

fyi Resources Limited

fyi

Corporate Information

Directors: Adrian Jessup
Dr David Sparling
David Sargeant

Chief Executive
Officer: Roland Hill

Company Secretary: Phillip MacLeod

Registered Office: Registered Office and
Principal Place of Business
53 Canning Highway
Victoria Park WA 6100
Telephone: (08) 9361 3100
Facsimile: (08) 9361 3184
Website: www.fyiresources.com.au

Auditor: HLB Mann Judd
Level 4
130 Stirling Street
Perth WA 6000

Share Registry: Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153

Telephone: (08) 9315 2333
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Australian Securities
Exchange: Home Branch: Perth
Code: FYI

ABN: 85 061 289 218



HIGHLIGHTS OF 2010-2011:

- > FYI Board corporate strategy and development objectives supports FYI's continued uranium focus.
- > Short term uranium pricing looks weak but longer term demand is forecast to be strong. The FYI board believe this to be an excellent opportunity for corporate activity and counter cyclical investment.
- > Multiple uranium drill targets at Yarlalweelor defined from rock chip sampling and geophysics.
- > Detailed review of Yarlalweelor continues in light of the project's uranium prospectivity.
- > Parallel company growth strategy being developed, management reviewing a number of corporate opportunities in other commodities and domiciles including Australia and other regions.
- > A number of projects reviewed in Australia and the US – continuing with the uranium focus.
- > Chilean gold, copper and copper-gold projects also reviewed. Several exciting projects being progressed as potential corporate acquisitions.



Chairman's Report

Dear Shareholders

On behalf of your Directors, I am pleased to present the Company's 2011 Annual Report and Financial Statements. I commend the report to you.

The 2011 financial year saw the Company consolidate and progress forward following its change of business from a biotechnology/ pharmaceutical company into a resources exploration company. During the past year the Company has continued to explore at Yarlswheel, its flagship 100% owned uranium project located 125km north of Meekatharra in Western Australia. In 2010 diamond drilling intersected wide zones of uranium mineralization associated with shear zones in granite and confirmed the area's potential to host significant uranium deposits. The ongoing work this past year has included airborne radiometric and magnetic surveys, an archeological survey and shallow RAB drilling to test a number of uranium, thorium and magnetic anomalies.

The Company has also been actively identifying and reviewing a number of new projects both in Australia and overseas which were deemed to be analogous with the Company's corporate goals. These projects are prospective for uranium, rare earths, and other commodities.

In February the Company was very pleased to announce the appointment of Mr Roland Hill as Chief Executive Officer. Mr Hill is a highly experienced mining executive previously associated with several successful ASX listed resources companies and whom also has complementary uranium experience. His influence on the Company's day to day operations and his drive and momentum were felt almost immediately. I thank him for his efforts throughout the year.

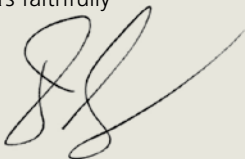
The year did contain challenges. In early March 2011, a magnitude 9.0 earthquake and subsequent tsunami devastated the eastern coast of Japan. Part of this devastation included the Fukushima Daiichi Nuclear Power Plant disaster. The tsunami and resulting destruction played out on the global stage and many lives were lost. It sent global markets into a marked downward trajectory and arguably some of the worst affected by this were uranium/energy companies. Following the disaster the speculative price for uranium slipped by almost 30% from the highs earlier in the year. Later on in the year, in August, we saw a tipping point in the "European Contagion" with pundits ruminating about the possibility of a double dip recession following the global financial crisis, and the markets were hit hard again.

Despite these challenges the Company is firm in its resolve to push ahead with its exploration program.

During the year Mr Russell Barnett resigned as Chairman and from the board of directors of FYI. I would like to take this opportunity to formally express our appreciation for his tireless efforts in this regard. I would also like to express my appreciation of the efforts of former FYI director Mr Grant Bennett who stepped off the board in May 2010.

On behalf of the board of directors of FYI resources, I sincerely thank you for your ongoing support and I look forward to the year ahead.

Yours faithfully

A handwritten signature in black ink, appearing to be 'DS', written over a light blue horizontal line.

Dr David Sparling
Chairman



CORPORATE OBJECTIVES

FYI Resources Ltd is a uranium focused exploration company.

Whilst the short term outlook for the uranium market remains mixed, FYI believes the sector to have strong longer term support and therefore demand. FYI sees the current market malaise as a favourable time to be vigorously pursuing uranium opportunities.

Additionally, FYI has been actively identifying a number of additional corporate opportunities in other commodities, particularly gold and copper, on which to establish a desirable and sustainable business model.

REVIEW OF OPERATIONS

CORPORATE

FYI Resources Limited recommenced trading of its shares on the Australian Securities Exchange (ASX) on the 16th April 2010 following a restructure from its previous entity Freedom Eye Limited. The restructuring incorporated a small capital raising along with a change of business direction into the resources sector and exploration of minerals with a focus on uranium. The primary asset at the time of recommencement of trading was the Yarlswheel uranium project in Western Australia.

Whilst FYI favours uranium as the long term direction for the company, the board has also formulated a strategic view on the future growth of the Company and has resolved not to limit its possible options strictly to the uranium sector and the vagaries

of market pricing regarding same. As a result of that decision, management has sought specific project opportunities targeting other commodities to potentially provide some diversification to the Company's overall business model.

The board and management have reviewed and assessed a number of key projects adhering to a strict guideline of investment principles. The criteria used to evaluate these assets were selected on the basis of the Company's long term growth views, quality of the asset in respect to exhibiting superior technical qualities, and its various risk profiles (ie geographical, political, simplicity of management etc).

Specifically, FYI has reviewed a number of uranium projects in Australia and in the US. The results of this review has been mixed. Certain companies or projects have been found to represent either too much technical or corporate risk, or were too expensive. Whilst others exhibit excellent project characteristics which may well suit FYI's growth criteria upon more detailed diligence.

Additionally, a number of Australian and Chilean copper, copper-gold and gold projects have been reviewed. On the whole, FYI's initial assessment of the projects evaluated was that they were of very high calibre and demonstrated positive technical and commercial characteristics which could compliment FYI's diversification and long term growth strategy.

FYI will continue to evaluate this shortlist of projects, and with the support of its shareholders, is fully prepared to commit itself to a project, or number of projects, that will see an appreciable change in the Company's business model and growth prospects.

PROJECTS

YARLARWHEELOR:

Uranium Project – WA (100% interest)

The Yarlarweelor uranium project is located 125km north of Meekatharra in Western Australia.

Previous exploration during the early 1980's discovered primary uranium mineralization in the form of uraninite at five locations within the project area. Four of these occurrences are from within the Archaean Despair Granite where limited drilling showed the uraninite mineralization to be hosted in multiple parallel shear zones and the surrounding granites.

Since the acquisition of the Yarlarweelor project in late 2010, FYI Resources has drilled four diamond holes, totalling 652 metres at the Kangaroo Ridge and Doris prospects. These holes intersected wide zones of uranium mineralization associated with biotite rich shear zones in granite, confirming the presence of significant uranium mineralization at Yarlarweelor. Results from the drilling at Kangaroo Ridge included:

- **35m @ 503ppm U_3O_8 including 5m @ 1,069ppm U_3O_8** in KRD10-02
- **7.8m @ 588ppm U_3O_8 including 1m @ 1,873ppm U_3O_8** in KRD10-01 and
- **14m @ 221ppm U_3O_8 including 1m @ 844ppm U_3O_8** in KRD10-03

The true widths of mineralization in KRD10-02 and 03 are estimated to be 9 metres and 3 metres respectively. The true width of mineralization in KRD10-01 is estimated to be 4 metres. The uranium mineralization at Kangaroo Ridge currently extends for 200 metres along strike and to 200 metres depth as defined by recent and historical drilling and remains open both along strike and at depth.

The single diamond core hole drilled at the Doris prospect intersected seven zones of biotite schist ranging in true widths from 1.3m to 4.0m. Better assays from these biotite schist zones and adjacent granites are: **2.94m @ 184ppm U_3O_8 , 5.37m @ 185ppm U_3O_8 and 7.23m @ 153 U_3O_8 .**

Preliminary metallurgical testwork on a composite core sample from hole KRD10-01 at Kangaroo Ridge, gave an 89% extraction of uranium to liquor in 12 hours and 91% extraction in 24 hours under mild sulphuric acid leaching conditions. This testwork confirms the potential for a significant proportion of the Yarlarweelor uranium mineralization to be amenable to recovery by simple acid leaching.

Results from a previous airborne radiometric survey and geological mapping indicate shear zones with a combined strike length in excess of 25km exist within FYI's tenements and may be prospective for uranium mineralization. A program of field checking and sampling of aerial radiometric anomalies has confirmed significant uranium anomalies exist to the north and west of Kangaroo Ridge, none of which have been drill tested to date.

During the past year FYI Resources completed a detailed aerial radiometric and magnetic survey over E52/2478 highlighting some prominent thorium anomalies. After completing an archaeological survey over parts of E52/2095, the Company also undertook a shallow RAB drilling program of 36 holes, 1,306 metres testing a number of thorium, magnetic and uranium anomalies. Due to access problems the RAB drilling program was restricted to the central portion of the project area separate from the areas previously drilled at Kangaroo Ridge and Doris. Only low level uranium and thorium values were returned in assays from this drilling.

The coming year will see exploration efforts concentrate again on the Doris – Kangaroo Ridge trend and on uranium anomalies to the immediate north and west of Kangaroo Ridge.

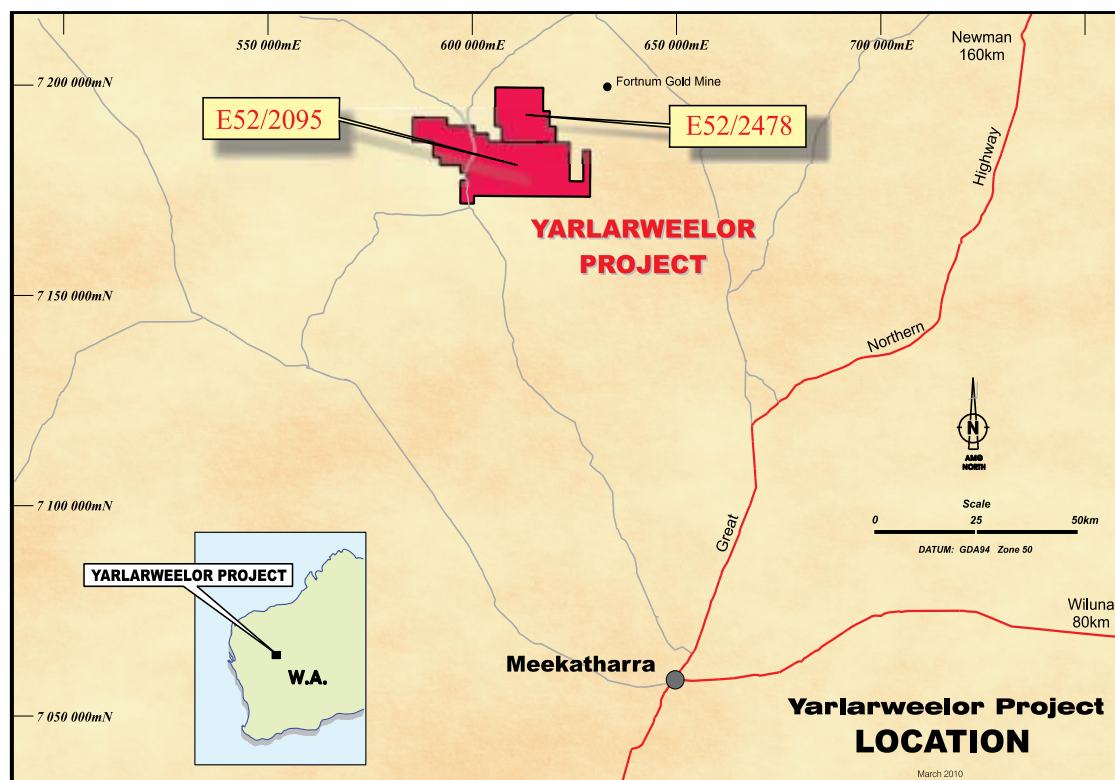


Figure 1.

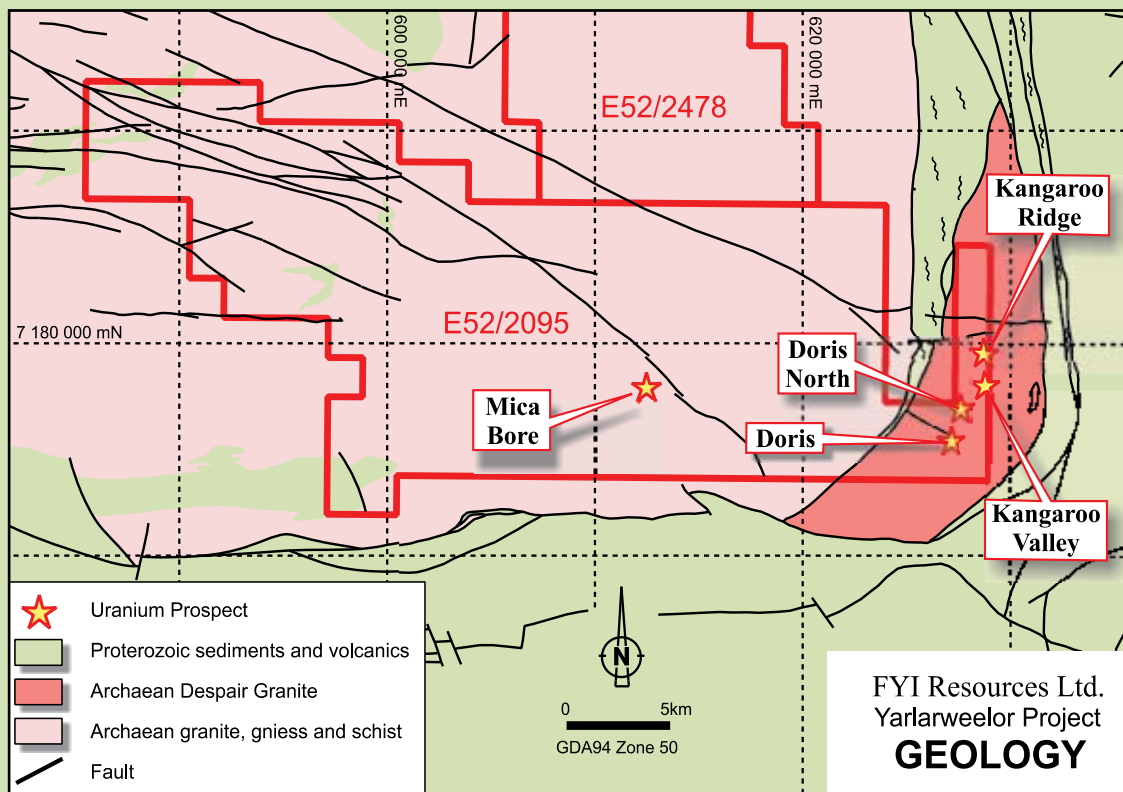


Figure 2.





Figure 3.



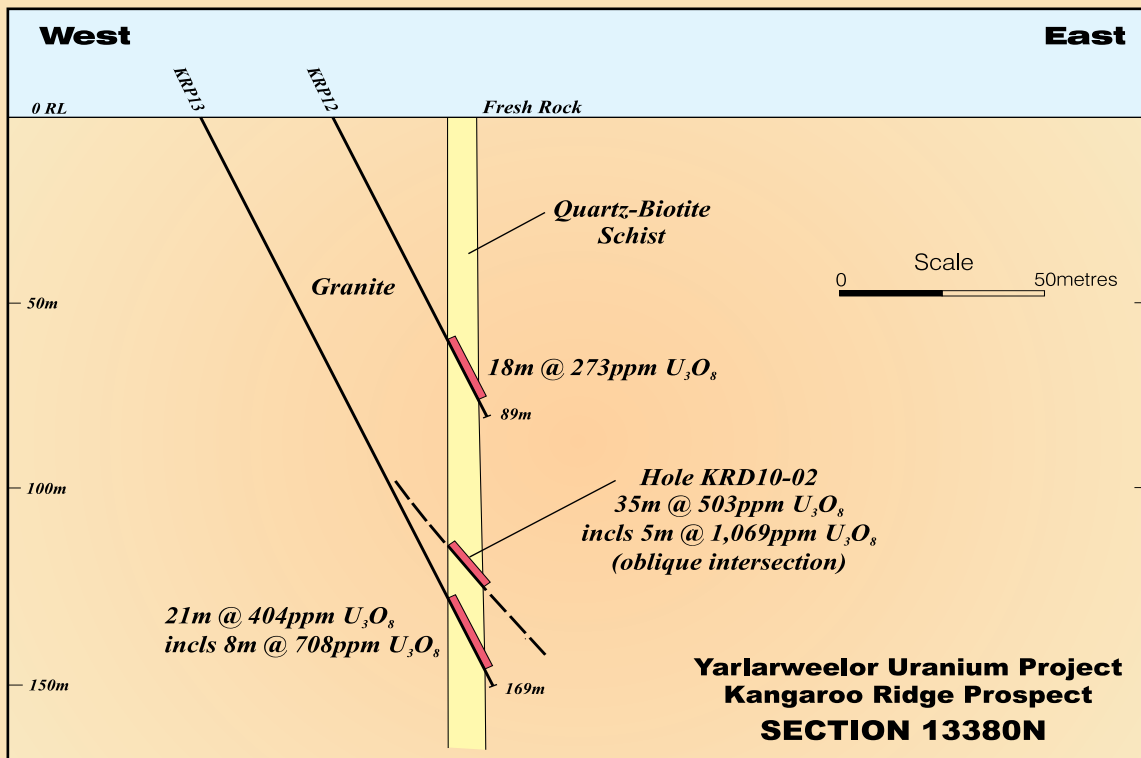
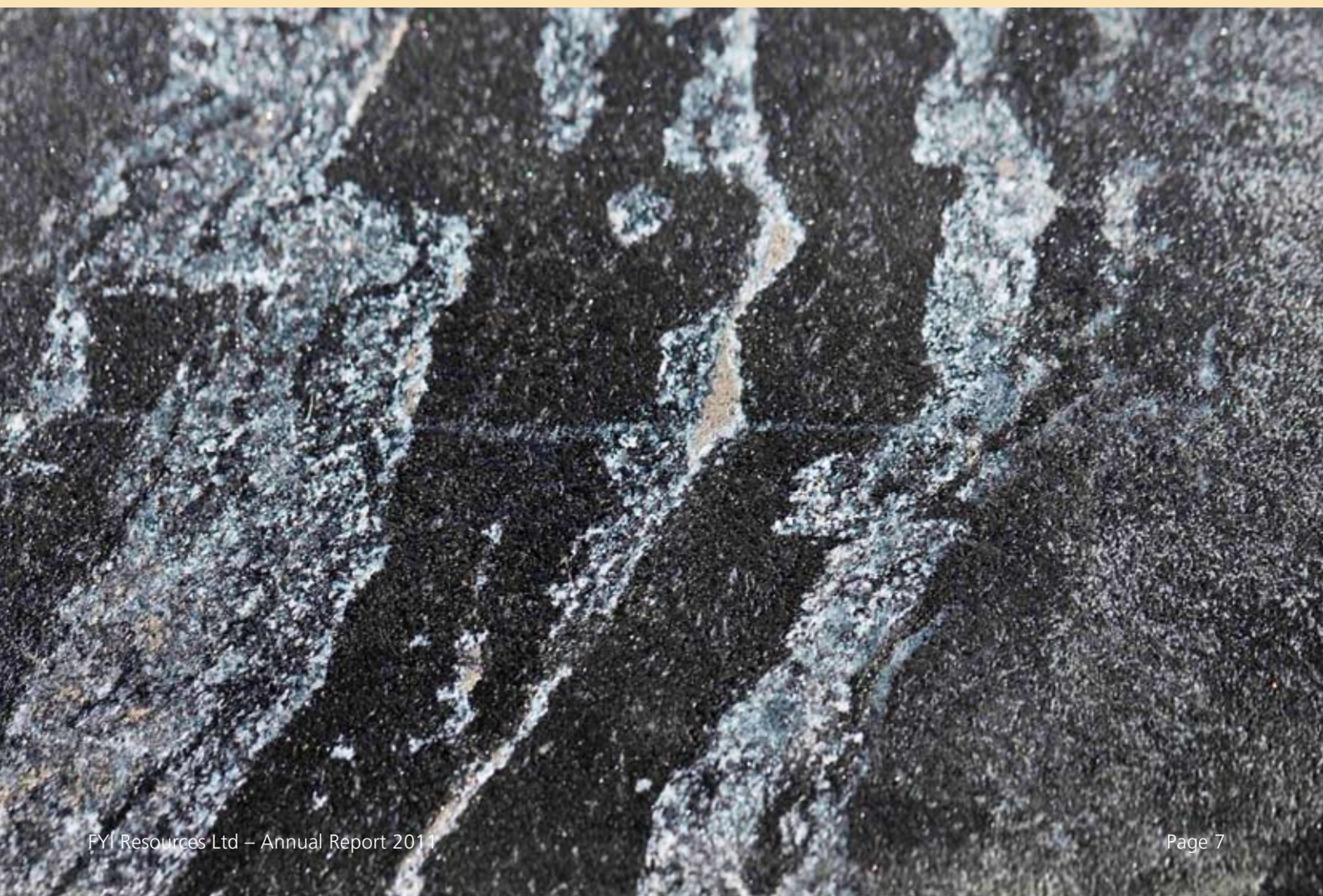


Figure 4.



Mt JAMES CREEK:

Uranium Project – WA (100% interest)

In the 2010 September quarter the Company applied for two exploration licences in the Gascoyne region of Western Australia which were considered prospective for uranium mineralization. The two licences were located 300km east of Carnarvon and covered an area of the Morrissey Metamorphics.

After a literature review and site visit, the decision was made to surrender the licences and concentrate activities on identifying more advanced projects.

The information in this report that relates to Exploration Results has been compiled by Mr. David Ross B.Sc(Hons), M.Sc. who is an employee of Empire Resources Limited. He is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. He has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". David Ross consents to the inclusion in the public release of the matters based on his information in the form and context in which it appears.



Directors' Report

Your Directors submit their report for the year ended 30 June 2011.

DIRECTORS

The names and details of the Directors of the Company in office during the financial year and until the date of this report are listed below. Directors were in office for this entire period unless otherwise stated.

Dr David Sparling

(Non-Executive)

(Appointed Non-Executive Chairman 14/3/11)

Dr Sparling holds degrees in both Veterinary Science and Law. Dr Sparling is also a qualified Company Secretary with a graduate diploma in corporate governance. Dr Sparling joined the Company in July 2005 as Business Development Manager and later as General Manager and most recently as Chief Operating Officer prior to becoming a director of the Company. Prior to commencing employment with the Company, Dr Sparling was Commercial Counsel for Agenix Limited, an ASX listed biotechnology Company based in Queensland. In addition to his position at FYI, Dr Sparling holds an executive role at Genetic Technologies Limited (ASX: GTG) as Vice President Legal and Corporate Development. Dr Sparling has not acted as a director of any other listed company within the past three years.

Russell Barnett

(Non-Executive Chairman)

(Resigned 14/3/11)

Mr Barnett has a Masters of Business Administration, Bachelor of Commerce, and a Graduate Certificate in Mineral Economics and has over 15 years experience in technology commercialization, innovation management, new venture creation and venture capital markets with a wide range of organizations throughout the Asia Pacific region. He is the founder and a Principal of Australian Venture Consultants, a management consulting firm that specialises in technology commercialisation and innovation management, primarily in the resources sector. Mr Barnett is also the non-executive chairman of Scanalyse Pty Ltd, a mining services Company and Westcare Inc.

Mr Barnett has been a director of the following listed Company during the past three years.

Company	Position	Appointed
GB Energy Ltd	Chairman	21/10/2009

David Sargeant

(Non-Executive)

Mr Sargeant holds a Bachelor of Science degree in economic geology from the University of Sydney and has more than 40 years experience as a geologist, consultant and Company director. As such, he has been involved in numerous mineral exploration, ore deposit evaluation and mining development projects and is a member of AusIMM and the Geological Society of Australia.

During his career, Mr Sargeant has held a range of senior positions, including that of senior geologist with Newmont Pty Ltd and senior supervisory geologist with Esso Australia

Ltd at the time of the Harbour Lights Gold Mine discovery and development. Further, Mr Sargeant was the first chief geologist at Telfer Gold Mine during exploration, development and production at that project. In addition, he was exploration manager for the Adelaide Petroleum NL group of companies, manager of resources development for Sabminco NL and a technical director of Western Reefs Limited during the period in which that Company became a successful producer at the Dalgara Gold Project.

Mr Sargeant successfully managed an exploration and geological consulting business for 18 years, which included the formation and management of platinum and copper-gold companies in Botswana until they were taken over during the 2005 to 2007 period by United Kingdom listed public companies. He was the principal promoter in forming Empire Resources Limited and remains Managing Director.

Mr Sargeant has been a director of the following listed Company during the past three years.

Company	Position	Appointed
Empire Resources Ltd	Executive Director	13/04/2000

Adrian Jessup

(Non-Executive)

Mr Jessup also holds a Bachelor of Science degree (with honours) in economic geology from the University of Sydney and has more than 40 years continuous experience as a geologist, Company director and consultant involved in mineral exploration, ore deposit evaluation and mining. He is a member of AusIMM, the Geological Society of Australia and the Australian Institute of Geoscientists.

For the last 15 years, Mr Jessup has operated a geological consulting Company. During that time, he was a founding director of publicly listed companies Empire Resources Limited and Sylvania Resources Limited. He remains an executive director of Empire Resources Ltd. He was also a director of two mineral exploration companies based in southern Africa that were subsequently acquired by United Kingdom listed public companies. Prior to commencing consulting, Mr Jessup was managing director of Giralda Resources NL for eight years, from the Company's inception in 1987. Previously, he had worked for AMAX Exploration Inc., as a senior geologist and as regional manager in charge of that Company's mineral exploration in Western Australia.

Mr Jessup has been a director of the following listed Company during the past three years.

Company	Position	Appointed
Empire Resources Ltd	Executive Director	15/08/2003

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

As at the date of this report the interests of the directors in the shares and options of the Company were:

Director	Ordinary Shares		Options	
	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest
Dr David Sparling	1,048	–	500,524	–
David Sargeant	350,000	12,829,807	575,000	6,414,904
Adrian Jessup	350,000	12,829,807	575,000	6,414,904
Russell Barnett* (resigned 14/3/11)	–	407,334	–	203,667

* Shareholding at date of resignation.

CHIEF EXECUTIVE OFFICER

Mr Roland Hill was appointed to the position of chief executive officer on 4 February 2011. Mr Hill has extensive resource industry and investment, finance and funds management experience. He has been directly associated with the mining and exploration sector for over 15 years.

COMPANY SECRETARY

Mr Phillip MacLeod was appointed to the position of Company Secretary on 19 May 2008. Mr MacLeod has over 20 years commercial experience and has held the position of Company Secretary with listed public companies since 1995.

CORPORATE INFORMATION

FYI Resources Limited is a Company limited by shares incorporated and domiciled in Australia.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year was mineral exploration and evaluation of properties in Australia.

RESULTS OF OPERATIONS

The loss after income tax for the financial year was \$867,439 (2010: \$1,101,833).

DIVIDENDS

No dividend was paid during the financial year and the Directors do not recommend payment of a dividend.

REVIEW OF OPERATIONS

Detailed comments on operations are included separately in this annual report under the Chairman's Report and Review of Operations.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company that occurred during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

No matter or circumstance has 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 subsequent financial years.

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year and the numbers of meetings attended by each director were as follows:

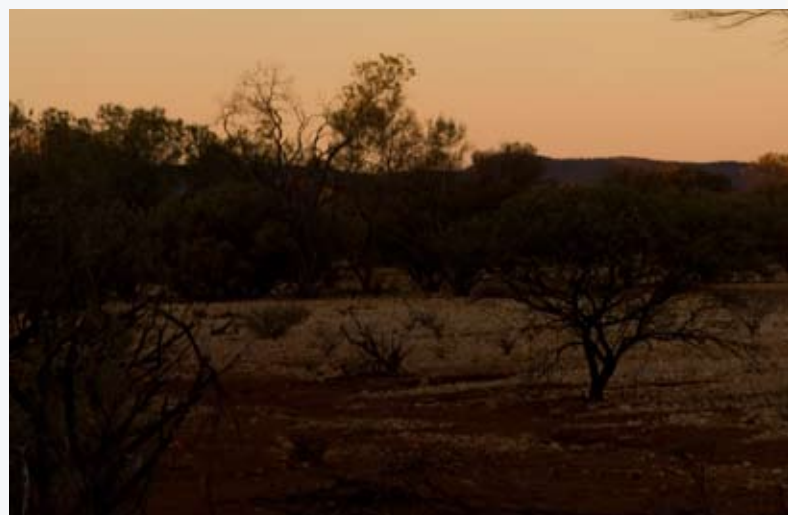
Director	Directors' Meetings	
	A	B
Russell Barnett (resigned 14/3/11)	6	6
David Sparling	9	9
David Sargeant	9	9
Adrian Jessup	9	9

A - Meetings eligible to attend

B - Meetings attended

Environmental Regulation

The Company maintains a licence to take water for its *Solanum* field growing operation in Baldvis with the WA State Department of Water.



INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Indemnification:

The Company has agreed to indemnify all the directors, the Chief Executive Officer and the Company Secretary who have held office in the Company during this financial year, against all liabilities to another person (other than the Company or its related body corporate) that may arise from their position as a director or officer of the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

Insurance Premiums:

During the financial year the Company has paid insurance premiums of \$11,465 (2010: \$9,087) in respect of directors and officers liability and legal expenses insurance contracts, for current and former directors and officers, including executive officers of the Company. The insurance premiums relate to:

- Costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- Other liabilities that may arise from their position, with the exception of conduct involving the wilful breach of duty or improper use of information or position to gain a personal advantage.

REMUNERATION REPORT (Audited)

This Remuneration Report consists of the following sections:

- A. Principles of Remuneration
- B. Details of Remuneration
- C. Share Options

A. Principles of Remuneration

This Remuneration Report outlines the director and executive remuneration arrangements of the Company in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report Key Management Personnel (KMP) of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company and includes the executives in the Company receiving the highest remunerations.

For the purposes of this report, the term "executive" encompasses the Chief Executive Officer and the Company Secretary of the company.

Details of Key Management Personnel

Directors

Name	Position
R Barnett	Chairman (Non-Executive) (Resigned 14/03/11)
Dr D Sparling	Director (Non-Executive)
D Sargeant	Director (Non-Executive)
A Jessup	Director (Non-Executive)

Executives

Name	Position
R Hill	Chief Executive Officer
P MacLeod	Company Secretary

Remuneration Philosophy

This section details the remuneration arrangements in place for the executives and directors of FYI Resources Limited.

The broad remuneration philosophy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities, and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Board believes that the best way to achieve this objective is to provide any executive directors and executives with a remuneration package consisting of components that reflect the person's responsibilities, duties, personal and corporate performance. At this time no part of an executive's remuneration package is directly dependent on Company performance. This may be reviewed as the activities of the Company increase with the existing product or the acquisition of a new business.

To this end FYI Resources follows the following principles;

- Provide competitive rewards.
- That a part of the senior executive's remuneration may be "at risk" and is linked to pre-determined achievements.
- That any variable part of executive remuneration has appropriate and demanding performance hurdles attached.



REMUNERATION REPORT (CONTINUED)

Remuneration Committee

FYI Resources does not have a remuneration committee. The remuneration of non-executive directors is determined by the Board as a whole having regard to industry standards of similar sized entities.

Each director receives a fee for being a director of the Company, with additional fees considered in recognition of specific duties carried out by each director. Fees paid to Non-Executive Directors are reviewed annually.

Non-Executive Director Remuneration

The board seeks to set aggregate remuneration at a level that provides the Company with an ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to the shareholders.

The constitution and the ASX listing rules specify that the aggregate remuneration of Non-Executive directors shall be determined from time to time by general meeting of shareholders.

The aggregate amount payable to the Company's non-executive directors must not exceed the maximum annual amount approved by the Company's shareholders. An aggregate amount of \$300,000 was approved by shareholders at the Annual General Meeting held in November 2008.

The remuneration of non-executive directors for the period ending 30 June 2011 and 30 June 2010 is detailed in Section B. Details of Remuneration.

Senior Manager and Executive Director Remuneration

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- reward executives for Company, business unit and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link rewards with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

Remuneration packaging contains the following key elements;

- Fixed remuneration - fixed components of salaries, fee and non-monetary benefits.
- Variable remuneration - share options.
- Post employment benefits – superannuation.

The Chairman, subject to Board approval, generally sets remuneration of any executive directors and the Chief Executive Officer.

Fixed Remuneration

The level of fixed remuneration for executives is set so as to provide a base level of remuneration which is both appropriate to the position and competitive in the market.

Fixed remuneration is reviewed annually.

Variable Remuneration

Short term incentives (STI) may be linked to achievement of the Company's operational targets if the relevant executives achieve the target. STI is not linked to the Company's prevailing share price or results as the Company is not at a profitable stage of operations.

The Directors, subject to shareholder approval, and executives are eligible to participate in the Company's share option plan whereby options may be granted at an exercise price above the prevailing share price. This premium in conversion price, coupled with an appropriate vesting period, provides a long term incentive (LTI) whereby directors and executives will benefit only if there is a substantial improvement in the Company's share price. The number of options granted to each director and executive is determined by the Board based on the Company's and the eligible participant's performance. The grant of options is not linked to the Company's financial results, as the Company is not at a profitable stage of operations.

The Company does not have a policy for Directors to hedge their equity positions.

Employment contracts

In February 2011, the Company entered into a management services agreement with Capstone Capital Pty Ltd (a Company associated with Mr Roland Hill) ("Capstone") for the term of 36 months, for the provision of services by Mr Hill, acting in the capacity of FYI's Chief Executive Officer, overseeing the day to day administration and management of the business. The monthly fee payable to Capstone is \$15,000 plus GST in arrears.

REMUNERATION REPORT (CONTINUED)

B. Details of remuneration

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

Directors' remuneration:

2011	Short Term				Share Based Payment Options	Total	% performance based
Specified Directors	Consulting Fees \$	Salary \$	Directors Fees \$	Post Employment Super \$	\$	\$	
R Barnett (Non Executive Chairman) (Resigned 14/3/10)	–	–	22,500	2,025	–	24,525	0%
D Sparling (Non-Executive)	–	–	24,500	2,206	22,409	49,115	0%
D Sargeant (Non-Executive)	–	–	24,792	–	22,410	47,202	0%
A Jessup (Non-Executive)	–	–	64,292	–	22,410	86,702	0%
	–	–	136,084	4,231	67,229	207,544	0%

2010	Short Term				Share Based Payment Options	Total	% performance based
Specified Directors	Consulting Fees \$	Salary \$	Directors Fees \$	Post Employment Super \$	\$	\$	
R Barnett (Non Executive Chairman)	–	–	30,000	2,700	–	32,700	0%
G Bennett (Non-Executive) (Resigned 5/5/10)	–	–	22,458	2,022	–	24,480	0%
D Sparling (Non-Executive)	–	128,612	20,417	3,708	–	152,737	0%
D Sargeant (Non-Executive) (Appointed 30/11/09)	–	–	14,000	–	–	14,000	0%
A Jessup (Executive) (Appointed 30/11/09)	–	–	70,000	–	–	70,000	0%
	–	128,612	156,875	8,430	–	293,917	0%

REMUNERATION REPORT (CONTINUED)

Remuneration of key management personnel:

2011	Short Term Consulting Fees \$	Salary \$	Post Employment Super \$	Share Based Payment Options \$	Total \$	Total Remuneration % performance based	Total Remuneration % consisting of options
Name							
R Hill (CEO Appointed 4/2/11)	90,000	–	–	50,230	140,230	–	36%
P MacLeod (Company Secretary)	30,000	–	–	22,409	52,409	–	43%
	120,000	–	–	72,639	192,639	–	38%

2010	Short Term Consulting Fees \$	Salary \$	Post Employment Super \$	Share Based Payment Options \$	Total \$	Total Remuneration % performance based	Total Remuneration % consisting of options
Name							
P MacLeod (Company Secretary)	32,550	–	–	–	32,550	–	–
	32,550	–	–	–	32,550	–	–

REMUNERATION REPORT (CONTINUED)**C. Share Options***Directors & Key Management Personnel*

Options granted, exercised or lapsed during the year by directors and executives:

Name	Number of options	Value of options granted at the grant date	Value of options exercised at the exercise date	Value of options lapsed at the date of lapse
Dr D Sparling	500,000	22,409	—	—
D Sargeant	500,000	22,410	—	—
A Jessup	500,000	22,410	—	—
P MacLeod	500,000	22,409	—	—
R Hill	2,000,000	77,196	—	—

No options granted as part of remuneration were exercised during the year ended 30 June 2011 or in the period to date.

There is no performance criteria linked to KMP options. The option holders must remain employed with the Company until vesting date to be entitled to the options.

The option holders do not have any right, by virtue of the option to participate in any share issue of the Company or any related body corporate.

AUDITORS INDEPENDENCE AND NON-AUDIT SERVICES

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 16 and forms part of this directors' report for the year ended 30 June 2011.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of FYI Resources Ltd support the principles of corporate governance. The Company's corporate governance statement is contained in the additional corporate governance section of the Annual Report.

Signed at Perth this 12th day of September 2011



Adrian Jessup
Director

Auditor's Independence Declaration

As lead auditor for the audit of the financial report of FYI Resources Limited for the year ended 30 June 2011, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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



Perth, Western Australia
12 September 2011

N G NEILL
Partner, HLB Mann Judd

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
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Email: hlb@hlbwa.com.au. Website: <http://www.hlb.com.au>
Liability limited by a scheme approved under Professional Standards Legislation

HLB Mann Judd (WA Partnership) is a member of  International, a worldwide organisation of accounting firms and business advisers.

Directors' Declaration

1. In the opinion of the directors of FYI Resources Limited ("the Company"):
 - a) the financial statements and notes and the remuneration disclosures that are contained in sections A to C of the remuneration report in the Directors' report, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the Company as at 30 June 2011 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
 - b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2(a);
 - c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The directors have been given the declarations pursuant to Section 295A of the *Corporation Act 2001* for the financial year ended 30 June 2011.

Dated this 12th day of September 2011.

Signed in accordance with a resolution of the directors:

A handwritten signature in black ink, appearing to read 'Adrian Jessup', with a stylized flourish at the end.

Adrian Jessup
Director

Statement of Comprehensive Income

For The Year Ended 30 June 2011

		Company	
	Note	2011 \$	2010 \$
Continuing Operations			
Other income	3(a)	50,709	29,645
Exploration expense		(313,172)	(499,061)
Depreciation expense		(466)	(4,508)
Impairment of plant and equipment		-	(3,558)
ASX fees		(22,745)	(54,986)
Share based payments		(139,868)	-
Accounting and audit fees		(76,718)	(91,851)
Other administration expenses	3(b)	(120,549)	(129,537)
Salaries and wages		(228,804)	(253,314)
Share registry expenses		(28,598)	(25,576)
Rent		(21,439)	(5,381)
Legal expenses		(6,710)	(4,293)
Consulting fees		(16,543)	(46,317)
Loss before income tax expense		(924,903)	(1,088,737)
Income tax benefit / (expense)	4	57,464	(7,618)
Loss after tax from continuing operations		(867,439)	(1,096,355)
Loss after tax from discontinued operation	25	-	(5,478)
Net loss for the year		(867,439)	(1,101,833)
Other comprehensive income / (loss)			
Revaluation of land and improvements taken to reserves		(730,000)	-
Reclassification to profit and loss on disposal of available-for-sale financial assets		9,335	(9,335)
Income tax on items recognised in equity	4	219,000	(150,422)
Other comprehensive loss		(501,665)	(159,757)
Total comprehensive loss attributable to members of the consolidated entity		(1,369,104)	(1,261,590)
Basic loss per share (cents per share)	24	(2.10)	(4.66)
Basic loss per share from continuing operations (cents per share)	24	(2.10)	(4.64)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As At 30 June 2011

	Note	Company	
		2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	21(a)	957,740	1,296,891
Trade and other receivables	5	150,438	35,042
Financial assets	6	-	35,583
Total Current Assets		1,108,178	1,367,516
NON-CURRENT ASSETS			
Property, plant & equipment	7	1,669	1,800,800
Investment Property	9	1,070,000	-
Exploration and evaluation expenditure	10	1,509,804	1,509,804
Total Non-Current Assets		2,581,473	3,310,604
TOTAL ASSETS		3,689,651	4,678,120
CURRENT LIABILITIES			
Trade and other payables	11	161,971	320,821
Current tax liabilities		7,618	7,618
Total Current Liabilities		169,589	328,439
NON-CURRENT LIABILITIES			
Deferred tax liabilities	12	-	150,422
Total Non-Current Liabilities		-	150,422
TOTAL LIABILITIES		169,589	478,861
NET ASSETS		3,520,062	4,199,259
EQUITY			
Issued capital	13	27,445,918	26,895,879
Reserves	14	1,697,548	2,059,345
Accumulated losses		(25,623,404)	(24,755,965)
TOTAL EQUITY		3,520,062	4,199,259

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year Ended 30 June 2011

	Company					
	Issued Capital	Accumulated Losses	Share Based Payments Reserve	Option Premium Reserve	Asset Revaluation Reserve	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2009	23,371,423	(23,654,132)	301,774	834,677	1,082,651	1,936,393
Change in the fair value of available for sale financial assets	-	-	-	-	(9,335)	(9,335)
Income tax on items recognised in equity	-	-	-	-	(150,422)	(150,422)
Total income/(expense) for the year recognised directly in equity	-	-	-	-	(159,757)	(159,757)
Loss for the year	-	(1,101,833)	-	-	-	(1,101,833)
Total comprehensive loss for the year	-	(1,101,833)	-	-	(159,757)	(1,261,590)
Equity transactions:						
Shares issued net of transactions costs	3,524,456	-	-	-	-	3,524,456
Balance at 30 June 2010	26,895,879	(24,755,965)	301,774	834,677	922,894	4,199,259
Balance at 1 July 2010	26,895,879	(24,755,965)	301,774	834,677	922,894	4,199,259
Revaluation of land and buildings to fair value	-	-	-	-	(730,000)	(730,000)
Change in the fair value of available for sale financial assets	-	-	-	-	9,335	9,335
Income tax on items recognised in equity	-	-	-	-	219,000	219,000
Total income/(expense) for the year recognised directly in equity	-	-	-	-	(501,665)	(501,665)
Loss for the year	-	(867,439)	-	-	-	(867,439)
Total comprehensive loss for the year	-	(867,439)	-	-	(501,665)	(1,369,104)
Equity transactions:						
Shares issued net of transactions costs	550,039	-	-	-	-	550,039
Share based payments	-	-	139,868	-	-	139,868
Key management personnel options	-	-	-	-	-	-
Balance at 30 June 2011	27,445,918	(25,623,404)	441,642	834,677	421,229	3,520,062

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

Statement Of Cash Flows

For The Year Ended 30 June 2011

Note	Company	
	2011 \$	2010 \$
Cash Flows from Operating Activities		
Receipts from customers	-	17,521
Payments to suppliers and employees	(534,356)	(581,120)
Payments for exploration and evaluation	(444,151)	(376,822)
Interest received	34,358	19,702
Net cash used in operating activities	(944,149)	(920,719)
Cash Flows from Investing Activities		
Payments for plant and equipment	(1,335)	(800)
Payments for purchase of prospect	-	(10,000)
Proceeds from sale of investments	52,499	19,026
Net cash provided by investing activities	51,164	8,226
Cash Flows from Financing Activities		
Proceeds from issue of shares	600,340	2,177,341
Share issue costs	(46,506)	(152,690)
Net cash provided by financing activities	553,834	2,024,651
Net increase in cash held	(339,151)	1,112,158
Cash at the beginning of the financial year	1,296,891	184,733
Cash at the end of the financial year	957,740	1,296,891

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

1. CORPORATE INFORMATION

The financial report of FYI Resources Limited for the year ended 30 June 2011 was authorised for issue in accordance with a resolution of the directors on 12 September 2011. FYI Resources Limited is a Company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Company during the financial year are mineral exploration and evaluation of properties in Australia.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

This financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards (including Australian Interpretations). The financial report of FYI Resources Limited complies with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board. The financial report has also been prepared on a historical cost basis, except for land and improvements and available for sale financial assets, which have been measured at fair value. The financial report is presented in Australian dollars, which is the Company's functional and presentation currency.

b) Adoption of New and Revised Accounting Standards

In the year ended 30 June 2011, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2011. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Company accounting policies.

c) Statement of compliance

The financial report was authorised for issue on 12 September 2011.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

d) Going Concern

The financial report has been prepared on a going concern basis.

e) Significant Accounting Judgements, Estimates and Assumptions

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black and Scholes model, using the assumptions detailed in Note 19.

The Company measures the cost of cash-settled share-based payments at fair value at the grant date using the Black and Scholes formula taking into account the terms and conditions upon which the instruments were granted, as discussed in Note 19.

Exploration and evaluation costs carried forward

The Company has capitalised exploration and evaluation acquisition expenditure on the basis either that this is expected to be recouped through future successful development (or alternatively sale) of the area of interest concerned or on the basis that it is not yet possible to assess whether it will be recouped.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that sufficient future tax profits will be available to utilise those temporary differences. Significant management judgement is required

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

e) Significant Accounting Judgements, Estimates and Assumptions (Continued)

to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits over the next two years together with future tax planning strategies.

Impairment of available-for-sale financial assets

The Company follows the guidance of AASB 139 Financial Instruments: Recognition and Measurement to determine when an available-for-sale financial asset is impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Valuation of Land and Improvements

The Company's land and improvements are measured at fair value. The fair value of land and improvements is determined by reference to market based evidence which is the amount for which the assets could be exchanged between a knowledgeable and willing buyer and a knowledgeable and willing seller in an arm's length transaction. The valuation is prepared by an independent licensed land valuer.

f) Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided using the balance sheet liability method on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interest in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

g) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

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

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

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

h) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

i) Property, Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Land is measured at fair value based on periodic valuations by external independent valuers.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

	Estimated useful life
Plant and equipment	4 – 5 years
Land	Not Depreciated

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Revaluations

Following initial recognition at cost, land and improvements are carried at a revalued amount which is the fair value at the date of the revaluation less any accumulated impairment losses.

Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

Any revaluation surplus is credited to the asset revaluation reserve included in the equity section of the statement of financial position unless it reverses a revaluation decrease of the same asset previously recognised in the statement of comprehensive income.

Any revaluation deficit is recognised in the statement of comprehensive income unless it directly offsets a previous surplus of the same asset in the asset revaluation reserve.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

i) Property, Plant and Equipment (continued)

In addition, any accumulated depreciation as at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Independent valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the period the item is derecognised.

j) Investment Property

Investment Property is measured at fair value based on periodic valuations by external independent valuers.

Revaluations

Following initial recognition at cost, land and improvements are carried at a revalued amount which is the fair value at the date of the revaluation less any accumulated impairment losses.

Fair value is determined by reference to market-based evidence, which is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

A gain or loss arising from a change in the fair value of investment property shall be recognised in profit or loss for the period in which it arises.

k) Exploration and Evaluation Expenditure

Exploration and evaluation costs, excluding the costs of acquiring licences, are expensed as incurred. Acquisition costs will be assessed on a case by case basis and, if appropriate, they will be capitalised. These acquisition costs are only carried forward only if the rights to tenure of the area of interest are current and either:

- They are expected to be recouped through successful development and exploitation of the area of interest or;
- The activities in the area of interest at the reporting date have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing

Accumulated acquisition costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

The carrying values of acquisition costs are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

l) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are carried at amortised cost using the effective interest method less impairment losses.

m) Share-based Payments

Share-based compensation benefits are provided to directors and executives.

The fair value of options granted to directors and executives is recognised as an employee benefit expense with a corresponding increase in equity over the vesting period. The fair value is measured at grant date and recognised over the period during which the directors and/or executives becomes unconditionally entitled to the options.

The fair value at grant date is independently determined using an option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

n) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

o) Earnings per Share

Basic earnings per share is calculated as net profit attributable to the Company, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

Divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

p) Trade and Other Payables

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

q) Impairment of Assets

At each balance date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or group of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in the statement of comprehensive income.

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss

r) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

r) Provisions (continued)

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

s) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of FYI Resources Ltd.

t) Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

u) Financial Assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end. All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

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

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in profit or loss.

(ii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

If the Group 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.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(iv) Available-for-sale investments

Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

v) Impairment of financial assets

The Group assesses at each balance date whether a financial asset or group of financial assets is impaired.

(i) *Financial assets carried at amortised cost*

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of 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) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in profit or loss.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

(ii) *Financial assets carried at cost*

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value (because its fair value cannot be reliably measured), or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset.

(iii) *Available-for-sale investments*

If there is objective evidence that an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to the statement of comprehensive income. Reversals of impairment losses for equity instruments classified as available-for-sale are not recognised in profit. Reversals of impairment losses for debt instruments are reversed through profit or loss if the increase in an instrument's fair value can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

NOTE 3 – REVENUE & EXPENSES

Company	
2011	2010
\$	\$
3 (a) Revenue	
Interest received	19,702
Profit on sale of shares	9,943
Other income	-
50,709	29,645

3 (a) Revenue

Interest received	34,358	19,702
Profit on sale of shares	7,581	9,943
Other income	8,770	-

50,709	29,645
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NOTE 3 – REVENUE & EXPENSES (CONTINUED)

Company	
2011	2010
\$	\$

3 (b) Other Administration Expenses
Corporate Administration costs

Annual & quarterly reports	7,000	25,008
Bad & doubtful debts	-	48,616
Insurance	19,700	18,395
Other administration expenses	93,849	37,518
	120,549	129,537

NOTE 4 – INCOME TAXES
Income tax recognised directly in equity

Deferred income tax expenses arising from revaluation of land and improvements	219,000	(150,422)
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The prima facie income tax benefit on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:

Company	
2011	2010
\$	\$
Accounting loss before tax	(924,903) (1,088,737)
Income tax benefit at 30% (2010:30%)	277,471 326,621
Tax effect of:	
Non-deductible expenses	(14) 9,161
Share based payment	(41,960) -
Capital loss on disposal of plant and equipment	- 1,067
Deductible temporary differences	22,071 (16,518)
Capital gain on sale of shares	- (5,702)
Deferred tax asset not recognised	(326,146) (322,247)
R&D tax offset from prior year	126,042 -
Income tax benefit / (expense) attributable to loss from ordinary activities before tax	57,464 (7,618)

Unrecognised deferred tax balances

Company	
2011	2010
\$	\$
Tax losses - revenue	858,599 -
Potential Income tax benefit at 30% (2010:30%)	257,580 -

NOTE 4 – INCOME TAXES (CONTINUED)

These deferred tax assets will only be obtained if:

- (i) Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- (ii) The conditions for deductibility imposed by tax legislation continue to be complied with; and
- (iii) No changes in tax legislation adversely affect the Company in realising the benefit.

NOTE 5 – TRADE AND OTHER RECEIVABLES

	Company	
	2011	2010
	\$	\$
Current		
Prepayments	-	12,030
Trade receivables	48,616	48,616
Allowance for impairment	(48,616)	(48,616)
Other receivables	150,438	23,012
	150,438	35,042

Trade and sundry receivables are non interest bearing and are generally received on 30-60 day terms.

NOTE 6 – FINANCIAL ASSETS

	Company	
	2011	2010
	\$	\$
Current		
Listed equity securities at market value	-	35,583
	-	35,583

NOTE 7 – PROPERTY, PLANT AND EQUIPMENT

Plant & Equipment \$	Company		Total \$
	Land \$		

Year ended 30 June 2010

At 1 July 2009, net of accumulated depreciation	8,066	1,800,000	1,808,066
Additions	800	-	800
Impairment	(3,558)	-	(3,558)
Depreciation charge for the year	(4,508)	-	(4,508)
At 30 June 2010, net of accumulated depreciation	800	1,800,000	1,800,800

Year ended 30 June 2011

At 1 July 2010, net of accumulated depreciation	800	1,800,000	1,800,800
Additions	1,335	-	1,335
Revaluation	-	(730,000)	(730,000)
Transfer to Investment Property	-	(1,070,000)	(1,070,000)
Depreciation charge for the year	(466)	-	(466)
At 30 June 2011, net of accumulated depreciation	1,669	-	1,669

Plant & Equipment \$	Company		Total \$
	Land \$		

At 30 June 2010

Cost / Fair value	81,694	1,800,000	1,881,694
Accumulated depreciation	(80,894)	-	(80,894)
Net carrying amount	800	1,800,000	1,800,800

At 30 June 2011

Cost / Fair value	2,135	-	2,135
Transfer to Investment Property	-	-	-
Accumulated depreciation	(466)	-	(466)
Net carrying amount	1,669	-	1,669

NOTE 8 – OTHER FINANCIAL ASSETS

Controlled entity	Country of incorporation	Percentage Owned	
		2011 %	2010 %

Solbec (No 1) Pty Ltd	Australia	-	-
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Solbec (No 1) Pty Ltd was deregistered on 18 September 2009

NOTE 9 – INVESTMENT PROPERTY

	Company	
	2011	2010
	\$	\$
Land		
At start of period	-	-
Transfer from Property, Plant and Equipment	1,070,000	-
Balance at 30 June 2011	1,070,000	-

The land is held for a currently undetermined future use. The transfer to investment property was made when there was a change in use to not develop or occupy the property.

During August 2011 the Company engaged Valuations WA Pty Ltd (2010: Valuations WA Pty Ltd), an accredited independent valuer, to determine the fair value of its land and buildings at 30 June 2011. The fair value given was \$1,070,000. Fair value is determined directly by reference to market-based evidence, which are the amounts for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

If land was measured using the cost model the carrying amounts would be as follows:

	Company	
	2011	2010
	\$	\$
Land		
Net carrying amount on cost basis	262,893	262,893
	262,893	262,893

Non-current assets pledged as security

Refer to note 22c for information on non-current assets pledged as security by the Company

NOTE 10 – EXPLORATION AND EVALUATION EXPENDITURE

	Company	
	2011	2010
	\$	\$
Current		
Costs carried forward in respect of		
Exploration and Evaluation Phase – At Cost		
Balance at beginning of year	1,509,804	-
Acquired during the year	-	1,509,804
	1,509,804	1,509,804

In March 2010, the Company issued 12,829,807 shares to Empire Resources Ltd as consideration for the acquisition of the Yarlwarweelor uranium tenement. The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

NOTE 11 – TRADE AND OTHER PAYABLES

	Company	
	2011	2010
	\$	\$
Current		
Trade and other payables	159,764	308,657
Accruals	2,207	12,164
	161,971	320,821

Trade payables are non-interest bearing and most suppliers have 30 day terms.

NOTE 12 – DEFERRED TAX LIABILITIES

	Company	
	2011	2010
	\$	\$
Non-Current		
Deferred tax liabilities	-	150,422
	-	150,422

	Company	
	2010	2010
	\$	\$
Recognised deferred tax assets and liabilities		
Deferred tax assets and liabilities are attributable to the following:		
Deductions	8,367	9,161
Accruals	6,687	14,245
Deferred tax assets offset against deferred tax liabilities	326,146	322,247
Deferred tax assets not recognised	(74,800)	-
	266,400	345,653
Available-for-sale financial assets	-	(10,675)
Revaluation of land and buildings	(266,400)	(485,400)
	(266,400)	(496,075)
Net tax asset (liabilities)	-	(150,422)

NOTE 13 – ISSUED CAPITAL

	Company	
	2011 \$	2010 \$
46,077,633 (2010: 40,075,362) fully paid ordinary shares	27,445,918	26,895,879

(i) Ordinary shares - number

	Company	
	2011 No.	2010 No.
At start of period	40,075,362	288,670,665
288,670,665 shares issued 30th July 2009	-	288,670,665
Consolidation of Capital, 1 for 30, 2nd March 2010	-	(558,095,775)
8,000,000 shares issued IPO 31 March 2010	-	8,000,000
12,829,807 shares issued Empire Resources Ltd 31 March 2010	-	12,829,807
Exercise of options 17 August 2010	500	-
Exercise of options 18 August 2010	1	-
Exercise of options 23 August 2010	880	-
Exercise of options 1 September 2010	15	-
Exercise of options 29 September 2010	2	-
Exercise of options 5 October 2010	300	-
Exercise of options 11 January 2011	540	-
4,900,000 shares issued to Sophisticated Investors 31 March 2011	4,900,000	-
Exercise of options 31 May 2011	33	-
1,100,000 shares at 10 cents per share issued to Directors 22 June 2011	1,100,000	-
Balance at 30 June 2011	46,077,633	40,075,362

(ii) Ordinary shares – value

	Company	
	2011 \$	2010 \$
At start of period	26,895,879	23,371,423
288,670,665 shares issued at 0.2 cents per share 30th July 2009	-	577,341
8,000,000 shares issued at 20 cents per share IPO 31 March 2010	-	1,600,000
12,829,807 shares issued at 11.69 cents per share Empire Resources Ltd 31 March 2010	-	1,499,805
Exercise of options 17 August 2010	75	-
Exercise of options 18 August 2010	-	-
Exercise of options 23 August 2010	132	-
Exercise of options 1 September 2010	2	-
Exercise of options 29 September 2010	-	-
Exercise of options 5 October 2010	45	-
Exercise of options 11 January 2011	81	-
4,900,000 shares issued to Sophisticated Investors 31 March 2011	490,000	-
Exercise of options 31 May 2011	5	-
1,100,000 shares at 10 cents per share issued to Directors 22 June 2011	110,000	-
Costs of shares issued	(50,301)	(152,690)
Balance at 30 June 2011	27,445,918	26,895,879

NOTE 13 – ISSUED CAPITAL (CONTINUED)

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

	Company	
	2011 No.	2010 No.
Options - number		
At start of period	218,336	16,550,000
Consolidation of Capital, 1 for 30, 2nd March 2010	-	(15,998,330)
Expired 30th June 2010	-	(333,334)
Issue of options 10 August 2010	19,935,193	-
Expired 1 August 2010	(218,336)	-
Exercise of options 17 August 2010 to 31 May 2011	(2,271)	-
Issue of options 22 June 2011	4,000,000	-
Balance at 30 June 2011	23,932,922	218,336

Option details at 30 June 2011 -
 19,932,922 exercisable at \$0.15 on 30 June 2012
 4,000,000 exercisable at \$0.152 on 1 January 2014

Option details at 30 June 2010
 218,336 exercisable at \$1.50 on 1 August 2010

Option holders do not have any rights, by virtue of their option holding, to vote at a meeting of the Company.

Share Options

For details of the share based payment option scheme under which options to subscribe for the Company shares are granted to directors and executives, refer to note 19.

NOTE 14 – RESERVES

	Company	
	2011 \$	2010 \$
Share based premium reserve	441,642	301,774
Option premium reserve	834,677	834,677
Asset revaluation reserve	421,229	922,894
Reserves	1,697,548	2,059,345

NOTE 14 – RESERVES (CONTINUED)

Company	
2011	2010
\$	\$

Reserves comprise the following:

Share Based Premium Reserve

At start of period	301,774	301,774
Share based payment - Employees	139,868	-
Balance at 30 June 2011	441,642	301,774

Option Premium Reserve

At start of period	834,677	834,677
Balance at 30 June 2011	834,677	834,677

Asset Revaluation Reserve

At start of period	922,894	1,082,651
Revaluation of available for sale asset to market	9,335	(9,335)
Revaluation of property during the year (net of tax)	(511,000)	-
Deferred tax liability relating to change in fair value of land and buildings	-	(150,422)
Balance at 30 June 2011	421,229	922,894

Nature and purpose of reserves

Share based payment reserve

The share based payments reserve is used to record the value of share based payments. The reserve includes grant of options to directors and employees, including key management personnel, as part of their remuneration.

Option premium reserve

The option premium reserve is used to record premiums received when options are issued to shareholders at a premium.

Asset revaluation reserves

The asset revaluation reserve is used to record increases in the fair value of assets and decreases to the extent that such decreases relate to an increase on the same assets previously recognised in equity.

15. DIVIDENDS

No dividends were paid or provided for during the year (2010: nil).

16. SEGMENT INFORMATION

During November 2009, the Company sought and was granted shareholder approval to change its business activity from pharmaceutical research and development in Australia to that of a mineral exploration and mining Company and to acquire the Yarlswheel uranium project. The approval for the change of activities from pharmaceutical research and development to exploration and mining was conditional upon the Company raising a minimum of \$1.6 million in funding under a prospectus dated 27 November 2009. The minimum raising was reached in March 2010 and the transaction to acquire the uranium project was completed in March 2010. The Company is now involved in one business and one geographical segment being mineral exploration and evaluation of properties in Australia.

The following table's present revenue and profit information and certain asset and liability information regarding business segments for the years ended 30 June 2011 and 30 June 2010.

	Continuing Operations Mineral Exploration and Evaluation \$	Discontinued Operation Pharmaceutical research and development \$	Unallocated Items \$	Total \$
Year ended 30 June 2011				
Revenue				
Profit on sale of shares	-	-	7,581	7,581
Refund of rent	8,770	-	-	8,770
Segment net operating loss after tax	(313,172)	-	(554,267)	(867,439)
Interest revenue	-	-	34,358	34,358
Depreciation	-	-	(466)	(466)
Income tax benefit/(expense)	-	-	57,464	57,464
Segment assets	1,509,804	-	2,179,847	3,689,651
Segment liabilities	87,044	-	82,545	169,589
Cashflow information				
Net cash used in operating activities	(444,151)	-	(499,998)	(944,149)
Net cash provided by investing activities	-	-	51,164	51,164
Net cash provided by financing activities	-	-	553,834	553,834
Year ended 30 June 2010				
Revenue				
Profit on sale of shares	-	-	9,943	9,943
Segment net operating loss after tax	(499,061)	-	(597,294)	(1,096,355)
Interest revenue	-	-	19,702	19,702
Depreciation	-	-	(4,508)	(4,508)
Income tax benefit/(expense)	-	-	(7,618)	(7,618)
Discontinued operations after income tax	-	(5,478)	-	(5,478)
Segment assets	1,509,804	-	3,168,316	4,678,120
Segment liabilities	157,521	-	321,340	478,861
Cashflow information				
Net cash used in operating activities	(376,822)	-	(543,897)	(920,719)
Net cash provided by investing activities	-	-	8,226	8,226
Net cash provided by financing activities	-	-	2,024,651	2,024,651

17. EXPENDITURE COMMITMENTS

Company	
2011	2010
\$	\$

(i) Capital Expenditure Commitments

Exploration Tenements

In order to maintain current rights of tenure to exploration tenements, the Company is required to outlay rentals and to meet the minimum expenditure requirements. These obligations are not provided for in the financial statements and are payable:

- not later than 12 months	264,693	254,084
- between 12 months and 5 years	1,058,772	1,016,336
	1,323,465	1,270,420

Company	
2011	2010
\$	\$

(ii) Remuneration Commitments

Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities, payable:

- not later than 12 months	189,000	55,000
- between 12 months and 5 years	316,800	-
	505,800	55,000

18. REMUNERATION OF AUDITOR

Company	
2011	2010
\$	\$

Amounts received or due and receivable by the auditors for:

Audit of the financial reports of the Company

Ord Partners

Audit fee for the year ended 30 June 10 - 37,949

HLB Mann Judd

Audit fee for the year ended 30 June 11 **24,500** -

24,500	37,949
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19. SHARE BASED PAYMENTS

Executive and Director Share Based Payment Plan

An Executive and Director Equity-settled Share Based Payment Plan ("the Plan") has been established where the Company, at the discretion of the Directors, may grant options over the ordinary shares of the Company to executives and directors of the Company. The Company has adopted this plan to enable executives and directors to acquire an ownership interest in the Company. The options issued under the Plan are not quoted on the ASX.

The expense recognised in the statement of comprehensive income in relation to share-based payments is \$139,868 (2010 \$Nil).

The following share-based payment arrangements were in place during the current and prior periods:

	Number Pre Consolidation	Number Post Consolidation	Grant date	Expiry date	Exercise Price Pre Consolidation \$	Exercise Price Post Consolidation \$	Fair value at grant date \$
Facility Fee Options	10,000,000	333,334	17-Jul-07	30-Jun-10	\$0.07	\$2.10	\$0.02
Key Executive Options	5,000,000	166,667	01-Aug-07	01-Aug-10	\$0.05	\$1.50	\$0.02
Employee Options	1,550,000	51,669	01-Jul-07	01-Aug-10	\$0.05	\$1.50	\$0.02
Key Executive Options	-	1,000,000	20-Jun-11	01-Jan-14	-	\$0.15	\$0.03
Key Executive Options	-	3,000,000	20-Jun-11	01-Jan-14	-	\$0.15	\$0.04

The following table illustrates the number and weighted average exercise prices of and movements in share options issued during the year:

	2011 Number	2011 Weighted average exercise price	2010 Number	2010 Weighted average exercise price
Outstanding at the beginning of the year	218,336	\$1.50	16,550,000	\$0.06
Consolidation of Capital, 1 for 30, 2nd March 2010	-	-	(15,998,330)	-
Granted during the year	19,935,193	\$0.15	-	-
Granted during the year	4,000,000	\$0.15	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	(2,271)	\$0.15	-	-
Expired during the year	(218,336)	\$1.50	(333,334)	\$2.10
Outstanding at the end of the year	<u>23,932,922</u>	<u>\$0.15</u>	<u>218,336</u>	<u>\$1.50</u>
Exercisable at the end of the year	23,932,922		218,336	

The weighted average remaining contractual life for the share options outstanding as of the 30/06/11 is 1.25 years (2010: 0.08 years)

The exercise price for options outstanding at the end of the year was \$0.15 (2010: \$1.50)

The fair value of the equity-settled share options is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

20. DIRECTOR AND EXECUTIVE DISCLOSURES

Details of Key Management Personnel

Directors

Name	Position
R Barnett	Director (Non-Executive) (Resigned 14/03/11)
Dr D Sparling	Director (Non-Executive)
D Sargeant	Director (Non-Executive)
A Jessup	Executive Director

Executives

Name	Position
P MacLeod	Company Secretary
R Hill	Chief Executive Officer (Appointed 4/2/11)

Compensation of Key Management Personnel by category

	Company	
	2011	2010
	\$	\$
Short-term	256,084	318,037
Post-employment	4,231	8,430
Share-based payment	139,868	-
	400,183	326,467

20. DIRECTOR AND EXECUTIVE DISCLOSURES (CONTINUED)

Option Holdings of Directors and Key Management Personnel

2011	Balance at beginning of period 1 Jul 2010	Granted as Remuneration	Options Exercised	Net Change Other	Consolidation of Capital	Balance at end of period 30 Jun 2011	Vested at 30 June 2011		
							Total	Exercisable	Not Exercisable
Non-Executive Directors									
A Jessup	-	500,000	-	75,000	-	575,000	575,000	575,000	-
R Barnett ¹	-	-	-	203,667	-	203,667	-	-	-
D Sparling	166,667	500,000	-	(166,143)	-	500,524	500,524	500,524	-
D Sargeant	-	500,000	-	75,000	-	575,000	575,000	575,000	-
Executives									
R Hill ²	-	2,000,000	-	-	-	2,000,000	1,000,000	1,000,000	1,000,000
P MacLeod	-	500,000	-	-	-	500,000	500,000	500,000	-
Total	166,667	4,000,000	-	187,524	-	4,354,191	3,150,524	3,150,524	1,000,000

2010	Balance at beginning of period 1 Jul 2009	Granted as Remuneration	Options Exercised	Net Change Other	Consolidation of Capital	Balance at end of period 30 Jun 2010	Vested at 30 June 2010		
							Total	Exercisable	Not Exercisable
Non-Executive Directors									
A Jessup	-	-	-	-	-	-	-	-	-
R Barnett	-	-	-	-	-	-	-	-	-
G Bennett ³	-	-	-	-	-	-	-	-	-
D Sparling	5,000,000	-	-	-	(4,833,333)	166,667	166,667	166,667	-
D Sargeant	-	-	-	-	-	-	-	-	-
Executives									
P MacLeod	-	-	-	-	-	-	-	-	-
Total	5,000,000	-	-	-	(4,833,333)	166,667	166,667	166,667	-

¹ resigned 14 March 2011.

² appointed 4 February 2011.

³ resigned 5 May 2010.

20. DIRECTOR AND EXECUTIVE DISCLOSURES (CONTINUED)
Share Holdings of Directors and Key Management Personnel

30-Jun-11	Balance at beginning of period 1 July 2010	Issued as Remuneration	Issued on Exercise of Options	Net Change Other	Consolidation of Capital	Balance at end of period 30 Jun 2011*
Non-Executive Directors						
A Jessup	150,000	-	-	200,000	-	350,000
R Barnett ¹	407,334	-	-	-	-	407,334
D Sparling	1,048	-	-	-	-	1,048
D Sargeant	150,000	-	-	200,000	-	350,000
Executives						
R Hill ²	-	-	-	-	-	977,827
P MacLeod	96,201	-	-	-	-	96,201
Total	804,583	-	-	400,000	-	2,182,410

30-Jun-10	Balance at beginning of period 1 July 2009	Issued as Remuneration	Issued on Exercise of Options	Net Change Other	Consolidation of Capital	Balance at end of period 30 Jun 2010*
Non-Executive Directors						
A Jessup	-	-	-	150,000	-	150,000
R Barnett	7,860,000	-	-	2,910,000	(10,362,666)	407,334
G Bennett ³	4,644,286	-	-	58,308,079	(60,853,951)	2,098,414
D Sparling	17,143	-	-	17,143	(33,238)	1,048
D Sargeant	-	-	-	150,000	-	150,000
Executives						
P MacLeod	40,000	-	-	2,555,993	(2,499,792)	96,201
Total	12,561,429	-	-	64,091,215	(73,749,647)	2,902,997

¹ resigned 14 March 2011.

² appointed 4 February 2011.

³ resigned 5 May 2010.

* interests of directors at date of resignation

21. RELATED PARTY TRANSACTIONS

Directors and specified executives

Disclosures relating to the remuneration and shareholding of directors and specified executives are set out in the Directors' Report and Note 20 respectively.

Empire Resources Ltd has a 28% interest in FYI Resources Ltd (2010:32%). The Company reimburses Empire Resources Ltd the office costs and exploration costs incurred by them on behalf of FYI Resources Ltd. These transactions are made at made normal market prices and on normal commercial terms.

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year:

Related party		Purchase of tenement from Related Parties \$	Reimbursement of Expenditure to Related Parties \$	Amounts owed by Related Parties \$	Amounts Owed to Related parties \$
Empire Resources Ltd	2011	-	103,604	-	26,360
	2010	1,509,804	172,538	-	36,090

The following table provides the amounts outstanding at the reporting date in relation to transaction with related parties:

Company	
2011 \$	2010 \$

Amounts payable to Directors for Directors Fees:

Kirkdale Holdings Pty Ltd

2,246 2,200

Murilla Exploration Pty Ltd

2,246 11,000

Amounts payable to CEO for Management Fees:

Capstone Capital

16,500 -

20,992	13,200
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22. NOTES TO THE STATEMENT OF CASH FLOWS

Company	
2011	2010
\$	\$

(a) Reconciliation to Statement of Cash Flows

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and at bank.

Cash and cash equivalents as shown in the statement of cash flows are reconciled to the related items in the statement of financial position as follows:

Cash and cash equivalents	957,740	1,296,891
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(b) Reconciliation of loss after income tax to net cash flows from operating activities:

Company	
2011	2010
\$	\$

Loss after income tax	(867,439)	(1,101,833)
Profit on disposal of plant & equipment	(7,581)	(9,943)
Share based payments	139,868	-
Depreciation	466	4,508
Impairment of plant and equipment	-	3,558
Tax expense	(57,464)	7,618

Movements in Assets and Liabilities

Trade and other receivables	3,260	57,399
Trade and other payables	(155,259)	177,761
Provisions	-	(59,787)

Net cash outflow from operating activities	(944,149)	(920,719)
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Company	
2011	2010
\$	\$

(c) Financing Facilities

At balance date, the following financing facilities had been negotiated and were available:

Total Facilities		
Bank overdraft	400,000	400,000
Used at reporting date	Nil	Nil
Unused at reporting date	400,000	400,000

Details of Financing Facilities

The overdraft is secured on the freehold property owned by the Company and is reviewed annually. The overdraft is secured by a registered mortgage over the Baldivis land in favour of National Australia Bank.

23. FINANCIAL RISK MANAGEMENT

Overview

The Company has exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Company through regular reviews of the risks.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

Investments

The Company limits its exposure to credit risk by only investing with counterparties that have an acceptable credit rating. Cash and cash equivalents are held with National Australia Bank which is an Australian bank with an AA credit rating (Standard & Poor's). Cash and cash equivalents are held with BankWest which is an Australian bank with an AA- credit rating (Standard & Poor's).

Trade and other receivables

During the last three financial years the Company has sold some equipment and has a small exposure to trade receivables at 30 June 2011.

The Company has established an allowance for impairment that represents their estimate of incurred losses in respect of other receivables and investments. The components of this allowance may include a specific loss component that relates to individually significant exposures.

Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

	Company	
	2011	2010
	\$	\$
Cash & cash equivalents	957,740	1,296,891
Trade and other receivables	150,438	35,042

Impairment losses

There are none of the Company's other receivables past due (2010: \$Nil).

An impairment loss of \$Nil (2010: \$48,616) has been recognised in respect of trade receivables.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

Typically the Company ensures it has sufficient cash on demand to meet expected operational expenses for a period of 90 days.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

Currency risk

The Company is not exposed to any currency risk. All investments and purchases are denominated in Australia dollars.

Interest rate risk

The Company is exposed to interest rate risk due to variable interest being earned on its assets held in cash and cash equivalents.

The Company has currently has no borrowings.

Profile

At the reporting date the interest rate profile of the Company's interest bearing financial instruments was:

	Company	
	2011	2010
	\$	\$
Fixed rate instruments		
Financial assets	-	-
Variable rate instruments		
Financial assets	957,740	1,296,891

Interest Rate Risk

Where possible the Company enters into fixed interest rate deposits to reduce its exposure to interest rate fluctuations. The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rates on these financial instruments, are as follows:

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

Company 30 June 2011	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Non-interest bearing \$	Total \$
Financial Assets:				
Cash & cash equivalents	3.7%	957,740	-	957,740
Trade and other receivables	-	-	150,438	150,438
Total Financial Assets		957,740	150,438	1,108,178
Financial Liabilities:				
Trade and other payables	-	-	161,971	161,971
Total financial liabilities		-	161,971	161,971
Net Financial Assets (liabilities)		957,740	(11,533)	946,207

Company 30 June 2010	Weighted Average Effective Interest Rate	Floating Interest Rate \$	Non-interest bearing \$	Total \$
Financial Assets:				
Cash & cash equivalents	2.2%	1,296,891	-	1,296,891
Trade and other receivables	-	-	35,042	35,042
Total Financial Assets		1,296,891	35,042	1,331,933
Financial Liabilities:				
Trade and other payables	-	-	320,821	320,821
Total financial liabilities		-	320,821	320,821
Net Financial Assets (liabilities)		1,296,891	(285,779)	1,011,112

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

A change of 100 basis points in interest rates would have increased or decreased the Company's equity by \$9,236 (2010: \$9,079)

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant. The analysis is performed on the same basis for 2010.

	Profit or Loss		Equity	
	100bp increase	100bp decrease	100bp increase	100bp decrease
30 June 2011				
Variable rate instruments	9,236	(9,236)	9,236	(9,236)
30 June 2010				
Variable rate instruments	9,079	(9,079)	9,079	(9,079)

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair values versus carrying amounts

The fair values of financial assets and liabilities are as per the carrying amounts shown in the statement of financial position

Other market price risk

Other Equity price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Company defines return on capital as net operating income divided by total shareholders equity.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

24. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the Company (after deducting interest on the convertible redeemable preference shares) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the Company (after deducting interest on the convertible redeemable preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Company	
	2011 Cents	2010 Cents
Continuing Operations	(2.10)	(4.64)
Discontinued Operations	-	(0.02)
Total Loss per share	(2.10)	(4.66)

The loss and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

Loss from continuing operations	(867,439)	(1,096,355)
Loss from discontinued operations	-	(5,478)
Loss for the year after tax	(867,439)	(1,101,833)
Weighted average number of shares outstanding during the year used in calculations of basic loss	41,322,789	23,647,017

There are 23,932,922 (2010: 218,336) options on issue that are not dilutive.

25. DISCONTINUED OPERATIONS

Previously the Company operated in pharmaceutical research and development in Australia. During November 2009, the Company sought and was granted shareholder approval to change its business activity to that of a mineral exploration and mining Company and to acquire the Yarlwarweelor uranium project.

	Company	
	2011 \$	2010 \$
Results of discontinued operation		
Revenue	-	-
Expenses	-	(5,478)
Results from operating activities	-	(5,478)
Tax income	-	-
Loss for the year from discontinued operations	-	(5,478)
Loss attributable to owners of the parent entity relates to:		
Loss from continuing operations	(867,439)	(1,096,355)
Loss from discontinuing operations	-	(5,478)
	(867,439)	(1,101,833)
Basic and diluted loss per share	-	(0.02)
Cash flows from discontinued operations:		
Net cash flows from operating activities	-	-
Net cash flows from investing activities	-	-
Net cash flows from financing activities	-	-
Net cash flows	-	-

There are no assets or liabilities of discontinued operations that are held for sale at balance date.

26. SUBSEQUENT EVENTS

No matter or circumstance has 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 subsequent financial years.

27. CONTINGENCIES

In the opinion of the directors there were no contingent liabilities at the date of this report.

Independent Auditor's Report

To the members of FYI Resources Limited

Report on the Financial Report

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

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In Note 2(a), the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements* that the consolidated financial statements of FYI Resources Limited comply with International Financial Reporting Standards.

Auditor's Responsibility

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

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

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Independent Auditor's Report (continued)

Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report and remuneration report of FYI Resources Limited for the financial year ended 30 June 2011 included on FYI Resources Limited's website. The company's directors are responsible for the integrity of the FYI Resources Limited website. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report and remuneration report identified in this report. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report and remuneration report to confirm the information contained in this website version of the financial report.

Independence

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

Auditor's Opinion

In our opinion:

- (a) the financial report of FYI Resources Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2011 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a).

Report on the Remuneration Report

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

Auditor's Opinion

In our opinion the Remuneration Report of FYI Resources Limited for the year ended 30 June 2011 complies with section 300A of the *Corporations Act 2001*.



HLB MANN JUDD
Chartered Accountants



N G NEILL
Partner

Perth, Western Australia
12 September 2011

Corporate Governance

The primary responsibility of the Board is to represent and advance shareholders' interests and to protect the interests of all stakeholders. To fulfil this role, the Board is responsible for the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The Company has established a set of corporate governance policies and procedures that are based on the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ("Principles & Recommendations"). A copy of the Board Charter and corporate governance policies are available on the Company's website at www.fyiresources.com.au.

The Corporate Governance Statement contains certain specific information and discloses the extent to which the Company has followed the Principles and Recommendations during the period. Where a recommendation has not been followed that fact has been disclosed, together with the reasons for the departure.

Corporate Governance Compliance

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

Principle 1 – Lay solid foundations for management and oversight

The Board has also adopted a Board Charter which details functions and responsibilities of the Board and those designated to management. A copy of the Board Charter has been placed on the Company's website.

1.1 There is no delineation of functions between the Board and senior executives

Until the appointment of a CEO in February 2011, all functions, roles and responsibilities were undertaken by the Board.

Principle 2 – Structure the board to add value

Directors of the Company are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of their unfettered and independent judgment.

2.1 The Company does have a majority of independent directors.

The Board is currently comprised of three directors. Two of the directors, Adrian Jessup and David Sargeant are not considered to be independent as they are also directors of the Company's major shareholder. David Sparling is not considered to be an independent director as he has been an executive of the Company within the last three years. It is the Board's intention to comply with this policy at a time when the size and the activities of the Company warrant such a structure.

2.2 The Chairman is not an independent director.

The Company's non-executive Chairman, Dr David Sparling, is not an independent director.

2.3 A separate nomination committee has not been formed.

The full Board considers those matters and issues arising that would usually fall to a Nomination Committee. The Board considers that no efficiencies or other benefits would be gained by establishing a separate Nomination Committee.

Principle 3 – Promote ethical and responsible decision-making

The Company has established a Code of Conduct as to the practices necessary to maintain confidence in the Company's integrity, practices necessary to take into account their legal obligations and the expectations of their stakeholders and responsibility and accountability of individuals for reporting and investigating reports of unethical practices. The Company also has a policy concerning trading in the Company's securities by directors, senior executives and employees.

Corporate Governance (continued)

Principle 4 – Safeguard integrity in financial reporting

- 4.1** The Company does not have a separate audit committee.
- 4.2** The Board does not meet the compositional requirements set out in Recommendation 4.2.
- 4.3** The Company has not adopted an audit committee charter.

The Board considers that the Company is not of a size, nor are its financial affairs of such complexity to justify the formation of an audit committee. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and reliability of financial information and non financial information. It is the Board's responsibility for the establishment and maintenance of a framework of internal control. At such time when the Company is of sufficient size an audit and risk management committee charter will be adopted and the committee formed.

Principle 5 – Make timely and balanced disclosure

The Company has established written policies designed to ensure compliance with ASX Listing Rule disclosure and accountability at a senior executive level for that compliance.

Principle 6 – Respect the rights of shareholders

The Company has designed a communications policy for promoting effective communication with shareholders and encouraging shareholder participation at general meetings.

Principle 7 – Recognise and manage risk

This principle requires the Company to establish a system of risk oversight and management and internal control. All functions, roles and responsibilities with regard to risk oversight and management and internal control are undertaken by the Board as a whole as there are no executives other than directors as at the date of this report.

The role of Risk Management Committee has been assumed by the full Board. The Company policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Company's business objectives.

Principle 8 – Remunerate fairly and responsibly

- 8.1** The Company does not have a separate remuneration committee.

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of a remuneration committee. The Board as a whole is responsible for the remuneration arrangements for Directors and executives of the Company and considers it more appropriate to set aside time at Board meetings each year to specifically address matters that would ordinarily fall to a remuneration committee.

Details of remuneration, including the Company's policy on remuneration, are contained in the "Remuneration Report" which forms of part of the Directors' Report.

Additional Securities Exchange Information

The additional information dated 30 September 2011 is required by the ASX Limited Listing Rules and not disclosed elsewhere in this report.

Distribution of Equity Securities

Ordinary shares	Number of holders	Number of shares
1 - 1,000	1,211	502,201
1,001 - 5,000	641	1,492,441
5,001 - 10,000	204	1,634,783
10,001 - 100,000	230	7,458,176
100,001 and over	58	34,990,032
TOTAL	2,344	46,077,633

There were 1,969 holders of less than marketable parcel of ordinary shares.

	Options expiring 30 June 2012 Exercisable at \$0.15 (listed)		Options expiring 1 January 2014 Exercisable at \$0.152 (unlisted)	
	Number of holders	Number of shares	Number of holders	Number of options
1 - 1,000	1,587	526,168	—	—
1,001 - 5,000	523	1,368,795	—	—
5,001 - 10,000	110	817,255	—	—
10,001 - 100,000	133	3,910,560	—	—
100,001 and over	18	13,310,144	5	4,000,000
TOTAL	2,371	19,932,922	5	4,000,000

Twenty Largest Shareholders

Shareholder	Number of Shares	Percentage
Empire Resources Limited	12,829,807	27.84
KSLCORP Pty Ltd	3,508,359	7.61
Yandal Investments Pty Ltd	1,837,143	3.99
Number 7 Investments Pty Ltd	1,243,696	2.70
GKB Global Pty Ltd	1,012,794	2.20
Carnethy Evergreen Pty Ltd	1,000,000	2.17
Pillage Investments Pty Ltd	1,000,000	2.17
Hill, R	600,000	1.30
HSBC Custody Nominees Australia Limited	501,867	1.09
Piat Corporation Pty Ltd	500,000	1.09
Apple Nominees Pty Ltd	480,000	1.04
Hazardous Investments Pty Ltd	425,794	0.92
Jake Properties Pty Ltd	411,795	0.89
Barnett, RJ & Pandal, SM	407,334	0.88
Arlington Capital Pty Ltd	400,000	0.87
Old Brewery Company Pty Ltd	400,000	0.87
Riverview Corporation Pty Ltd	400,000	0.87
LJL Investments Pty Ltd	377,827	0.82
Paso Holdings Pty Ltd	368,448	0.80
Kelanco Pty Ltd	353,334	0.77
	28,058,198	60.89

Substantial Shareholders

Shareholder	Number of Shares	Percentage
Empire Resources Limited	12,829,807	27.84
Kirke, G	4,508,359	9.78

Twenty Largest Optionholders (Options expiring 30 June 2012)

Shareholder	Number of Shares	Percentage
Empire Resources Limited	6,414,904	32.18
KSLCORP Pty Ltd	1,375,000	6.90
M & K Korkidas Pty Ltd	1,213,153	6.09
Yandal Investments Pty Ltd	918,572	4.61
GKB Global Pty Ltd	894,397	4.49
O'Brien, MP & LMM	258,927	1.30
Apple Nominees Pty Ltd	240,000	1.20
Pillage Investments Pty Ltd	225,000	1.13
Hazardous Investments Pty Ltd	212,897	1.07
Jake Properties Pty Ltd	205,898	1.03
Barnett, RJ & Pandal, SM	203,667	1.02
Old Brewery Company Pty Ltd	200,000	1.00
Straight Lines Consulting Pty Ltd	200,000	1.00
Kelanco Pty Ltd	176,667	.89
Bennett, Angela MMW	165,872	.83
Pickering, William B	146,667	.74
Bennett, Todd MW	133,523	.67
Prima Group Holdings Pty Ltd	125,000	.63
Riverview Corporation Pty Ltd	100,000	.50
L & S Davies Pty Ltd	83,334	.42
	13,493,478	67.70

Voting Rights

The voting rights attaching to each class of equity securities are set out below:

- Ordinary Shares: On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.
- Options: No voting rights.

Restricted Securities

The Company has 46,077,633 shares on issue of which 12,829,807 are subject to ASX escrow until 15 April 2012.

The Company has 19,932,922 options on issue of which 6,414,904 are subject to ASX escrowed until 15 April 2012.

Stock Exchange Listing

FYI Resources Limited's ordinary shares are quoted on ASX Limited. The home exchange is Perth.

Interest in Mineral Tenements

Tenement	Location	No of Shares
AUSTRALIA		
E52/2095	Meekatharra	100/100
E52/2478	Meekatharra	100/100

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