (Managing Director)
Graeme Smith (Non Executive Director)

Company Secretary

Graeme Smith

Registered Office

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WEST PERTH WA 6005

Principal Place of Business

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Postal Address

PO Box 356
NORTH PERTH WA 6906

Solicitors

House Legal
86 First Avenue
MT LAWLEY WA 6050

Share Register

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St George's Terrace
PERTH WA 6000

Auditors

Rothsay Chartered Accountants
Level 18, 6 O'Connell Street
SYDNEY NSW 2000

Internet Address

www.buxtonresources.com.au

Securities Exchange Listing

Buxton Resources Limited shares are listed on the Australian Securities Exchange (ASX code: BUX).

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A Message from the Chairman

Dear Fellow Shareholder

Our second year as a public company has been an eventful one and we can now look back with hindsight at what we hope was the worst of a financial crisis that we all endured.

Your board acted swiftly to minimise expenditures; allowing Buxton to preserve its financial and core mineral assets for better times when their full value can be properly recognised. Our goal of creating long term shareholder wealth through a strategy aimed at the discovery and development of world-class precious metal and/or base metal deposits remains intact. We were surprised though that despite rapidly falling metal prices and credit lines drying up, how few, quality mineral projects became available. Clearly, like us, there remains a strong view that mineral resources are indeed scarce and good projects are hard to secure. We were successful though, in acquiring a new exploration project, known as Zanthus, that became available as other companies reduced land holdings.

Our search for quality assets continues and consistent with this, much work is going on behind the scenes evaluating and assessing project and corporate opportunities that ultimately will provide meaningful value for our Company and our share price.

We are well positioned to take advantage of these opportunities and remain determined to pursue a project. At the same time our exploration work continues, with an emphasis on our Dempster Project with drilling completed in September targeting a number of gold and nickel targets that we have generated. Assay results are expected in October.

On behalf of the board I would like to extend my thanks to our shareholders and business partners for joining us on our search and I look forward to providing further updates on our progress during the year.



Mike Ivey
Chairman



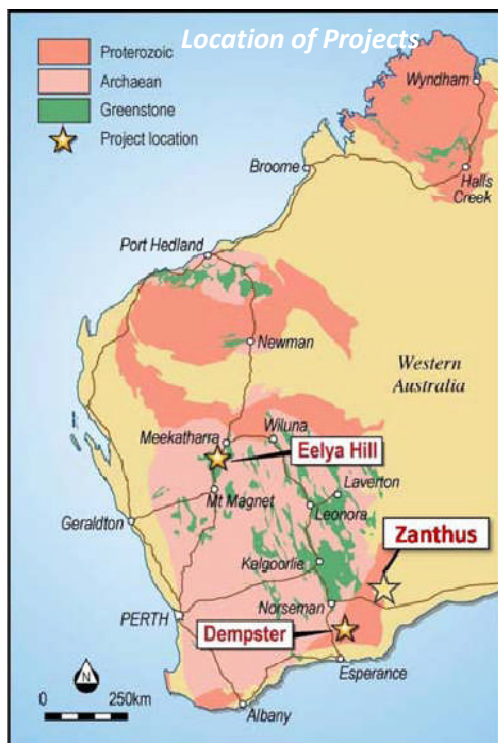
Drilling in the Eucla Basin, October 2008



Strategy and Synopsis of the Year

Buxton responded quickly to the impact of global economic events and the consequential downturn in commodity demand by taking measures to preserve its key exploration properties and cash. The company adopted a conservative position, re-evaluated its projects, postponed high-cost exploration activities and reduced director and executive remuneration. These decisive actions have left the company in a sound financial position.

The long-term objective of the Company remains unchanged which is to progress a current project to an advanced stage or acquire one. This is a challenging task which requires discipline and patience.



Mineral Exploration Activities: Over the course of this year, your Company has:

- further defined and enhanced gold and nickel anomalies at its Dempster Project. These targets have been tested by drilling and results are pending;
- determined a strategy to divest the Eelya Hill Project, or failing that, drill one specific volcanogenic massive sulphide target;
- generated the Zanthus Project targeting gold and base metal mineralisation in high-grade metamorphic rocks of the Fraser Orogen;
- completed the sale of the Western Shaw Project to Atlas Iron Limited;
- surrendered the Kanandah and Warda Warda Projects; and
- completed reviews and risk assessments on a number of mineral properties.

Further details on these activities are presented in the section below.

Major activity for the Year	Production
RC drilling	5 holes for 944m
Auger drilling – calcrete	576 holes

Corporate Activities: There have been no changes to the capital structure of the Company since listing on the ASX in October 2007. The Company has 32,040,010 fully paid shares on issue and 8,750,000 unlisted options. The top twenty shareholders own approximately 63.6% of the issued shares.

Investments – ASX Listed Shares: The Company holds fully paid ordinary shares in the following ASX listed groups:

Company	Number of Shares
Atlas Iron Limited (AGO)	112,410

“the Company has preserved its key exploration properties and cash”

Ron Smit, Managing Director



Dempster Gold & Nickel Project (90% Buxton)

The Dempster Project is 90 km north-northeast of Esperance, Western Australia. The target is gold and nickel mineralisation within high-grade metamorphic rocks of the Proterozoic Albany-Fraser Orogen.

The exploration methodology has been to collect near-surface calcrete samples to screen for buried mineralisation. Over the course of this year a further 576 calcrete samples were collected bringing the total number of calcrete samples collected on the project to 1125. The calcrete samples collected this year were mostly infill samples and these have confirmed the presence of four gold anomalies and one nickel anomaly.

The gold anomalies have been termed Alpha, Bravo, Charlie & Delta and they contain several gold values in excess of 5 ppb with the highest being 17 ppb at Bravo. **Low-level gold anomalies such as these are considered highly significant as they may reflect the presence of concealed primary gold mineralisation.** The 5 Moz Tropicana-Havana gold deposit was discovered by following up similar surface geochemical results (where a peak gold value of 31 ppb was recorded).



The nickel anomaly has been termed Prickle and is directly associated with the most magnetic portion of a linear magnetic trend thought to represent a mafic or ultramafic rock. Many nickel values exceed 50 ppm with the highest being 143 ppm.

Drilling of these gold and nickel anomalies was completed in September and assay results are expected in October 2009.

Eelya Hill Copper-Gold Project (90% Buxton)

The project is located 27 km east-northeast of Cue, Western Australia and contains copper and gold mineralisation within felsic volcanic rocks. Earlier this year, a field inspection was completed to locate old drill holes at the Eelya South Prospect. Importantly, the collar position of ERC19, a high-grade copper & gold mineralised hole was successfully located and its position was recorded by GPS. This hole was drilled in 1992 to test an IP anomaly and intersected a narrow band of massive sulphides (**3m at 6.9% Cu & 3.6 g/t Au** from 39m).

The collar positions of several other holes were also recorded by GPS which has enabled a better interpretation of the mineralised system. It is apparent from data collected so far that the mineralised zone is about 400m in strike length, 3 to 15m in width and has a shallow dip to the southeast (35°). It is now apparent that only a few of the historical holes tested the sulphide zone.

The strategy for this prospect is to drill a deep hole(s) directly beneath the best intersection (ERC19) which corresponds to the best known geophysical response. The Company plans to sole fund this stage of mineral exploration if it cannot find a suitable joint venture partner.

Zanthus Gold & Base Metal Project (100% Buxton)

The Zanthus project is 200 km north-east of Norseman, Western Australia. It is a new project and the target is gold and base metal mineralisation within high-grade metamorphic rocks of the Proterozoic Albany-Fraser Orogen.

Two exploration licence applications covering 597 sq. km of prospective ground were lodged earlier this year following a review airborne magnetic data and historical geochemical data. Two main targets have been identified.

Symons Hill - Regional calcrete sampling completed in 1998 identified a 3,500m long coincident gold – arsenic - molybdenum anomaly. Maximum values are 10.6 ppb gold, 220 ppm arsenic and 2 ppb molybdenum. This anomaly is associated with a linear magnetic feature located near the intersection of three major faults of the Fraser Complex.

Manners Flat - This target is a buried magnetic dome adjacent to a north-south fault. There is no record of any previous exploration of this feature but regional calcrete sampling approximately 1 km to the south has reported elevated gold values (17 & 20 ppb gold).

Semi-detailed calcrete sampling will be undertaken over these targets when the tenements are granted.

Western Shaw Iron Project, Pilbara Block WA (Sold, retained royalty).

The Western Shaw Project is 100 km southwest of the town of Marble Bar in the Pilbara, Western Australia. This project was sold to Atlas Iron Limited in 2008. The sale was completed in November 2008 with the issue of 112,410 shares in Atlas Iron Limited to Buxton. The Company retains a royalty on any mineral production from the project (excluding lithium, tantalum & tin).

“the sale of the Western Shaw Project for shares in Atlas was a good outcome for Buxton” Graeme Smith, Director



Warda Warra Project, Yilgarn Block WA (Surrendered)

The Warda Warra Nickel Project was located 280 km east-northeast of Geraldton, Western Australia. In 2007 / 2008 the Company completed an airborne geophysical survey and drilling. The drilling discovered new zones of laterite nickel mineralisation but it was deemed unlikely that these had the capability of delivering an economic deposit. Following a review of all project data a decision was made to withdraw from the Farmin Agreement with AXG Mining Limited and surrender all other tenements.

Kanandah Base Metal Project, Eucla Basin WA (Surrendered)

The Kanandah Project was located 300 km east of Kalgoorlie, Western Australia and was surrendered in March 2009 following an unsuccessful drill campaign. Five holes were drilled for a total of 944 m to test selected geophysical targets beneath a thick cover sequence of Eucla Basin sedimentary rocks. These holes intersected high grade metamorphic rocks. No significant mineralization was intersected and given the high cost of exploring this buried greenfields terrane a decision was made to surrender the property.

The Information in this report that relates to exploration results is based on information compiled by Ronald Smit, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Smit is a geologist and full-time employee of Buxton Resources Limited. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Ronald Smit consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Director's Report

Your directors submit their report for the year ended 30 June 2009.

DIRECTORS

The names and details of the Company's directors in office during the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Michael Ivey, BAppSc (Geol), MSc (Min Econ.), MAusIMM, MAICD (Non Executive Chairman)

Michael Ivey has been involved in the mineral exploration industry in Western Australia for over 20 years. He graduated from Curtin University with a Bachelor of Applied Science degree majoring in geology and has a Master of Science (Mineral Economics) from the WA School of Mines.

After graduating Mr Ivey initially worked as an exploration geologist exploring for gold in the Murchison and Eastern Goldfields Regions of Western Australia. In 1986, Mr Ivey joined Croesus Mining NL and over the ensuing 18 years held the positions of Chief Geologist, Exploration Manager and General Manager before becoming Managing Director and Chief Executive Officer in 1997. He led the discovery of the suite of Binduli gold deposits (+1 million ounces) and was responsible for the acquisition and development of the Davyhurst Gold Project and the merger with Central Norseman Gold Corporation. He was awarded the 2002 Mining Executive of the Year by Gold Mining Journal.

Mr Ivey is also Executive Chairman and Managing Director of Castle Minerals Limited, Non Executive Director of Azumah Resources Limited and is Principal of MetalsEx Capital. Mr Ivey has not held any former directorships in the last 3 years.

Ron Smit, BSc (Hons), MAusIMM (Managing Director)

Ron Smit is a geologist with over 25 years experience in the mineral exploration and mining industry. He worked for BHP Minerals International (now BHP Billiton plc) for much of this period and held many senior technical and management positions.

Mr Smit has conducted exploration for base metals, precious metals and diamonds throughout Australia, North America and Papua New Guinea. He has extensive experience in Archaean and Proterozoic mineral systems and has been involved in the discovery of gold deposits in the Eastern Goldfields of Western Australia, manganese in the Northern Territory and copper in Queensland.

In 2002 Mr Smit joined Marengo Mining Limited as Exploration Manager and subsequently Exploration Director, a position he resigned from on 30 June 2006. Mr Smit's core strengths are business development, project management, project generation and risk assessment.

Graeme Smith, BEc, MBA, MComLaw, FCPA, FCIS, MAusIMM (Non Executive Director)

Graeme Smith is a finance professional with over 20 years experience in accounting and company administration. He graduated from Macquarie University with a Bachelor of Economics degree and has since received a Master of Business Administration and a Master of Commercial Law. He is a Fellow of both the Australian Society of Certified Practising Accountants and the Chartered Institute of Secretaries and Administrators.

Mr Smith has held CFO and Company Secretary positions with other Australian mining and mining service companies. Mr Smith is a director of Genesis Minerals Limited. Mr Smith has not held any former directorships in the last 3 years.

COMPANY SECRETARY

Graeme Smith

Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, the interests of the directors in the shares and options of Buxton Resources Limited were:

	Ordinary Shares	Options over Ordinary Shares
Michael Ivey	110,000	-
Ron Smit	3,340,000	2,000,000
Graeme Smith	72,500	500,000

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year were the acquisition of mining tenements, and the exploration of these tenements with the objective of identifying economic mineral deposits.

DIVIDENDS

No dividends were paid or declared during the year. No recommendation for payment of dividends has been made.

Director's Report

OPERATING AND FINANCIAL REVIEW

Finance Review

The Company began the year with cash assets available of \$2,835,142. Funds are being used to actively pursue the Company's exploration projects.

During the year total exploration expenditure incurred by the Company amounted to \$408,934 (2008: \$523,299). In line with the Company's accounting policies, all exploration expenditure was written off at year end. The Company received income of \$292,500 (2008: Nil) from the sale of tenement interests. Net administration expenditure incurred amounted to \$257,552 (2008: \$216,599). This has resulted in an operating loss after income tax for the year ended 30 June 2009 of \$373,986 (2008: \$739,898).

At 30 June 2009 cash assets available totalled \$2,307,101.

Operating Results for the Year

Summarised operating results are as follows:

	2009	
	Revenues	Results
	\$	\$
Revenues and loss from ordinary activities before income tax expense	458,362	(373,986)

Shareholder Returns

	2009	2008
Basic loss per share (cents)	(1.2)	(2.8)

Risk Management

The board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the board.

The Company believes that it is crucial for all board members to be a part of this process, and as such the board has not established a separate risk management committee.

The board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders needs and manage business risk.
- Implementation of board approved operating plans and budgets and board monitoring of progress against these budgets.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as disclosed in this Annual Report, no significant changes in the state of affairs of the Company occurred during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

No matters or circumstances, besides those disclosed at note 19, have arisen since the end of the year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is subject to significant environmental regulation in respect to its exploration activities.

The Company aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Company are not aware of any breach of environmental legislation for the year under review.

REMUNERATION REPORT

The remuneration report is set out under the following main headings:

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

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

A Principles used to determine the nature and amount of remuneration

Remuneration Policy

The remuneration policy of Buxton Resources Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives. The board of Buxton Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Company.

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

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

Executives are also entitled to participate in the employee share and option arrangements.

The executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Options are valued using the Black-Scholes methodology.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently \$300,000). Fees for non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are able to participate in the employee option plan.

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

No relationship exists between shareholder wealth, director and executive remuneration and Company performance.

B Details of remuneration

Details of the remuneration of the directors, the key management personnel (as defined in AASB 124 *Related Party Disclosures*) and specified executives of Buxton Resources Limited are set out in the following table.

The key management personnel of Buxton Resources Limited include the directors and company secretary as per page 3 above.

Given the size and nature of operations of Buxton Resources Limited, there are no other employees who are required to have their remuneration disclosed in accordance with the *Corporations Act 2001*.

Director's Report

Key management personnel and other executives of Buxton Resources Limited

	Short-Term		Post Employment		Share-based	Total
	Salary & Fees	Non Monetary	Superannuation	Retirement benefits	Payments	
	\$	\$	\$	\$	\$	\$
Directors						
Michael Ivey						
2009	48,000	2,054	-	-	-	50,054
2008	50,000	1,923	-	-	-	51,923
Ron Smit						
2009	125,000	2,054	11,250	-	-	138,304
2008	120,633	1,923	9,415	-	-	131,971
Graeme Smith						
2009	25,003	2,054	1,350	-	-	28,407
2008	20,692	1,923	1,862	-	-	24,477
Total key management personnel compensation						
2009	198,003	6,162	12,600	-	-	216,765
2008	191,325	5,769	11,277	-	-	208,371

C Service agreements

On 25 June 2007 the Company entered into an Executive Service Agreement with Mr Ron Smit.

Under the Agreement, Mr Ron Smit is engaged by the Company to provide services to the Company in the capacity of Managing Director and CEO.

Effective from 1 January 2009 Mr Smit is paid an annual salary of \$100,000 (plus statutory superannuation) plus a deferred salary of \$50,000 per annum (plus statutory superannuation) is being accrued as a contingent liability of the Company and will only be paid if the Board, in its absolute discretion, decides that it should be paid.

The Agreement continues until terminated by either Mr Smit or the Company. Mr Smit is entitled to a minimum notice period of six months from the Company and the Company is entitled to a minimum notice period of six months from Mr Smit.

D Share-based compensation

There was no share-based compensation issued to key management personnel during the year.

E Additional information

Performance income as a proportion of total compensation

No performance based bonuses have been paid to key management personnel during the financial year.

DIRECTORS' MEETINGS

During the year the Company held six meetings of directors. The attendance of directors at meetings of the board were:

	Directors Meetings	
	A	B
Michael Ivey	7	7
Ron Smit	7	7
Graeme Smith	7	7

Notes

A – Number of meetings attended.

B – Number of meetings held during the time the director held office during the year.

Director's Report

SHARES UNDER OPTION

At the date of this report there are 8,750,000 unissued ordinary shares in respect of which options are outstanding.

	Number of options
Balance at the beginning of the year	8,750,000
Total number of options outstanding as at 30 June 2009 and the date of this report	8,750,000

The balance is comprised of the following:

Expiry date	Exercise price (cents)	Number of options
15 May 2012	20	4,750,000
15 May 2012	30	4,000,000
Total number of options outstanding at the date of this report		8,750,000

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.

INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, the Company has paid premiums insuring all the directors of Buxton Resources Limited against costs incurred in defending proceedings for conduct involving:

(a) a wilful breach of duty; or

(b) a contravention of sections 182 or 183 of the *Corporations Act 2001*,

as permitted by section 199B of the *Corporations Act 2001*.

The total amount of insurance contract premiums paid is \$6,161.

NON-AUDIT SERVICES

There were no non-audit services provided by the entity's auditor, Rothsay Chartered Accountants, or associated entities.

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 any 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*.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

Signed in accordance with a resolution of the directors.



Ron Smit

Managing Director

Perth, 18 September 2009



Level 18, 6 O'Connell Street, Sydney NSW 2000 G.P.O. Box 2759, Sydney NSW 2001
Phone 8815 5400 Facsimile 8815 5401 E-mail swan2000@bigpond.com

The Directors
Buxton Resources Ltd
46 Ord St
West Perth WA 6005

Dear Sirs,

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

- i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 30 June 2009 financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Graham Swan (Lead auditor)

Rothsay Chartered Accountants

18th September 2009



Chartered Accountants

Liability limited by the Accountants Scheme, approved
under the Professional Standards Act 1994 (NSW).

Corporate Governance Statement

The Board of Directors

The Company's constitution provides that the number of directors shall not be less than three and not more than nine. There is no requirement for any share holding qualification.

As and if the Company's activities increase in size, nature and scope the size of the board will be reviewed periodically, and as circumstances demand. The optimum number of directors required to supervise adequately the Company's constitution will be determined within the limitations imposed by the constitution.

The membership of the board, its activities and composition, is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the board shall include quality of the individual, background of experience and achievement, compatibility with other board members, credibility within the Company's scope of activities, intellectual ability to contribute to board's duties and physical ability to undertake board's duties and responsibilities.

Directors are initially appointed by the full board subject to election by shareholders at the next general meeting. Under the Company's constitution the tenure of a director (other than managing director, and only one managing director where the position is jointly held) is subject to reappointment by shareholders not later than the third anniversary following his or her last appointment. Subject to the requirements of the *Corporations Act 2001*, the board does not subscribe to the principle of retirement age and there is no maximum period of service as a director. A managing director may be appointed for any period and on any terms the directors think fit and, subject to the terms of any agreement entered into, may revoke any appointment.

The board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees (other than an Audit Committee) at this time. The board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

Role of the Board

The board's primary role is the protection and enhancement of long-term shareholder value.

To fulfil this role, the board is responsible for oversight of management and the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

Appointments to Other Boards

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other boards.

Independent Professional Advice

The board has determined that individual directors have the right in connection with their duties and responsibilities as directors, to seek independent professional advice at the Company's expense. With the exception of expenses for legal advice in relation to director's rights and duties, the engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably.

Continuous Review of Corporate Governance

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as directors of the Company. Such information must be sufficient to enable the directors to determine appropriate operating and financial strategies from time to time in light of changing circumstances and economic conditions. The directors recognise that mining exploration is an inherently risky business and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Company.

ASX Principles of Good Corporate Governance

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 has adopted the revised Recommendations and the following table sets out the company's present position in relation to each of the revised Principles.

Corporate Governance Statement

	ASX Principle	Status	Reference/comment
Principle 1:	Lay solid foundations for management and oversight		
1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions	A	Matters reserved for the Board are included on the Company website in the Corporate Governance Section.
1.2	Companies should disclose the process for evaluating the performance of senior executives	A	The remuneration of management and employees is reviewed by the Managing Director and approved by the Board. Acting in its ordinary capacity the Board from time to time carries out the process of considering and determining performance issues.
1.3	Companies should provide the information indicated in the Guide to reporting on Principle 1	A (in part)	Matters reserved for the Board can be viewed on the Company website.
Principle 2:	Structure the board to add value		
2.1	A majority of the board should be independent directors	N/A	The Board consists of 3 members – an independent chairman, a managing director and a non-independent director who is also the Company Secretary and has worked for a consultant to the Company within the past 3 years. The Board does not consider it appropriate to appoint another director in his place as the additional costs would not outweigh the benefits of independence.
2.2	The chair should be an independent director	A	
2.3	The roles of chair and chief executive officer should not be exercised by the same individual	A	The position of Chairman and Managing Director are held by separate persons.
2.4	The board should establish a nomination committee	A	The full Board is the Nomination Committee. Acting in its ordinary capacity from time to time as required, the Board carries out the process of determining the need for screening and appointing new Directors. In view of the size and resources available to the Company it is not considered that a separate Nomination Committee would add any substance to this process.
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors	N/A	Given the size and nature of the Company a formal process for performance evaluation has not been developed.
2.6	Companies should provide the information indicated in the Guide to reporting on Principle 2	A (in part)	The skills and experience of the Directors are set out in the Company's Annual Report and on the website.
Principle 3:	Promote ethical and responsible decision-making		
3.1	Companies should establish a code of conduct and disclose the code or a summary of the code as to: - the practices necessary to maintain confidence in the company's integrity - the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders - the responsibility and accountability of individuals for reporting and investigating reports of unethical practices	A	The Company has established a Code of Conduct which can be viewed on its website.
A = Adopted N/A = Not adopted			

Corporate Governance Statement

	ASX Principle	Status	Reference/comment
3.2	Companies should establish a policy concerning trading in company securities by directors, senior executives and employees, and disclose the policy or a summary of that policy	A	The Company has formulated a securities trading policy, which can be viewed on its website.
3.3	Companies should provide the information indicated in the Guide to reporting on Principle 3	A	
Principle 4: Safeguard integrity in financial reporting			
4.1	The board should establish an audit committee	A	The full Board acts as the audit committee.
4.2	The audit committee should be structured so that it: - consists only of non-executive directors - consists of a majority of independent directors - is chaired by an independent chair, who is not chair of the board - has at least three members	N/A N/A N/A A	The Company only has two non-executive directors. The Company only has one independent director. There are only 3 directors and the chairman is the only independent director.
4.3	The audit committee should have a formal charter	A	
4.4	Companies should provide the information indicated in the Guide to reporting on Principle 4	A	
Principle 5: Make timely and balanced disclosure			
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies	A	Directors must obtain the approval of the Chairman of the Board and notify the Company Secretary before they buy or sell shares in the Company, and it is subject to Board veto. Directors must provide the information required by the Company to ensure Compliance with Listing Rule 3.19A.
5.2	Companies should provide the information indicated in the Guide to reporting on Principle 5	A	The Board receives monthly reports on the status of the Company's activities and any new proposed activities. Disclosure is reviewed as a routine agenda item at each Board Meeting.
Principle 6: Respect the rights of shareholders			
6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy	A	In line with adherence to continuous disclosure requirements of the ASX all shareholders are kept informed of major developments affecting the Company. This disclosure is through regular shareholder communications including the Annual report, Quarterly Reports, the Company Website and the distributions of specific releases covering major transactions and events.
6.2	Companies should provide the information indicated in the Guide to reporting on Principle 6	A	The Company has formulated a Communication Policy which is included in its Corporate Governance Statement on the Company Website.

A = Adopted

N/A = Not adopted

Corporate Governance Statement

	ASX Principle	Status	Reference/comment
Principle 7:	Recognise and manage risk		
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies	N/A	While the Company does not have formalised policies on risk management the Board recognises its responsibility for identifying areas of significant business risk and for ensuring that arrangements are in place for adequately managing these risks. This issue is regularly reviewed at Board meetings and risk management culture is encouraged amongst employees and contractors. Determined areas of risk which are regularly considered include: • performance and funding of exploration activities • budget control and asset protection • status of mineral tenements • compliance with government laws and regulations • safety and the environment • continuous disclosure obligations
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 material business risks	N/A	While the Company does not have formalised risk management policies it recognises its responsibility for identifying areas of significant business risk and ensuring that arrangements are in place to adequately manage these risks. This issue is regularly reviewed at Board meetings and a risk management culture is encouraged amongst employees and contractors.
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks	A	Assurances received from CEO and CFO (or equivalent) each year.
7.4	Companies should provide the information indicated in the Guide to reporting on Principle 7	A	
Principle 8:	Remunerate fairly and responsibly		
8.1	The board should establish a remuneration committee	A	
8.2	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives	A	
8.3	Companies should provide the information indicated in the Guide to reporting on Principle 8	A	Refer to the Annual Report and the Corporate Governance section of the Company's website.

A = Adopted

N/A = Not adopted

Income Statement

YEAR ENDED 30 JUNE 2009

Notes

The Company

		2009 \$	2008 \$
REVENUE FROM CONTINUING OPERATIONS	4	458,362	173,044
EXPENDITURE			
Depreciation expense		(17,045)	(12,743)
Employee benefits expense		(103,173)	(104,945)
Exploration expenses		(408,934)	(523,299)
Consultancy expenses		(20,000)	(53,018)
Corporate expenses		(94,757)	(132,233)
Administration costs		(81,978)	(86,704)
Other expenses	5	(106,461)	-
LOSS BEFORE INCOME TAX		(373,986)	(739,898)
INCOME TAX BENEFIT / (EXPENSE)	6	-	-
LOSS FOR THE YEAR		(373,986)	(739,898)
Basic and diluted loss per share for loss attributable to the ordinary equity holders of the Company (cents per share)	21	(1.2)	(2.8)

The above Income Statement should be read in conjunction with the Notes to the Financial Statements.

Balance Sheet

AT 30 JUNE 2009

	Notes	The Company	
		2009	2008
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	2,307,101	2,835,142
Trade and other receivables	8	17,732	48,380
Financial assets at fair value through profit or loss	9	186,039	-
TOTAL CURRENT ASSETS		2,510,872	2,883,522
NON-CURRENT ASSETS			
Plant and equipment	10	26,658	42,613
TOTAL NON-CURRENT ASSETS		26,658	42,613
TOTAL ASSETS		2,537,530	2,926,135
CURRENT LIABILITIES			
Trade and other payables	11	46,422	61,041
TOTAL CURRENT LIABILITIES		46,422	61,041
TOTAL LIABILITIES		46,422	61,041
NET ASSETS		2,491,108	2,865,094
EQUITY			
Issued capital	12	3,652,447	3,652,447
Accumulated losses	13	(1,161,339)	(787,353)
TOTAL EQUITY		2,491,108	2,865,094

The above Balance Sheet should be read in conjunction with the Notes to the Financial Statements.

Statement of Changes in Equity

YEAR ENDED 30 JUNE 2009

Notes

The Company

		2009 \$	2008 \$
TOTAL EQUITY AT THE BEGINNING OF THE YEAR		2,865,094	274,797
LOSS FOR THE YEAR		(373,986)	(739,898)
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF BUXTON RESOURCES LIMITED		(373,986)	(739,898)
Transactions with equity holders in their capacity as equity holders:			
Shares issued during the year	12	-	3,708,000
Transaction costs	12	-	(377,805)
		-	3,330,195
TOTAL EQUITY AT THE END OF THE YEAR		2,491,108	2,865,094

The above Statement of Changes in Equity should be read in conjunction with the Notes to the Financial Statements.

Cash Flow Statement

YEAR ENDED 30 JUNE 2009

Notes

The Company

		2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(309,647)	(349,966)
Expenditure on mining interests		(399,881)	(527,162)
Interest received		141,899	157,419
Other revenue		39,588	-
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES	20	(528,041)	(719,709)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		-	(50,170)
Payment of office security deposit		-	(16,632)
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES		-	(66,802)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of ordinary shares		-	3,708,000
Payments of share issue costs		-	(367,868)
NET CASH INFLOW FROM FINANCING ACTIVITIES		-	3,340,132
NET INCREASE IN CASH AND CASH EQUIVALENTS		(528,041)	2,553,621
Cash and cash equivalents at the beginning of the financial year		2,835,142	281,521
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7	2,307,101	2,835,142

The above Cash Flow Statement should be read in conjunction with the Notes to the Financial Statements.

Notes to the Financial Statements

30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. The financial report includes financial statements for Buxton Resources Limited as an individual entity. The financial report is presented in the Australian currency. Buxton Resources Limited is a company limited by shares, domiciled and incorporated in Australia. The financial report was authorised for issue by the directors on 18 September 2009. The directors have the power to amend and reissue the financial report.

(a) Basis of preparation

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

Compliance with IFRS

The financial report of Buxton Resources Limited also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

(b) 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.

(c) Revenue recognition

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial assets.

(d) Income tax

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

(e) Leases

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Notes to the Financial Statements

30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Leases where a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases (note 18). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(f) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Cash and cash equivalents

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

(h) Investments and other financial assets

Classification

The Company classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. If the Company were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Financial assets - reclassification

The Company may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the Company may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if the Company has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Notes to the Financial Statements

30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Recognition and derecognition

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

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

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of revenue from continuing operations when the Company's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Details on how the fair value of financial investments is determined are disclosed in note 2.

Impairment

The Company assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available-for-sale are not reversed through the income statement.

If there is evidence of impairment for any of the Company's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in the income statement.

(i) Plant and equipment

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

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

Depreciation of plant and equipment is calculated using the reducing balance method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term. The rates vary between 20% and 40% per annum.

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(f)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, it is Company policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

Notes to the Financial Statements

30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(j) Exploration and evaluation costs

Exploration and evaluation costs are expensed as incurred.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured, non-interest bearing and are paid on normal commercial terms.

(l) 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.

(m) Earnings per share

(i) Basic earnings per share

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

(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.

(n) Goods and Services Tax (GST)

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

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

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

(o) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. The Company's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 (effective from 1 January 2009)

AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a 'management approach' to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and deciding how to allocate resources to operating segments. The Company will adopt AASB 8 from 1 July 2009. Adoption of AASB 8 may result in different segments, segment results and different types of information being reported in the segment note of the financial report. However, at this stage, it is not expected to affect any of the amounts recognised in the financial statements.

(ii) Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 (effective from 1 January 2009)

The September 2007 revised AASB 101 requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative period. The Company intends to apply the revised standard from 1 July 2009.

Notes to the Financial Statements

30 JUNE 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(iii) *AASB 2008-1 Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations (effective from 1 January 2009)*

AASB 2008-1 clarifies that vesting conditions are service conditions and performance conditions only and that the other features of a share-based payment are not vesting conditions. It also specifies that all cancellations, whether by the entity or other parties, should receive the same accounting treatment. The Company will apply the revised standard from 1 July 2009, but it is not expected to affect the accounting for the Company's share-based payments.

(iv) *Revised AASB 3 Business Combinations, AASB 127 Consolidated and Separate Financial Statements and AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 (effective from 1 January 2009)*

The revised AASB 3 continues to apply the acquisition method to business combinations, but with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently remeasured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs must be expensed.

The revised AASB 127 requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss. This is consistent with the Company's current accounting policy if significant influence is not retained.

The Company will apply the revised standards prospectively to all business combinations and transactions with non-controlling interests from 1 July 2009.

(v) *AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (effective 1 July 2009)*

In July 2008, the AASB approved amendments to AASB 1 *First-time Adoption of International Financial Reporting Standards* and AASB 127 *Consolidated and Separate Financial Statements*. The Company will apply the revised rules prospectively from 1 July 2009. After that date, all dividends received from investments in subsidiaries, jointly controlled entities or associates will be recognised as revenue, even if they are paid out of pre-acquisition profits, but the investments may need to be tested for impairment as a result of the dividend payment. Under the entity's current policy, these dividends are deducted from the cost of the investment. Furthermore, when a new intermediate parent entity is created in internal reorganisations it will measure its investment in subsidiaries at the carrying amounts of the net assets of the subsidiary rather than the subsidiary's fair value.

(vi) *AASB 2008-8 Amendment to IAS 39 Financial Instruments: Recognition and Measurement (effective 1 July 2009)*

AASB 2008-8 amends AASB 139 *Financial Instruments: Recognition and Measurement* and must be applied retrospectively in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. The amendment makes two significant changes. It prohibits designating inflation as a hedgeable component of a fixed rate debt. It also prohibits including time value in the one-sided hedged risk when designating options as hedges. The Company will apply the amended standard from 1 July 2009. It is not expected to have a material impact on the Company's financial statements.

(p) Critical accounting judgements, estimates and assumptions

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

2. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out by the full Board of Directors as the Company believes that it is crucial for all board members to be involved in this process. The Managing Director, with the assistance of senior management as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the board on risk management.

(a) Market risk

(i) Foreign exchange risk

As all operations are currently within Australia the Company is not exposed to foreign exchange risk.

(ii) Price risk

Given the current level of operations the Company is not exposed to price risk.

Notes to the Financial Statements

2. FINANCIAL RISK MANAGEMENT (cont'd)

(iii) Interest rate risk

The Company is exposed to movements in market interest rates on cash and cash equivalents. The Company 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. The entire balance of cash and cash equivalents for the Company \$2,307,101 (2008: \$2,835,142) is subject to interest rate risk. The proportional mix of floating interest rates and fixed rates to a maximum of six months fluctuate during the year depending on current working capital requirements. The weighted average interest rate received on cash and cash equivalents by the Company was 4.9% (2008: 6.0%).

Sensitivity analysis

At 30 June 2009, if interest rates had changed by +/- 80 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Company would have been \$20,500 lower/higher (2008: \$23,000) as a result of lower/higher interest income from cash and cash equivalents.

(b) Credit risk

The Company has no significant concentrations of credit risk. The maximum exposure to credit risk at balance date is the carrying amount (net of provision for impairment) of those assets as disclosed in the balance sheet and notes to the financial statements.

As the Company does not presently have any debtors, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

(c) Liquidity risk

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Company. Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Company's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Company are confined to trade and other payables as disclosed in the Balance Sheet. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

(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 Company at the balance date are recorded at amounts approximating 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 Company is the current bid price.

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

3. SEGMENT INFORMATION

Description of segments

The Company's operations are in the mining industry in Australia.

	The Company	
	2009	2008
	\$	\$
4. REVENUE		
From continuing operations		
Other revenue		
Interest	126,274	173,044
Net gain on sale of tenements	292,500	-
Research and development tax offset	39,588	-
	458,362	173,044

Notes to the Financial Statements

30 JUNE 2009

	The Company	
	2009	2008
	\$	\$
5. EXPENSES		
Loss before income tax includes the following specific expenses:		
Minimum lease payments relating to operating leases	62,279	35,280
Contributions to superannuation funds	12,600	11,277
Net loss on revaluation of financial assets at fair value through profit or loss	106,461	-
6. INCOME TAX		
(a) Income tax expense		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations before income tax expense	(373,986)	(739,898)
Prima facie tax benefit at the Australian tax rate of 30%	(112,196)	(221,969)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	162	440
Movements in unrecognised temporary differences	(19,117)	24,560
Tax effect of current year tax losses for which no deferred tax asset has been recognised	131,151	196,969
Income tax expense	-	-
(c) Unrecognised temporary differences		
Deferred Tax Assets (at 30%)		
<i>On Income Tax Account</i>		
Capital raising costs	79,121	105,494
Other	7,146	5,710
Carry forward tax losses	337,334	206,183
	423,601	317,387
Deferred Tax Liabilities (at 30%)	-	-
7. CURRENT ASSETS - CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	110,464	108,415
Short-term deposits	2,196,637	2,726,727
Cash and cash equivalents as shown in the balance sheet and the statement of cash flows	2,307,101	2,835,142
Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates.		
Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.		
8. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES		
Sundry receivables	17,732	48,380

Notes to the Financial Statements

30 JUNE 2009

The Company
2009 2008
\$ \$

9. CURRENT ASSETS – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss are all held for trading and include:

Australian listed equity securities	186,039	-
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The Company has not designated any financial assets as at fair value through profit or loss on initial recognition.

Changes in fair values of financial assets at fair value through profit or loss are recorded in other revenue or other expense in the income statement (notes 4 and 5 respectively).

10. NON-CURRENT ASSETS - PLANT AND EQUIPMENT

Plant and equipment

Cost	56,570	55,480
Accumulated depreciation	(29,912)	(12,867)
Net book amount	26,658	42,613

Plant and equipment

Opening net book amount	42,613	5,323
Additions	1,090	50,033
Depreciation charge	(17,045)	(12,743)
Closing net book amount	26,658	42,613

11. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

Trade payables	22,601	42,648
Other payables and accruals	23,821	18,393
	46,422	61,041

12. ISSUED CAPITAL

(a) Share capital

		2009		2008	
	Notes	Number of shares	\$	Number of shares	\$
Ordinary shares fully paid	12(b), 12(d)	32,040,010	3,652,447	32,040,010	3,652,447
Total issued capital		32,040,010	3,652,447	32,040,010	3,652,447

(b) Movements in ordinary share capital

Beginning of the financial year	32,040,010	3,652,447	13,500,010	322,252
Issued during the year:				
– Issued at IPO for 20 cents per share	-	-	18,540,000	3,708,000
Less: Transaction costs	-	-	-	(377,805)
End of the financial year	32,040,010	3,652,447	32,040,010	3,652,447

(c) Movements in options on issue

	Number of options	
	2009	2008
Beginning of the year	8,750,000	8,750,000
End of the year	8,750,000	8,750,000

Notes to the Financial Statements

30 JUNE 2009

The Company

2009	2008
\$	\$

12. ISSUED CAPITAL (cont'd)

(d) Ordinary shares

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

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(e) Capital risk management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. The Company'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 2009 and 30 June 2008 is as follows:

Cash and cash equivalents	2,307,101	2,835,142
Trade and other receivables	17,732	48,380
Financial assets at fair value through profit or loss	186,039	-
Trade and other payables	(46,422)	(61,041)
Working capital position	2,464,450	2,822,481

13. ACCUMULATED LOSSES

Accumulated losses

Balance at beginning of year	(787,353)	(47,455)
Net loss for the year	(373,986)	(739,898)
Balance at end of year	(1,161,339)	(787,353)

14. DIVIDENDS

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

15. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Key management personnel compensation

Short-term benefits	204,165	197,094
Post employment benefits	12,600	11,277
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	216,765	208,371

Detailed remuneration disclosures are provided in sections A-C of the remuneration report on pages 7 and 8.

(b) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

There have been no options provided as remuneration to key management personnel.

Notes to the Financial Statements

30 JUNE 2009

15. KEY MANAGEMENT PERSONNEL DISCLOSURES (cont'd)

(ii) Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each director of Buxton Resources Limited and other key management personnel of the Company, including their personally related parties, are set out below:

2009	Balance at start of the year	Granted as compensation	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
Directors of Buxton Resources Limited							
Michael Ivey	-	-	-	-	-	-	-
Ron Smit	2,000,000	-	-	-	2,000,000	2,000,000	-
Graeme Smith	500,000	-	-	-	500,000	500,000	-
2008	Balance at start of the year	Granted as compensation	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
Directors of Buxton Resources Limited							
Michael Ivey	-	-	-	-	-	-	-
Ron Smit	2,000,000	-	-	-	2,000,000	2,000,000	-
Graeme Smith	500,000	-	-	-	500,000	500,000	-

All vested options are exercisable at the end of the year.

(iii) Share holdings

The numbers of shares in the Company held during the year by each director of Buxton Resources Limited and other key management personnel of the Company, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2009	Balance at start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
Directors of Buxton Resources Limited				
Ordinary shares				
Michael Ivey	110,000	-	-	110,000
Ron Smit	3,205,000	-	135,000	3,340,000
Graeme Smith	72,500	-	-	72,500
2008	Balance at start of the year	Received during the year on the exercise of options	Other changes during the year	Balance at end of the year
Directors of Buxton Resources Limited				
Ordinary shares				
Michael Ivey	110,000	-	-	110,000
Ron Smit	3,195,000	-	10,000	3,205,000
Graeme Smith	72,500	-	-	72,500

(c) Loans to key management personnel

There were no loans to key management personnel during the year.

Notes to the Financial Statements

30 JUNE 2009

The Company
2009 2008
\$ \$

16. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:

Audit services

Rothsay Chartered Accountants - audit and review of financial reports

Total remuneration for audit services

22,500	14,500
22,500	14,500

17. CONTINGENCIES

Contingent Remuneration

During the year all Directors of the Company had the terms of their remuneration agreements amended such that a portion of their remuneration will only be paid if the Board, in its absolute discretion, decides that it should be paid. These amendments were effective from 1 January 2009. As at the reporting date, Michael Ivey has accrued contingent remuneration of \$12,000, Ron Smit has accrued contingent remuneration of \$27,250 (including statutory superannuation) and Graeme Smith has accrued contingent remuneration of \$5,000.

18. COMMITMENTS

(a) Exploration commitments

The Company has certain commitments to meet minimum expenditure requirements on the mining exploration assets it has an interest in. Outstanding exploration commitments are as follows:

within one year

later than one year but not later than five years

300,000	600,000
-	-
300,000	600,000

(b) Lease commitments: Company as lessee

Operating leases (non-cancellable):

Minimum lease payments

within one year

later than one year but not later than five years

Aggregate lease expenditure contracted for at reporting date but not recognised as liabilities

51,100	51,100
21,292	72,392
72,392	123,492

The property lease is a non-cancellable lease with a three-year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require an annual CPI increase. An option exists to renew the lease at the end of the three-year term for an additional term of three years. The lease allows for subletting of all lease areas.

(c) Remuneration commitments

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of key management personnel referred to in section C of the remuneration report on page 8 that are not recognised as liabilities and are not included in the key management personnel compensation.

within one year

later than one year but not later than five years

50,000	75,000
-	-
50,000	75,000

19. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Notes to the Financial Statements

30 JUNE 2009

	The Company	
	2009	2008
	\$	\$
20. CASH FLOW STATEMENT		
Reconciliation of net loss after income tax to net cash outflow from operating activities		
Net loss for the year	(373,986)	(739,898)
Non-Cash Items		
Depreciation of non-current assets	17,045	12,743
Tenement sale settled by receipt of equity instruments	(292,500)	-
Fair value loss on financial assets at fair value through profit or loss	106,461	-
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	30,648	(28,922)
Increase/(decrease) in trade and other payables	(15,709)	36,368
Net cash outflow from operating activities	(528,041)	(719,709)

21. LOSS PER SHARE

(a) Reconciliation of earnings used in calculating loss per share

Loss attributable to the ordinary equity holders of the Company used in calculating basic and diluted loss per share

(373,986)	(739,898)
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	Number of shares	
	2009	2008
(b) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	32,040,010	26,489,599

(c) Information on the classification of options

As the Company has made a loss for the year ended 30 June 2009, all options on issue are considered antidilutive and have not been included in the calculation of diluted earnings per share. These options could potentially dilute basic earnings per share in the future.

Director's Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 15 to 30 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2009 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

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



Ron Smit

Managing Director

Perth, 18 September 2009



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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF BUXTON RESOURCES LTD

We have audited the accompanying financial report of Buxton Resources Ltd (the Company") which comprises the balance sheet as at 30 June 2009 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the company.

The Company has disclosed information as required by Australian Accounting Standard AASB 124 *Related Party Disclosures* ("remuneration disclosures") under the heading "Remuneration Report" in the directors' report as permitted by the Corporations Regulations 2001.

Directors Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. The Directors are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether the financial report is free of material misstatement and the remuneration disclosures in the Directors' report comply with AASB 124.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our 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, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used in and the reasonableness of accounting estimates made by the directors as well as evaluating the overall presentation of the financial report and the remuneration disclosures contained in the directors' report.

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

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical requirements and the Corporations Act 2001.



Chartered Accountants

Liability limited by the Accountants Scheme, approved
under the Professional Standards Act 1994 (NSW).



Audit opinion

In our opinion the financial report of Buxton Resources Ltd is in accordance with the Corporations Act 2001, including:

- a) (i) giving a true and fair view of the Company's financial position as at 30 June 2009 and 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.
- c) the remuneration disclosures in the Directors' report comply with AASB 124

Rothsay

Graham Swan
Partner

Dated 18th September 2009

ASX 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 18 September 2009.

(a) Distribution of equity securities

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

		Ordinary shares	
		Number of holders	Number of shares
1	- 1,000	3	755
1,001	- 5,000	9	36,204
5,001	- 10,000	139	1,390,000
10,001	- 100,000	92	3,947,755
100,001	and over	52	26,665,296
		295	32,040,010
The number of shareholders holding less than a marketable parcel of shares are:		12	36,959

(b) Escrowed Securities (23 October 2009)

Ordinary Fully Paid Shares	7,366,250	
Options	4,000,000	(\$0.20, expiry date 30 June 2012)
Options	4,000,000	(\$0.30, expiry date 30 June 2012)

(c) Twenty largest shareholders

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

		Listed ordinary shares	
		Number of shares	Percentage of ordinary shares
1	Mr Ron Smit & Mrs Julie Smit	3,340,000	10.42%
2	Klip Pty Ltd	2,121,573	6.62%
3	Montezuma Mining Company Limited	2,010,000	6.27%
4	Mr Henry Wiechecki	1,328,000	4.14%
5	Ridgefield Capital Asset Management LP	1,250,000	3.90%
6	Aradia Ventures Pty Ltd	1,105,000	3.45%
7	Mr Liam Raymond Cornelius	1,000,000	3.12%
8	Mr Anthony Knight	1,000,000	3.12%
9	Fonomes Pty Ltd	823,974	2.57%
10	Duketon Consolidated Limited	750,000	2.34%
11	Clodene Pty Ltd	730,000	2.28%
12	Springtide Capital Pty Ltd	645,029	2.01%
13	Sonmit Pty Ltd	628,167	1.96%
14	Mr Anthony Keith Avotins	611,090	1.91%
15	Perpetual Corporate Trust Ltd (LinQ Resources Fund)	600,000	1.87%
16	DW Corporate Pty Ltd	518,750	1.62%
17	Archem Trading NZ Limited	500,000	1.56%
18	Mr David Argyle & Mrs Elizabeth Argyle	480,000	1.50%
19	Piat Corp Pty Ltd	462,000	1.44%
20	Alberta Resources Pty Ltd	460,000	1.44%
		20,363,583	63.56%

(d) Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the *Corporations Act 2001* are:

	Number of Shares
Mr Ron Smit & Mrs Julie Smit	3,340,000
Klip Pty Ltd (Beirne Super Fund A/C)	2,121,573
Montezuma Mining Company Limited	2,010,000

(e) Voting rights

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

(f) Schedule of interests in mining tenements

Location	Tenement	Percentage held / earning
Western Australia	P20/2018	90%
Western Australia	E20/659	90%
Western Australia	E63/1114	90%
Western Australia	E63/1120	90%
Western Australia	E63/1121	90%
Western Australia	E28/1957	100%
Western Australia	E28/1959	100%

Buxton

Resources Limited

2009



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