



Paradigm Metals

ABN 28 102 747 133

PARADIGM METALS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2011

CORPORATE DIRECTORY

Directors

Graham Carman (Managing Director)

John Gaskell (Non-Executive Director)

Stephen Lonergan (Non-Executive Director and Company Secretary)

Registered Office and principal place of business

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North Sydney NSW 2060

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Share Registry

Boardroom Pty Ltd

Level 7, 207 Kent Street

Sydney, NSW 2000

Telephone: 61 2 9290 9600

Facsimile: 61 2 9279 0664

Auditors

PKF

Level 10, 1 Margaret Street

Sydney, NSW 2000

Stock Exchange Listing

The Company is listed on

The Australian Securities Exchange (ASX)

Home Exchange: Sydney

ASX Code: Shares – PDM

Web Page

<http://www.paradigmmetals.com.au>

TABLE OF CONTENTS

	Page
LETTER FROM THE BOARD.....	3
OPERATIONS REPORT.....	4
DIRECTORS' REPORT.....	12
AUDITOR'S INDEPENDENCE DECLARATION.....	17
STATEMENT OF COMPREHENSIVE INCOME.....	18
STATEMENT OF FINANCIAL POSITION.....	19
STATEMENT OF CHANGES IN EQUITY.....	20
STATEMENT OF CASH FLOWS.....	21
NOTES TO THE FINANCIAL STATEMENTS.....	22
DIRECTORS' DECLARATION.....	47
INDEPENDENT AUDITOR'S REPORT.....	48
CORPORATE GOVERNANCE STATEMENT.....	50
ADDITIONAL SHAREHOLDER INFORMATION.....	53

PARADIGM METALS LIMITED
LETTER FROM THE BOARD
FOR THE YEAR ENDED 30 JUNE 2011

Dear Shareholder,

During the year we have maintained our policy of striving to build value in your Company by judicious exploration on existing mineral properties, pursuing new projects that fit within our portfolio, maintaining strict cost controls, and raising sufficient cash to fund ongoing exploration programs with well-defined goals.

In the period to 30 June 2011, Paradigm successfully advanced the Frogmore copper-silver project near Boorowa in NSW and made a potentially significant rare earth element (REE) discovery in joint venture with Exco Resources at the Toolebuc project southeast of Cloncurry Queensland. The Kangiara project remains, in our view, a very attractive gold-silver-base metal project well located in NSW, where we have established a relatively small, near surface, JORC compliant resource with a potentially economic silver-gold oxide cap. Your Company has also earned a 30% interest in the Yellow Mountain gold project located 70 km north of Condobolin in central NSW.

In addition to the current projects, Paradigm made an application for an EPM permit covering a 2 km trend of old copper workings at Lady Rose located in highly prospective ground between Cloncurry and Mt Isa. There are indications that the permit may be granted before the end of 2011. We are confident that we can quickly and cheaply generate a number of drill targets.

In the December 2010 quarter a total of \$1.2 million was raised by way of a Placement and Rights Issue to shareholders.

The bulk of the expenditure in the year has been on drilling. At Frogmore 8 reverse circulation holes were completed for 1632 metres, and at Toolebuc 13 holes were drilled for 681 metres. The biggest program was at Yellow Mountain where 124 air core and RC holes achieved 5708 metres. The results of these programs are described in the Operations Report but in general each program is deemed by us to have been successful in that the programs encountered potentially significant gold, copper, or REE mineralisation. Follow up drilling is currently being planned at Toolebuc and Frogmore. At Yellow Mountain the results from the recent drilling, in combination with those from previous drill campaigns, indicate a very large area of low grade gold mineralisation which warrants an extensive follow up program. Having earned a 30% interest, Paradigm has an option to earn a 51% interest in the project.

Paradigm has maintained its 100% interest in several other projects. The White Rock tungsten – magnetite project, the Rosedale gold project and the Temora gold project are all now regarded as farm-out opportunities and discussions with a number of interested parties are in progress.

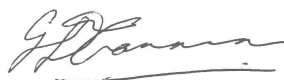
In summary, your Company has a 100% interest in two active exploration projects (Frogmore and Kangiara) and a significant interest in two others (Yellow Mountain [30%] and Toolebuc [50%]) and is continually evaluating new opportunities as they arise.

Despite the current, world-wide atmosphere of uncertainty, we continue to look to Paradigm's future with optimism. We look forward to updating our progress to you during 2012.

Yours sincerely,



John Gaskell



Graham Carman



Stephen Lonergan

PARADIGM METALS LIMITED
OPERATIONS REPORT
FOR THE YEAR ENDED 30 JUNE 2011

Frogmore project

Highlights

The Company completed a reinterpretation of the controls of copper mineralisation at the Frogmore prospect, EL 6590, utilising regional fault mapping recently published by the Geological Survey of NSW. An eight-hole RC percussion drill program for 1632m was carried out in June 2011. Four holes targeted extensions of known copper-silver mineralisation 'down-plunge' of known copper mineralisation south of Frogmore.

Two of these holes intersected significant grade copper, proving the theory that copper mineralisation is plunging southward, striking north-northwest, sub-vertical to steeply east dipping, and is open down-plunge:

Drill hole	Intercept m	Copper %	Silver g/t	Depth from m
FRC027	5m	2.3%	16	197
incl	3m	3.5%	24	198
FRC026	7m	1.2%	13	245

Two other holes were drilled to target shallow copper mineralisation inside the envelope of past drilling. These holes were also successful in that they intersected shallow copper, and have increased confidence in the continuity of the mineralisation:

Drill hole	Intercept m	Copper %	Silver g/t	Depth from m
FRC029	32m	0.5%	6	79
incl	5m	1.5%	19	106
FRC030	2m	1.3%	14	69

A longitudinal section showing true widths of all significant drill intercepts is presented (see **Figure 1**). This highlights the potential for a multi-million tonne copper-silver deposit, assuming that mineralisation continues down-plunge of the current envelope.

Three of the recent holes (FRC028, 032 and 033) were not drilled deep enough to intersect the copper lode position. A further hole (FRC031) was drilled into a separate geophysical target to the north, and intersected only minor copper.

Planned work

The Company is planning a follow-up drill program to test mineralisation down-plunge of the known mineralisation at around the 200m RL level – see **Figure 1**.

About Frogmore:

Copper was mined and smelted at Frogmore in the late 19th century, although the copper lode discovered by Paradigm was not mined to any significant extent. Copper-silver mineralisation is associated with a simple sulphide assemblage consisting of chalcopyrite accompanied with pyrrhotite and pyrite, occurring as veins and fracture fillings. Locally, very high concentrations of chalcopyrite can occur; e.g. Up to 6% Cu over 1m.

Frogmore is located 25km northeast of the township of Boorowa, about 100km south of Newcrest's Cadia Valley and 250km west of Sydney in NSW. EL 6590 covers 300km², and is 100% owned by PDM.

PARADIGM METALS LIMITED
OPERATIONS REPORT
FOR THE YEAR ENDED 30 JUNE 2011

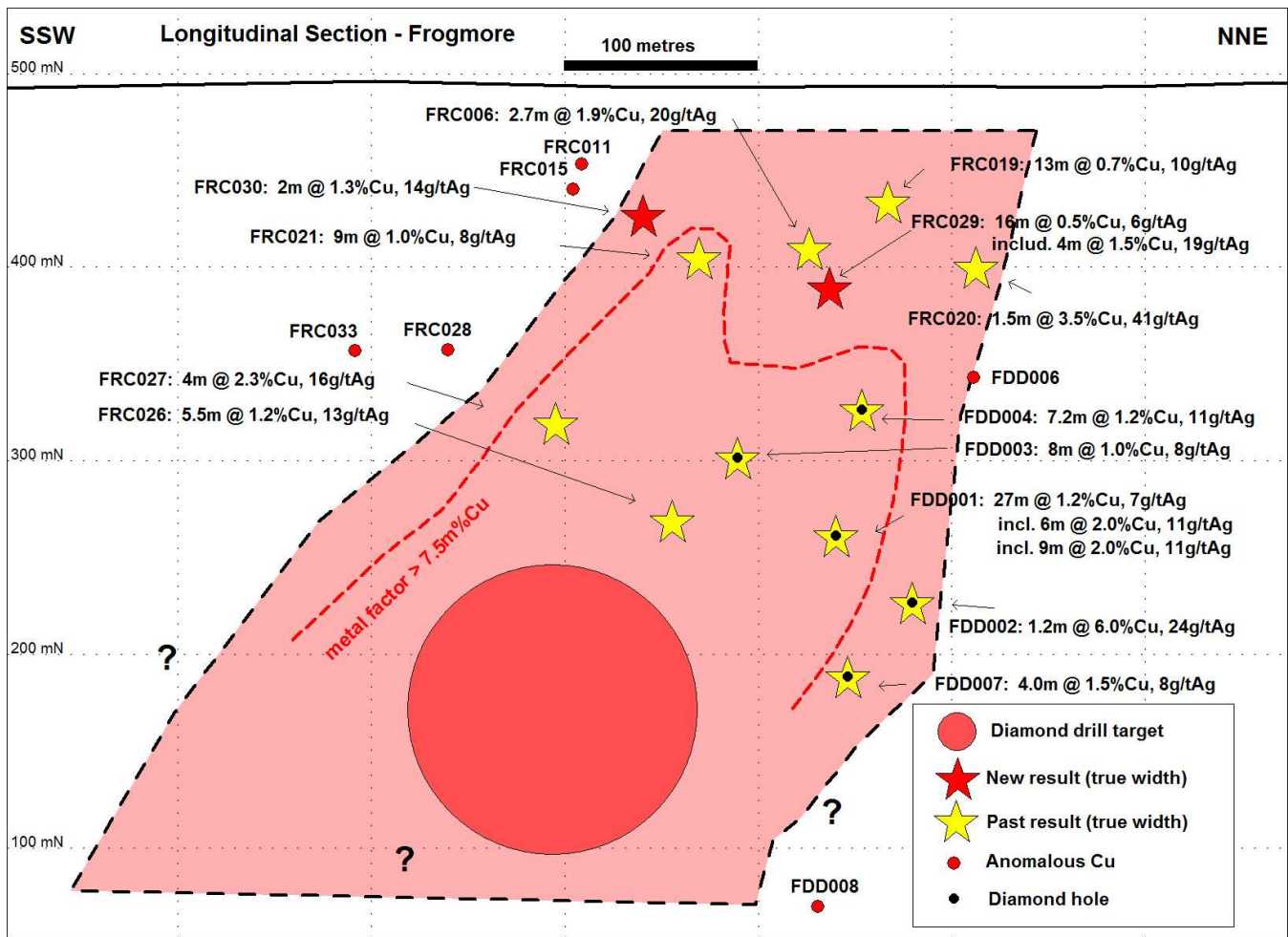


Figure 1. Longitudinal section viewing northwest of the Frogmore copper lode with drill hole pierce points. Note intervals are true width intercepts.

Yellow Mountain project (PDM 30%, option to earn 51%)

Paradigm completed 5,708m of drilling (aircore and RC percussion) at the Yellow Mountain project (ELs 6325 and 7697) during the 12 month period. A total of 124 holes were drilled at five separate gold prospects.

Quarry Hill prospect

Most of the drilling (about 80%) was focused at the Quarry Hill prospect, targeting a large (approx. 1km²) gold geochemical anomaly. In total, 90 drill holes were completed at the prospect for 4300m, including 1700m of RC percussion drilling (16 holes) on an 80m x 80m grid.

Host rocks at Quarry Hill are metasedimentary rocks and schist, weathered to about 70m depth. Gold mineralisation at Quarry Hill is associated with low angle faults that are broadly parallel to the dominant foliation. A geological cross section showing the style of mineralisation at Quarry Hill is presented (see **Figure 2**).

PARADIGM METALS LIMITED
OPERATIONS REPORT
FOR THE YEAR ENDED 30 JUNE 2011

Drill intersection highlights include the following:

Drill hole	Intercept m	Gold g/t	Depth from m
PQH001	8m	1.0	14 (oxide)
PQH029	36.5m	0.5	0 (oxide)
incl	4m	2.4	20 (oxide)
PQH044	40m	0.5	0 (oxide)
incl	4m	2.0	4 (oxide)
PRC005	12m	1.45	28 (oxide)
incl	6m	2.0	34 (oxide)
PRC009	37m	0.5	71 (sulphide)
incl	4m	1.4	98 (sulphide)

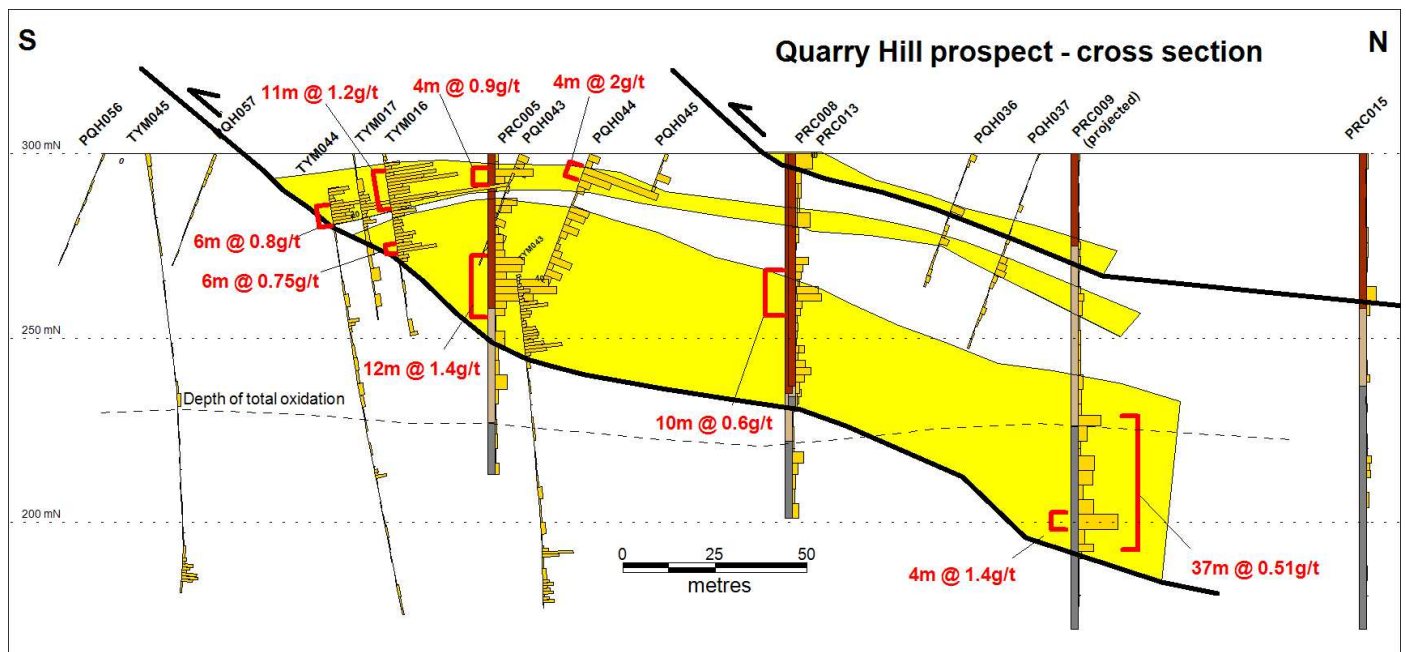


Figure 2. Interpretive cross section at the Quarry Hill prospect

Quarry Hill South prospect

Eight shallow aircore/RC holes were drilled at Quarry Hill South for an advance of 308m. Mafic volcanics, believed to be Ordovician in age, are the dominant lithology. This is significant because Ordovician volcanic rocks and their subvolcanic equivalents are host to the world-class gold-copper porphyry deposits in NSW, in particular at Cadia and Northparkes.

Some of the better intersections at Quarry Hill South were:

Drill hole	Intercept m	Gold g/t	Depth from m
PQS007	6m	3.1	5m (oxide)
PQS005	13m	1.0	9m (oxide+ sulphide)
PQS001	2m	3.1	10m (oxide)

PARADIGM METALS LIMITED
OPERATIONS REPORT
FOR THE YEAR ENDED 30 JUNE 2011

Gold mineralisation is associated with anomalous arsenic (after arsenopyrite) and copper (after chalcopyrite). The base of oxidation in these holes is 15-20m vertical depth. The deepest hole was drilled to only 50m depth.

Other prospects

Six holes were drilled at the Sheep Yard prospect within EL 7697, for an advance of 297m. Gold mineralisation occurs in oxidised, clay-altered metasediments. The best intercept was 50m @ 0.44g/t Au from 3m in PMV005.

Future exploration

The extensive low-level gold found in our drilling, we believe, is an indication of something more substantial nearby. The challenge remains to locate the higher grade, economic mineralisation. Paradigm believes there is still considerable potential for porphyry or disseminated gold style deposits at Yellow Mountain, possibly emplaced in a distal location (several km?) from the deep source porphyries.

To assist with future drill targeting, the Company is planning an induced polarisation (IP) geophysical survey following the 2011 crop harvest. We believe that this program could highlight significant deep sulphide accumulations, and could also aid in the targeting of shallow oxide deposits. Priority geophysical anomalies would then be drilled.

Preliminary gold leach tests of oxide material from the Quarry Hill prospect indicate a simple, high recovery, gold recovery process. Cyanide leaching at a conventional gold P80 grind size of 75µm resulted in a head grade of 1.26g/t Au with 91% gold recovery in a short time frame, with low reagent consumption.

About Yellow Mountain:

The Yellow Mountain project consists of two tenements, EL 6325 (PDM 30%) and EL 7697 (PDM 100%). Paradigm has met sufficient expenditure to allow it to proceed to a 30% legal interest in EL 6325. It has an option to earn a 51% majority interest by continuing to sole fund exploration by expending a further \$450,000 by 31 March 2013. The project is located 70km north of town of Condobolin, about 100km west of the Rio Tinto's Northparkes mine in central NSW. These tenements cover 200 km².

Kangiarra project (PDM 100%)

Silver – gold oxide potential

The Company is evaluating the potential for an economic silver + gold oxide deposit at Kangiarra, following the discovery of surface base metals mineralisation up to 400m along strike of past drilling.

Oxide silver and gold mineralisation was defined by drilling over a strike length of 250m in a north-south direction. We believe there is potential to extend this mineralisation significantly, based on recent soil geochemistry which has highlighted a Pb-Zn-Cu soil anomaly that extends for about 700m in total strike length. We believe it is possible to target a near surface, open pitable silver-gold oxide deposit with further drilling.

Positive initial metallurgical tests of the oxide indicate high recoveries of silver (92%) and gold (81%) over a short cyanide leach period. Other positives include minimal overburden (a low strip ratio of waste to ore).

To highlight this potential, some of the better silver-gold oxide intersections in past drilling were:

PARADIGM METALS LIMITED
OPERATIONS REPORT
FOR THE YEAR ENDED 30 JUNE 2011

Drill hole	Intercept m	Gold g/t	Silver g/t	Lead %	depth from m
KAC001	6	0.63	90	2.2	3
incl	3	0.99	111	2.2	3
KAC002	7	1.16	88	3.5	0
incl	3	2.07	150	4.5	0
KAC008	18	0.63	151	1.3	0
incl	4	1.30	512	1.8	10
KAC009	17	0.43	31	0.6	0
incl	3	1.55	108	0.8	14
KAN009	12	0.30	148	0.7	2
incl	6	0.10	223	0.6	6

About Kangiara:

The Kangiara project contains a JORC Indicated and Inferred Mineral Resource of 2.75 million tonnes @ 1.3% zinc, 1.0% lead, 0.18% copper, 0.5 g/t gold, and 24 g/t silver over a strike length of 360m. A nominal open pit design encompassing an Indicated and Inferred Resource of 1.65 million tonnes @ 1.4% Zn, 1.2%Pb, 0.4 g/t gold, 0.12% copper and 24 g/t silver to a maximum depth of 90 m was calculated by an independent mining consultant with a waste to ore strip ratio of 1.5 to 1. Sulphide mineralisation is open down plunge.

Toolebuc Joint Venture, Cloncurry Queensland (PDM 50%)

Significant Rare Earth Intersection

The Toolebuc joint venture (Paradigm 50%: Exco Resources 50%) completed a reconnaissance air core drill program on EPM 16073 near Cloncurry in late November 2010. Thirteen holes were completed for 681m advance, on roughly 1km drill hole spacings. One of these holes, LEV002, intersected REE mineralisation in carbonate-rich intrusive rocks beneath 35m of younger sedimentary cover. The REE intercept was **4m @ 2590ppm (2.59 kg/t) combined REE from 37-41m**. REE mineralisation is mostly a combination of lanthanum (La), neodymium (Nd), yttrium (Y), the latter two being high-value and sought after elements today especially for uses in the high technology industry.

Drill hole LEV002 was also anomalous in zinc. The 4m interval from 37-41m graded 0.32% Zn.

Planned exploration

Drill hole LEV002 was a reconnaissance air core hole in a previously undrilled area, and we believe the area has potential for more significant REE mineralisation.

Further air core / shallow RC drilling is planned for later in 2011.

About Toolebuc:

The Toolebuc project (EPM 16073) is a 50:50 joint venture between Paradigm Metals Ltd and Exco Resources Ltd, an ASX-listed Cloncurry copper –gold explorer. The project is located 40km east-southeast of Cloncurry, northwest Queensland. Paradigm is the manager of the joint venture, which is funded 50:50 by both parties. The permitted joint venture area covers 16 km².

PARADIGM METALS LIMITED
OPERATIONS REPORT
FOR THE YEAR ENDED 30 JUNE 2011

Lady Rose, Cloncurry Queensland (PDM 100%)

A new exploration permit application, EPMA 19016, covering more than twenty small 19th century copper mines along a 2km trend between Cloncurry and Mt Isa, has been successfully pegged in a competitive tendering process (see **Figure 3**). Paradigm has been advised that it is the priority applicant.

The Lady Rose project is well located in a very prospective belt, being 17km south of the Mary Kathleen mine, and approximately 40km southwest of Cuddeco's Rocklands copper project between Mount Isa and Cloncurry.

It is expected the permit will be granted late in 2011.

Known copper mineralisation occurs on the permit along a northeast-southwest trending continuous structure, associated with both magnetite and hematite (iron oxides) of probable iron oxide copper gold style (IOCG).

Planned exploration

Once granted, a program of mapping and sampling will be followed by drill testing. Our research of past exploration has indicated only two shallow holes (<70m depth) were drilled, with both holes intersecting low-grade copper. These holes did not in any way represent an adequate test of the potential of the property.

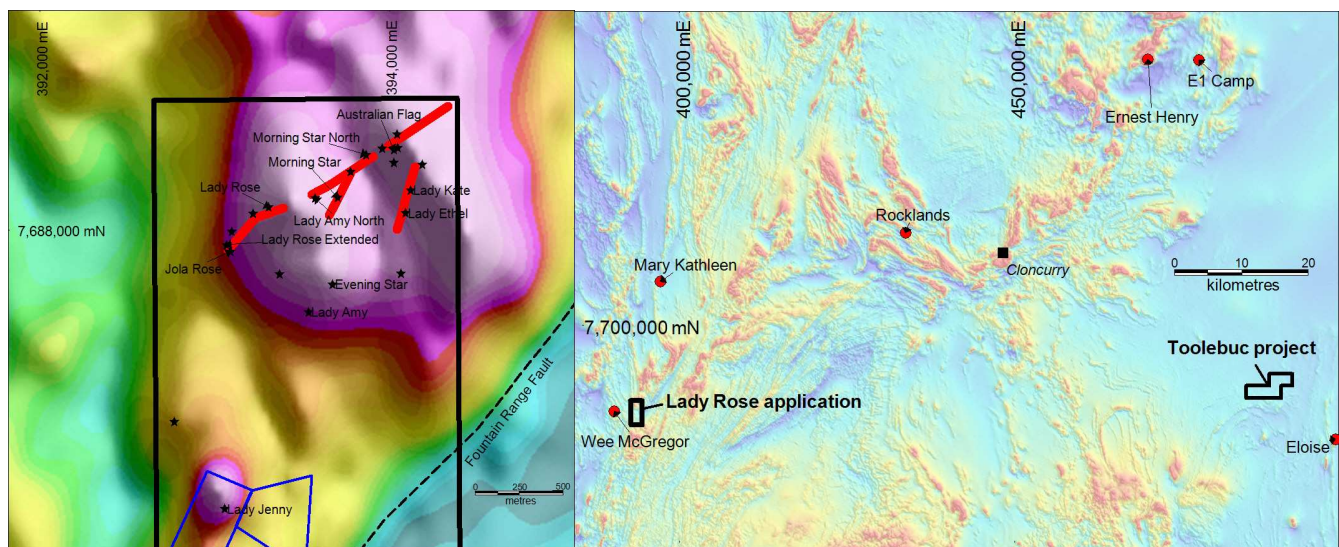


Figure 3. Reduced-to-pole magnetic image of the Lady Rose copper project, 60km west of Cloncurry. The Lady Jenny ML is excised from the permit.

Blue Bush project (PDM 75%)

The Blue Bush project (EPM 15324) is located 140km north of Cloncurry, Queensland. The target at Blue Bush is an IOCG style copper-gold deposit. Drilling during 2009 intersected a 30m to 80m thick lens of magnetite-rich iron stone containing minor copper mineralisation, beneath 120m of soft sedimentary cover.

Northwest Discovery Ltd (NWD) earned a 25% interest in the project by funding the drill program in 2009. NWD have not yet committed to continue to fund the project to a 50% equity interest, which is their option.

Paradigm is currently evaluating the potential for more significant copper mineralisation at Blue Bush. A decision will be taken shortly to continue with the project, or consider other options.

PARADIGM METALS LIMITED
OPERATIONS REPORT
FOR THE YEAR ENDED 30 JUNE 2011

Four Mile Tank project (PDM 100%)

The Four Mile Tank permit application (EPM 18294) is located 120km north of Cloncurry. The permit, which is still under application after nearly 18 months, is believed to be prospective for copper-gold mineralisation beneath Mesozoic cover.

The Company has recently signed an access agreement with the Native Title parties. At this time, we are uncertain when the permit will be granted and as such the permit remains a low priority.

Farm out projects

White Rock (PDM 100%)

Paradigm is continuing the discussions with parties interested in farming-in to White Rock tungsten - magnetite project in southern NSW.

About White Rock:

The White Rock tungsten project contains a JORC Indicated and Inferred Mineral Resource of 260,000 tonnes @ 0.7% tungsten trioxide WO_3 . The Resource can be subdivided into two separate ore types: A high-grade magnetite tungsten Resource of 123,000 tonnes @ 1.15% WO_3 , and a lower grade Resource of 138,000 tonnes @ 0.3% WO_3 . The Mineral Resource covers a strike length of 240m. The maximum depth of the Resource is 50m, with approximately 65% of the resource within 30m of surface.

Rosedale (PDM 100%)

The Rosedale project (EL 7343) is located 18km southeast of the McPhillamys gold resource in central NSW, along a probable extension of the same northwest-trending fault, 30km south of Bathurst NSW. In 2010 Paradigm completed 3 percussion drill holes for 516 m advance at Rosedale, following up on previous drill results including 13m at 0.8g/t Au + 20g/t Ag from 100m depth, and 26m at 0.3g/t gold from 12m depth.

The Company is offering this project for farm out. Further drilling is warranted at Rosedale South which is virtually untested with drilling.

Temora (PDM 100%)

The Temora gold project (EL 7443, 100% Paradigm) is centred on the old gold mining camp known as 'Sebastopol', 15km south of the old mining centre of Temora, close to the regional gold structure known as the Gilmore Suture. This major NNW fault zone controls other gold deposits including Barrick's Cowal mine (3 million oz gold), and the Gidginbung gold mine (0.7 million oz gold) now closed.

The Temora project (EL 7443, 100% PDM) is prospective for high grade gold vein systems. Rock chip sampling was carried out at the Temora project during the quarter, following up on mine dump samples collected by Paradigm at the Barron prospect which returned gold assays up to 23g/t Au.

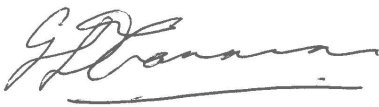
Quartz float collected during the year, near Barron East workings recorded an assay of 6.2g/t Au. A soil grid was extended around the Barron area, with gold assays in soils up to 0.3g/t Au.

Paradigm has decided to offer the Temora project out for farm-out.

PARADIGM METALS LIMITED
OPERATIONS REPORT
FOR THE YEAR ENDED 30 JUNE 2011

About the Temora project

Gold was first discovered in 1869 in the Sebastopol area 15km south of Temora, at sites which became known as the Morning Star and Evening Star mines. All gold won was obtained from quartz reefs. There were two major production periods from 1869 to 1880 (hard rock mining), and 1897 to 1898 (tailings processing). It is estimated that 30,000 oz of gold was produced, predominantly from the Morning Star. Approximately 150,000 oz of gold was won from mostly alluvial fields at Temora itself.



Graham D Carman, PhD, MAUSIMM
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Graham Carman who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Carman is a full-time employee of the Company, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Carman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2011

The Directors of Paradigm Metals Limited hereby present the Financial Statements of the Company and its controlled entities for the year ended 30 June 2011.

DIRECTORS

The names of Directors of the Company who held office during the year and were in office at the date of this report unless otherwise stated are:

❑ **Graham Carman, PhD, MAUSIMM (Managing Director)**

Term of office: Managing Director since September 2003.

Dr Carman graduated with a Bachelor of Science (Hons) from Victoria University of Wellington New Zealand in 1986. He spent several years exploring in Western Australia, North Queensland and Lihir Island in Papua New Guinea, completing a PhD at Monash University in 1994. He was seven years in Peru, firstly with Rio Tinto Exploration and then with Savage Resources Ltd (latterly Pasminco Ltd) as Exploration Manager until 2000. Dr Carman then returned to Australia as Exploration Manager Australia for Pasminco prior to founding Paradigm in 2002. Dr Carman performs the functions of chief executive officer and chief financial officer of the Company.

Directorships of other listed companies:

- None.

❑ **John Gaskell (Non-Executive Director)**

Term of office: Director since November 2002.

Mr Gaskell was the Managing Director of Savage Resources Limited (Savage) from August 1997 until March 1999. He played a leading role in the growth of Savage from a junior NSW coal miner in 1992 to an international metal and mining company. He was involved in establishing Savage's ownership of the Ernest Henry gold-copper mine in Queensland, the acquisition of zinc mines and a refinery in Tennessee and the development of Savage's exploration in North and South America. Mr Gaskell graduated as a geologist from the University of Leeds in 1966 and has been involved in the exploration industry world-wide in a number of public and private companies since then. Mr Gaskell is Chairman of the Company's Audit Committee.

Directorships of other listed companies:

- Dominion Mining Limited from December 2004 to January 2011.

❑ **Stephen Lonergan (Non-Executive Director and Company Secretary)**

Term of office: Director since November 2002.

Mr Lonergan is a commercial lawyer based in Sydney. He has some 30 years experience in the Australian and international mining industry having been General Counsel of the Pancontinental Mining Group, a partner in the law firm Baker and McKenzie, and General Counsel and Company Secretary of Savage Resources Ltd. Mr Lonergan was General Counsel and Company Secretary of CBH Resources Ltd prior to its takeover in 2010. Mr Lonergan is an Honours graduate in law from the Australian National University and holds a Masters degree in law from McGill University, Montreal. Mr Lonergan is a member of the Company's Audit Committee.

Directorships of other listed companies:

- Finders Resources Limited since March 2005.
- Kimberley Metals Limited since November 2010.

PRINCIPAL ACTIVITIES

The consolidated entity operates predominantly in the mining exploration industry throughout New South Wales and Queensland.

OPERATING RESULT

The loss of the consolidated entity for the financial year after providing for income tax amounted to \$553,664 (2010: \$665,139).

The net assets of the consolidated entity increased by \$699,762 primarily due to share capital raising and exploration activities.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2011

REVIEW OF OPERATIONS

A review of the operations of Paradigm Metals Limited during the financial year and the results of those operations is set out in the Operations Report.

DIVIDENDS

No dividends were paid or declared since the start of the financial year.

CHANGES IN STATE OF AFFAIRS

During the year, there were no significant changes in the state of affairs of the Group.

SUBSEQUENT EVENTS

No matter or circumstance has arisen since 30 June 2011 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

DIRECTORS' SHARES AND OPTIONS

No securities in the Company were issued to a Director during the year in connection with their provision of services.

MEETINGS OF DIRECTORS

During the financial year, 11 meetings of Directors (including meetings of committees of Directors) were held. Attendances by each Director during the year were:

DIRECTOR	Director Meetings NUMBER ELIGIBLE TO ATTEND	Director Meetings NUMBER ATTENDED	Audit Committee NUMBER ELIGIBLE TO ATTEND	Audit Committee NUMBER ATTENDED
Graham Carman	11	11	-	-
John Gaskell	11	11	2	2
Stephen Lonergan	11	11	2	2

REMUNERATION REPORT

Remuneration of Directors is approved by the Board and is set in aggregate within the maximum amount approved by the shareholders from time to time. The performance of the Directors is reviewed annually. No component of any Director's remuneration is based on meeting or directly linked to any particular performance criteria.

The remuneration and terms and conditions of employment for the Managing Director are reviewed annually having regard to performance and comparative remuneration information in respect of other listed mineral exploration companies in Australia, and approved by the Board, as required. The Company's performance as a minerals exploration entity depends on retaining energetic and innovative management. The Directors believe that this remuneration policy is successful, as evidenced by the progress made by the Company in the 2011 financial year. There is no specific link between the Director's remuneration and the company's performance.

No Director or executive of the Company has received a benefit other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors and Executives shown below.

Remuneration paid to the Directors and key management personnel during the year was as follows:

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2011

	PRIMARY BENEFITS						POST EMPLOYMENT		Equity Compensation			
	Salaries and Fees		Cash Bonuses		Non Monetary		Superannuation		Options / Shares		TOTAL	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Graham Carman	172,018	144,495	-	42,400 (a)	-	-	15,482	13,005	-	-	187,500	199,900
John Gaskell	44,000	42,000	-	-	-	-	-	-	-	-	44,000	42,000
Stephen Loneragan	44,000	42,000	-	-	-	-	-	-	-	-	44,000	42,000
	260,018	228,495	-	42,400	-	-	15,482	13,005	-	-	275,500	283,900

(a) On 1 October 2009 a cash bonus of \$42,400 was granted to Graham Carman. This recognised Dr Carman's dedication to the Company and his significant achievements over the year, in the context of him having taken a salary cut in the prior year.

Employment Contracts

Only the Executive Director Graham Carman is employed under an employment contract, the details of which are:

Duration:	Open ended
Period of notice required to terminate the contract:	3 months
Termination payments provided for under the contract:	3 months notice period only and payment of any outstanding leave entitlements

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2011

DIRECTOR'S SHAREHOLDINGS

The following tables set out each Director's relevant direct or indirect interest in the securities of Paradigm Metals Limited as at 30 June 2011:

Fully Paid Ordinary Shares

	Balance as at 1 st July 2010	Issues	Disposals	Balance as at 30 th June 2011
Director	No's	No's	No's	No's
Graham Carman	3,684,917	635,829	-	4,320,746
John Gaskell	1,470,246	490,082	-	1,960,328
Stephen Lonergan	890,636	333,333	-	1,223,969
Total	6,045,799	1,459,244	-	7,505,043

Unlisted Options \$0.10 expiring 30 November 2012

	Balance as at 1 st July 2010	Issues	Disposals	Balance as at 30 th June 2011
Director	No's	No's	No's	No's
Graham Carman	-	317,915	-	317,915
John Gaskell	-	245,041	-	245,041
Stephen Lonergan	-	166,667	-	166,667
Total	-	729,623	-	729,623

The Directors acquired options over ordinary shares as part of the Rights Issue conducted by the company during the financial year. Each of the options was 100% vested and exercisable at reporting date.

DIRECTOR'S AND OFFICER'S INDEMNITIES AND INSURANCE

The Company has entered into deeds with each of the Directors and the Company Secretary under which the Company has agreed to indemnify the Directors and the Company Secretary on a full indemnity basis and to the full extent permitted by law for losses or liabilities incurred as an officer of the Company.

During the financial year, the Company has paid an insurance premium in respect of a contract insuring each of the Directors and Company Secretary of the Company, against all liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law. Disclosure of the total amount of the premium and the nature of the liabilities in respect of such insurance is prohibited by the policy.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the court under S237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company or intervened in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2011

ENVIRONMENTAL REGULATIONS

The Company participates in mineral exploration activities covered by mineral exploration licences governed by the respective States. These licences specify the environmental regulations applicable to the exploration of minerals. There have been no known breaches of the environmental obligations of the Company's contracts or licences.

FUTURE DEVELOPMENTS

Disclosure of information regarding likely developments in the operations of the Company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Company. Accordingly, this information has not been disclosed in this report.

NON-AUDIT SERVICES

Non-audit services are approved by resolution of the audit committee and approval is provided in writing to the Board of Directors. Non-audit services provided by the auditors of the consolidated entity during the year are detailed below. The Directors are satisfied that the provision of the non-audit services during the year by the auditor did not compromise the general principles relating to auditor independence in accordance with APES110, code of ethics for professional accountants set by the Accounting Professional and Ethics Standards Board.

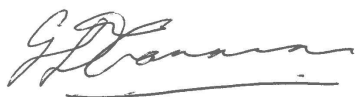
Amounts paid or payable to an auditor for non-audit services provided during the year by the auditor to any entity that is part of the consolidated entity	2011 \$	2010 \$
Taxation Compliance and other services	10,260	10,150

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the Audit Independence requirements of the *Corporations Act 2001*, the Directors have received and are satisfied with the "Audit Independence Declaration" provided by the Company's external auditor's PKF. The Audit Independence Declaration has been attached as part of this Director's Report on the following page.

Signed in accordance with a resolution of the Directors made pursuant to Section 298(2) of the *Corporations Act 2001*.

For and on behalf of the Directors,



Dr Graham Carman
Managing Director

Dated: 28 September 2011

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
AUDITOR'S INDEPENDENCE DECLARATION
FOR THE YEAR ENDED 30 JUNE 2011



Chartered Accountants
& Business Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of Paradigm Metals Limited for the year ended 30 June 2011, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Paradigm Metals Limited and the entities it controlled during the year.

A stylized, handwritten signature in black ink that reads 'PKF'.

PKF

A handwritten signature in black ink that appears to read 'J. Bresolin'.

John Bresolin

Partner

Sydney, 28 September 2011

Tel: 61 2 9251 4100 | Fax: 61 2 9240 9821 | www.pkf.com.au

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The PKF East Coast Practice is a member of the PKF International Limited network of legally independent member firms. The PKF East Coast Practice is also a member of the PKF Australia Limited national network of legally independent firms each trading as PKF. PKF East Coast Practice has offices in NSW, Victoria and Brisbane. PKF East Coast Practice does not accept responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

Liability limited by a scheme approved under Professional Standards Legislation.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

		CONSOLIDATED	
	Note	2011	2010
		\$	\$
Continuing operations			
Other income	2	41,414	87,361
Employee benefit expense		(254,669)	(251,095)
Depreciation		(6,289)	(6,871)
Other expenses	3	(333,950)	(347,940)
Share of Joint Venture Losses	15	(170)	(146,594)
Loss before income tax		(553,664)	(665,139)
Income tax	4	-	-
Loss for the year attributable to members of the parent entity		(553,664)	(665,139)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(553,664)	(665,139)
Earnings/(loss) per share:			
Basic (cents per share)	19	(0.43) cents	(0.67) cents
Diluted (cents per share)	19	(0.43) cents	(0.67) cents
Dividend per share		-	-

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

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

		CONSOLIDATED	
	Note	2011	2010
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	20	976,522	765,474
Trade and other receivables	5	823	990
Other current assets	6	43,427	34,149
Exploration and evaluation assets	7	-	-
Share of Joint Venture Current Assets	15	1,027	16,300
Total current assets		1,021,799	816,913
NON-CURRENT ASSETS			
Plant and equipment	8	67,929	23,600
Other non-current assets	6	62,500	62,500
Exploration and evaluation assets	7	3,312,953	2,748,181
Share of Joint Venture Non Current Assets	15	42,424	17,216
Total non-current assets		3,485,806	2,851,497
TOTAL ASSETS		4,507,605	3,668,410
CURRENT LIABILITIES			
Trade and other payables	9	161,024	37,671
Short term provisions	10	46,442	34,879
Share of Joint Venture Current Liabilities	15	8,750	9,245
Total current liabilities		216,216	81,795
NON-CURRENT LIABILITIES			
Long term provisions	10	24,530	19,518
Total non-current liabilities		24,530	19,518
TOTAL LIABILITIES		240,746	101,313
NET ASSETS		4,266,859	3,567,097
EQUITY			
Issued capital	11	10,732,353	9,763,660
Share options reserve		367,712	82,979
Accumulated losses		(6,833,206)	(6,279,542)
TOTAL EQUITY		4,266,859	3,567,097

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

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

CONSOLIDATED

	<i>Issued capital \$</i>	<i>Option reserve \$</i>	<i>Accumulated losses \$</i>	<i>Total \$</i>
Balance at 1 July 2009	8,655,918	88,061	(5,660,345)	3,083,634
Total Comprehensive Income for the year	-	-	(665,139)	(665,139)
Transactions with owners in their capacity as owners				
Shares issued during the year				
- Placement of shares	1,136,837	-	-	1,136,837
- Transaction costs relating to issue of shares	(29,095)	-	-	(29,095)
Options capitalised during the year	-	40,860	-	40,860
Reserve transfer on lapse of options	-	(45,942)	45,942	-
Balance at 30 June 2010	<u>9,763,660</u>	<u>82,979</u>	<u>(6,279,542)</u>	<u>3,567,097</u>
Balance at 1 July 2010	9,763,660	82,979	(6,279,542)	3,567,097
Total Comprehensive Income for the year	-	-	(553,664)	(553,664)
Transactions with owners in their capacity as owners				
Shares issued during the year				
- Placement of shares	1,062,308	264,303	-	1,326,611
- Transaction costs relating to issue of shares	(93,615)	-	-	(93,615)
Options capitalised during the year	-	20,430	-	20,430
Balance at 30 June 2011	<u>10,732,353</u>	<u>367,712</u>	<u>(6,833,206)</u>	<u>4,266,859</u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

		CONSOLIDATED	
		2011	2010
		\$	\$
Cash flows from operating activities	Note		
Receipts from other income		4,338	4,429
Receipts from government grants		-	47,654
Payments to suppliers and employees		(551,489)	(548,067)
Interest received		37,673	35,947
Net cash used in operating activities	20	<u>(509,478)</u>	<u>(460,037)</u>
Cash flows from investing activities			
Purchase of plant and equipment	8	(50,618)	-
Proceeds from tenement deposits		2,500	10,000
New tenement deposits		(10,000)	(10,000)
Investment – Toolebuc Resources Pty Ltd		(25,000)	-
Net receipt from disposal of tenement		-	-
Capitalised exploration expenditure		<u>(429,352)</u>	<u>(522,965)</u>
Net cash used in investing activities		<u>(512,470)</u>	<u>(522,965)</u>
Cash flows from financing activities			
Proceeds from issue of equity securities (net of issue costs)		<u>1,232,996</u>	<u>1,107,742</u>
Net cash provided by/(used in) financing activities		<u>1,232,996</u>	<u>1,107,742</u>
Net increase/(decrease) in cash held		211,048	124,740
Cash at the beginning of financial year		765,474	640,734
Cash at the end of financial year	20	<u>976,522</u>	<u>765,474</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These Financial Statements cover Paradigm Metals Limited and its controlled entities. Paradigm Metals Limited is a listed public company incorporated and domiciled in Australia.

Scope of financial statements

These Financial Statements are general purpose Financial Statements that have been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations adopted by the Australian Accounting Standards Board and the *Corporations Act 2001*. The Financial Statements of Paradigm Metals Limited and controlled entities comply with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. Compliance with AIFRS's ensures that the Financial Statements conform with International Financial Reporting Standards (IFRS's).

Reporting Period

The Financial Statements are presented for the year ended 30 June 2011.

Authorisation of Financial Statements

The Financial Statements were authorised for issue on 28 September 2011 by the Directors.

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The Financial Statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

a) Principles of Consolidation

A controlled entity is one which Paradigm Metals Limited has the power to control the financial and operating policies of so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 14 to the financial statements. All controlled entities have a 30 June financial year end.

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Paradigm Metals Limited ('Company' or 'parent entity') as at 30 June 2011 and the results of all controlled entities for the year then ended. Paradigm Metals Limited and its controlled entities together are referred to in these Financial Statements as the consolidated entity. The effects of all transactions between entities in the consolidated entity are eliminated in full.

Where control of an entity is obtained during a financial year, its results are included in the consolidated Statement of Comprehensive Income from the date on which control commences. Where control of an entity ceases during a financial year its results are included for that part of the year during which control existed.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Financial Assets and Financial Liabilities

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the Company becomes party to the contractual provisions of the financial instrument.

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire or are transferred and no longer controlled by the entity. A financial liability is removed from the Statement of Financial Position when the obligation specified in the contract is discharged or cancelled or expires.

Upon initial recognition a financial asset or financial liability is designated as at fair value through profit or loss except for investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured.

A gain or loss arising from a change in the fair value of a financial asset or financial liability classified as at fair value through profit or loss is recognised in profit or loss.

Financial assets not measured at fair value comprise loans and receivables. These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are measured at amortised cost using the effective interest method.

Available-for-sale financial assets include other financial assets, comprising investments in subsidiaries, not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities comprise of trade and other payables, provisions and borrowings are measured at amortised cost using the effective interest method.

Trade accounts payable represent the principal amounts outstanding at reporting date plus, where applicable, any accrued interest.

The amortised cost of a financial asset or a financial liability is the amount initially recognised minus principal repayments, plus or minus cumulative amortisation of any difference between the initial amount and maturity amount and minus any write-down for impairment or uncollectibility.

c) Revenue Recognition

(i) Revenue from rendering of services

Revenue from rendering of services is recognised when the outcome of a transaction involving the rendering of services can be estimated reliably and when the other contractual obligations of the entity are performed.

(ii) Interest revenue

Interest revenue is recognised using the effective interest method. It includes amortisation of any discount or premium.

(iii) Revenue from government grants

Government grants are recognised only when there is reasonable assurance that (a) the entity will comply with any conditions attached to the grant and (b) the grant will be received. The grant is recognised as income over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Leases

Lease of assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Consolidated Entity were classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are amortised on a straight-line basis over their estimated useful lives where it is likely that the Consolidated Entity will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as an expense on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefits are diminished.

Lease incentives under operating leases are recognised as liabilities. The incentives are recognised as a reduction of expenses on a straight line basis unless another systematic basis is more representative of the time pattern in which benefits are diminished.

e) Income taxes

Income taxes are accounted for using the balance sheet liability method whereby:

- the tax consequences of recovering (settling) all assets (liabilities) are reflected in the financial statements;
- current and deferred tax is recognised as income or expense except to the extent that the tax relates to equity items or to a business combination;
- a deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available to realise the asset; and
- deferred 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 settled.

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

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

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

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

Tax consolidation legislation

Paradigm Metals Limited and its wholly-owned Australian controlled entities have formed an income tax consolidated group under the tax consolidation regime. The tax consolidated group does not have a tax sharing or funding agreement in place.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Foreign Currency Transactions and Balances

Functional and Presentation Currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which the entity operates in. The consolidated financial statements are presented in Australian dollars which is the Consolidated Entity's functional and presentation currency.

Transaction and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non Monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the Statement of Comprehensive Income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the Statement of Comprehensive Income.

g) Cash and Cash Equivalents

Cash and cash equivalents comprise:

- (i) cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts;
- (ii) investments in money market instruments; and
- (iii) cash in transit.

h) Receivables

Trade receivables and other receivables represent the principal amounts due at reporting date plus accrued interest and less, where applicable, any unearned income and provision for doubtful accounts. An estimated doubtful debt is made when collection of the full amount is no longer probable.

i) Financial Assets – Investments in Controlled Entities

Investments in controlled entities are measured on a cost basis. The carrying amounts of investments are reviewed annually by the Directors to ensure they are not in excess of recoverable amounts of these assets.

j) Property, Plant and Equipment

Property, plant and equipment are included at cost. Assets in plant and equipment (except for capitalised leased assets) are depreciated on a straight line basis over their estimated useful lives. The depreciation rates used for each class of assets are as follows:

Class of Fixed Asset	Depreciation Rate
Office Equipment	5% - 50%
Leasehold Improvements	5%

On disposal of an item of property, plant and equipment, the difference between the sales proceeds and the carrying amount of the asset is recognised as a gain or loss.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Impairment Of Assets

At each reporting date, the Director's review the carrying values of the Consolidated Entity's tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income. In assessing value in use, the estimated future cash flows discounted to their present value using a pre-tax discount rate.

l) Contingent Liabilities

A contingent loss is recognised as an expense and a liability if it is probable that future events will confirm that, after taking into account any related probable recovery, an asset has been impaired or a liability incurred and, a reasonable estimate of the amount of the resulting loss can be made.

m) Short Term Employee Benefits

Short term employee benefits are employee benefits (other than termination benefits and equity compensation benefits) which fall due wholly within 12 months after the end of the period in which employee services are rendered. They comprise wages, salaries, social security obligations, short-term compensation absences, profit sharing and bonuses payables within 12 months and non-mandatory benefits such as medical care, housing, car and service goods.

The provision for employee entitlements to wages, salaries and annual leave represents the amount that the Consolidated Entity has a present obligation to pay resulting from employee services provided up to reporting date. The provision has been calculated after taking into consideration estimated future increases in wages and salaries and past experience regarding staff departures and includes related on-costs.

The undiscounted amount of short-term benefits expected to be paid is recognised as an expense.

n) Long Term Employee Benefits

Long term employee benefits include long-service leave payable 12 months or more after the end of the period in which employee service are rendered.

o) Events after the Reporting Date

Assets and liabilities are adjusted for events incurred after the reporting date that provide evidence of conditions existing at the reporting date. Important after reporting date events which do not meet these criteria are disclosed in Note 23 to the financial statements.

p) Goods and Services Tax

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

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

q) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. An area of interest refers to an individual geological area where the presence of a mineral deposit is considered favourable or has been proved to exist, and in most cases will be an individual tenement. Exploration and evaluation expenditure is recognised in relation to an area of interest when the rights to tenure of the area of interest are current and either:

(a) such expenditure is expected to be recovered through successful development and commercial exploitation of the areas of interest; or

(b) the exploration activities in the area of interest have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when the facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

r) Restoration Provision

Where applicable, a provision for material rehabilitation and restoration obligations is recognised. The amount recognised includes the cost of reclamation and site rehabilitation after taking into account restoration works that are carried out during exploration. Costs are determined from estimates of future costs. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date taking into account the risks and uncertainties surrounding the obligation. Where the time value of money is material, the amount of the provision is the present value of the expected future cash flows required to settle the obligation. In each subsequent reporting period, the amount of the provision may be adjusted by any change in the estimated future rehabilitation and restoration costs of existing and new workings, and any discount associated with the change in the life of the project and the discount rate.

s) Comparative Figures

Where required by accounting standards, the reclassification of comparatives has been performed in order to conform to the changes in presentation for the current financial year.

t) Earnings per Share

Basic earnings per share

Basic earnings per share is determined by dividing the operating profit or loss after income tax attributable to the members of the Company, by the weighted average number of ordinary shares outstanding during the financial period.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account any reduction in earnings per share that will arise from the exercise of options outstanding during the financial period.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

u) Adoption of new and revised Australian Accounting Standards

New, revised or amending Standards and Interpretations

No new accounting standards were applicable to the consolidated group during the current year.

New accounting standards and Interpretations that have been issued but are not yet effective

As at the date of this report there are a number of new accounting standards and Interpretations that have been issued but are not yet effective as detailed below:

AASB No.	Title	Issue Date	Operative Date (Annual reporting periods beginning on or after)
9	Financial Instruments	Dec 2010	1 Jan 2013
10	Consolidation	Jun 2011	1 Jan 2013
11	Joint Arrangements	Jun 2011	1 Jan 2013
12	Disclosure of Interests in Other Entities	Jun 2011	1 Jan 2013
13	Fair Value Measurement	Jun 2011	1 Jan 2013
1053	Application of Tiers of Australian Accounting Standards	Jun 2010	1 Jul 2013
2009 – 12	Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]	Dec 2009	1 Jan 2011
2010 – 2	Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	Jun 2010	1 Jul 2013
2010 – 4	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13]	Jun 2010	1 Jan 2011
2010 – 5	Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]	Oct 2010	1 Jan 2011
2010 – 6	Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets	Nov 2010	1 Jul 2011
2010 – 7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	Dec 2010	1 Jan 2013
2010 – 8	Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets	Dec 2010	1 Jan 2012
2010 – 9	Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	Dec 2010	1 Jul 2011
2010 – 10	Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters	Dec 2010	1 Jan 2013
2011 - 1	Amendments to Australian Accounting Standards arising from the Trans- Tasman Convergence Project	May 2011	1 Jul 2011
2011 - 2	Amendments to Australian Accounting Standards arising from the Trans- Tasman Convergence Project – Reduced Disclosure Requirements	May 2011	1 Jul 2013

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material financial impact on the financial statements of the consolidated entity.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

v) Share Based Payments

Equity settled share based payments are measured at the fair value of the equity instrument at grant date. Fair value is measured by the Black Scholes model.

The fair value determined at the grant date of the equity-settled share based payment is expensed on a straight line basis over the vesting period, based on the consolidated entity's estimate of the shares that will eventually vest.

Where the share based payment is for a capital item, the fair value expense is recorded in the Statement of Financial Position and treated accordingly.

w) Significant Judgement and Key Assumptions

The preparation of the financial statements requires the Directors to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The Directors continually evaluate their judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. The Directors base their judgements, estimates and key assumptions on historical experience and on other various factors, including expectations of future events, the directors believe to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Provision for make good

A provision for material restoration obligations is recognised in relation to exploration licenses. The amount recognised includes reclamation and site rehabilitation after taking into account restoration works that are carried out during exploration, development and production.

Impairment of capitalised exploration expenditure

At each reporting date the Directors evaluate the right to carry forward exploration expenditure on the statement of financial position. Consideration is given to whether the tenement is in good standing, and plans for future exploration activities. Where exploration and evaluation activity has not reached a stage which permits a reasonable assessment of the existence of commercially viable reserves the expenditure is carried forward on the statement of financial position to future periods until such assessment can be made.

Long service leave provision

The long service leave provision is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

x) Interests in Joint Ventures

The consolidated entity's share of the assets and liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the consolidated financial statements. Details of the consolidated entity's interests are shown at Note 15.

The consolidated entity's interest in joint venture entities are brought to account using the proportionate consolidation method of accounting in the consolidated financial statements.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 2: REVENUE

	CONSOLIDATED	
	2011	2010
	\$	\$
Operating activities		
Interest received	37,673	35,947
Government grants	-	47,654
Non-operating activities		
Rent received	3,741	3,760
	<u>41,414</u>	<u>87,361</u>

NOTE 3: LOSS FOR THE YEAR

(a) Other Expenses comprised as follows:

Exploration expenditure		
- Write-off capitalised expenditure	(20,342)	(11,694)
Directors fees	(88,000)	(84,000)
Administration expenses	(181,860)	(209,040)
Rental expenses on operating leases		
- minimum lease payments	(43,748)	(43,206)
	<u>(333,950)</u>	<u>(347,940)</u>

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 4: INCOME TAX

CONSOLIDATED

	2011	2010
	\$	\$

Income tax recognised in profit / (loss)

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

Loss from operations	(553,664)	(665,139)
Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2010: 30%)		
Consolidated Entity	(166,099)	(199,542)
Add: tax effect of non-allowable items	2,505	2,156
Less: tax effect of timing differences not brought to account	(1,533)	(7,443)
Deferred tax assets not brought to account	165,127	204,829
Income tax attributable to the entity	-	-

As at 30 June 2011, the Consolidated Entity had estimated unrecouped operating income tax losses of \$10,037,057 (2010: \$9,871,930). The benefit of these losses of \$3,011,117 (2010: 2,961,579) has not been brought to account as realisation is not probable.

The benefit will only be obtained if:

- (i) The Consolidated Entity derives future assessable income of a nature and an amount sufficient to enable the benefits from the deductions for the losses to be realized.
- (ii) The Consolidated Entity continues to comply with the conditions for deductibility imposed by the law;
- (iii) No changes in tax legislation adversely affect the Consolidated Entity in realising the benefit from the deductions for the losses.

As at 30 June 2011 there were no franking credits available for subsequent financial years.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 5: TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	2011	2010
	\$	\$
Amounts receivable from:		
Trade receivables	823	990
	<u>823</u>	<u>990</u>

NOTE 6: OTHER ASSETS

CURRENT

Prepayments	14,001	21,635
GST receivable	19,426	10,014
Tenement deposits	10,000	2,500
	<u>43,427</u>	<u>34,149</u>

NON-CURRENT

Tenement deposits	62,500	62,500
	<u>62,500</u>	<u>62,500</u>

NOTE 7: EXPLORATION AND EVALUATION ASSETS

CURRENT

Capitalised Exploration costs – Held for sale	(a)	-	-
		<u>-</u>	<u>-</u>

NON-CURRENT

Exploration expenditure capitalised:			
- exploration and evaluation phases	(a)	3,312,953	2,748,181
		<u>3,312,953</u>	<u>2,748,181</u>

(a) Movement in carrying amounts

Balance at beginning of the year	2,748,181	2,203,064
Exploration expenditure capitalised	585,114	556,811
Exploration expenditure written off	(20,342)	(11,694)
Carrying amount at end of year	<u>3,312,953</u>	<u>2,748,181</u>

Recoverability of the carrying amount of exploration assets is dependent on successful development and commercial exploration or sale of the respective areas of interest.

Capitalised costs amounting to \$429,352 (2010: \$522,965) have been included in the cash flows from investing activities in the Statement of Cash Flows.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

	CONSOLIDATED	
	2011	2010
	\$	\$
NOTE 8: PROPERTY, PLANT AND EQUIPMENT		
Plant and equipment at cost	112,637	62,019
Accumulated depreciation	(44,708)	(38,421)
Total plant and equipment	67,929	23,600

Movement in carrying amounts:

Balance at beginning of year	23,600	30,471
Additions	50,618	-
Depreciation	(6,289)	(6,871)
Carrying amount at end of year	67,929	23,600

NOTE 9: TRADE AND OTHER PAYABLES

CURRENT

Unsecured liabilities:

Trade payables	156,762	16,153
Sundry payables and accrued expenses	4,262	21,518
	161,024	37,671

Included in trade payables are reporting date is an amount of \$132,065 (2010: nil) payable in respect of exploration and evaluation expenditure.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 10: PROVISIONS

	Tenement Restoration	Employee Benefits	Total
	\$	\$	\$
Opening balance at 1 July 2010	5,000	49,397	54,397
Amounts used	-	(12,244)	(12,244)
Additional Provision	-	28,819	28,819
Balance at 30 June 2011	5,000	65,972	70,972

CONSOLIDATED

	2011	2010
	\$	\$
Analysis of total provisions:		
Current	46,442	34,879
Non-current	24,530	19,518
	70,972	54,397

Provision for tenement restoration:

The restoration provision represents the present value of the Director's best estimate of the future sacrifice of economic benefit that will be required for meeting environmental obligations for existing tenements after exploration activities have been completed. The provision is reviewed annually by the Directors.

Provision for employee benefits:

A provision has been recognised for employee entitlements relating to annual leave due within 1 year.

A provision has been recognised for employee benefits relating to long service leave. The calculation of the present value of future cash flows in respect of long service leave is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report. There is uncertainty around the exact timing of the cash outflows in relation to the above amounts.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 11: ISSUED CAPITAL

CONSOLIDATED AND PARENT ENTITY

	\$	Number
(a) Ordinary Shares		
Ordinary Shares at beginning of reporting period	9,763,660	104,661,119
Issue of shares	1,326,611	44,220,373
Share issue transaction costs	(357,918)	-
Ordinary Shares at reporting date	<u>10,732,353</u>	<u>148,881,492</u>

At reporting date the Company had 148,881,492 (2010: 104,661,119) authorised Ordinary Shares of no par value. Ordinary Shares entitle the holder 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 the holder to one vote, either in person or by proxy, at a meeting of the Company.

(b) Options

	2011 \$	2010 \$
Effect of share-based payment transactions		
Expenses arising from share-based payment transactions	-	-
Expenses arising from share-based payment transactions capitalised as exploration costs	20,430	40,860
	<u>20,430</u>	<u>40,860</u>

Movement during the financial year	Number of options 2011	Weighted average exercise price \$	Number of options 2010	Weighted average exercise price \$
Opening number of options	2,000,000	0.20	2,370,000	0.20
Granted during the financial year	22,110,187	0.10	-	-
Lapsed during the financial year	-	-	(370,000)	0.20
Exercised during the financial year	-	-	-	-
Closing number of options	<u>24,110,187</u>	<u>0.11</u>	<u>2,000,000</u>	<u>0.20</u>

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 11: ISSUED CAPITAL (CONTINUED)

Details of options outstanding as at end of year

Holder	Grant date	Expiry date	% Exercisable at 30 June 2011	30 June 2011 Outstanding Option No.	Exercise Price \$	Fair value at issue date \$	Expected volatility	Risk free rate
JPMorgan Chase & Co	19 May 2008	19 May 2013	100	800,000	0.20	0.06	80%	6.5%
JPMorgan Chase & Co	3 July 2008	3 July 2013	100	1,200,000	0.20	0.03	80%	6.5%
Shareholders	2 Dec 2010	30 Nov 2012	100	22,110,187	0.10	0.01	99%	5.4%
			100	24,110,187				

NOTE 12: AUDITOR'S REMUNERATION

Amounts received or due and receivable by the auditor of the Company for:

Audit or review of the Financial Statements

Tax Compliance and other services

CONSOLIDATED	
2011	2010
\$	\$
39,500	38,500
10,260	10,150
<u>49,760</u>	<u>48,650</u>

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION

Directors

The names of persons who were directors of Paradigm Metals Limited at any time during the financial year are Graham Carman, Stephen Lonergan, and John Gaskell.

	2011	2010
	NUMBER	NUMBER
Aggregate numbers of shares and share options of Paradigm Metals Limited held directly, indirectly, or beneficially by Directors of the Company or the consolidated entity or their Director related entities at reporting date:		
Ordinary shares	7,750,085	6,045,799
Options over unissued ordinary shares	1,292,578	-

Key management personnel

The following were key management personnel at various times during the reporting year:

Graham Carman – Managing Director

John Gaskell – Director

Stephen Lonergan - Director

The aggregate compensation made to key management personnel of the Consolidated Entity are set out below: -

	2011	2010
	\$	\$
Short Term Employee Benefits	260,018	270,895
Post Employment Benefits	15,482	13,005
Other Payments	-	-
Termination Benefits	-	-
Share based payment	-	-
Total	275,500	283,900

The Company has taken advantage of the relief provided by ASIC Class Order 06/50 and has transferred the detailed remuneration disclosures to the Directors' report.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 14: RELATED PARTY TRANSACTIONS

Transactions between related parties are unsecured and will be settled in cash.

Controlled Entities of Paradigm Metals Ltd	Country of Incorporation	Percentage Owned	
		2011 %	2010 %
Paradigm NSW Pty Limited	Australia	100	100
Paradigm Queensland Pty Limited	Australia	100	100
Tungsten NSW Pty Limited	Australia	100	100

Transactions with related parties

	2011 \$	2010 \$
Other related parties		
Sub-lease rent received from John Gaskell (Director)	3,740	3,759
Amount due from John Gaskell (Director) at 30 June 2011	343	990
Amount payable to Stephen Lonergan (Director) at 30 June 2010	-	23,100

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 15: JOINT VENTURE

The company has entered into a Joint Venture agreement with Exco Resources Limited. Together with Paradigm the two companies jointly control Toolebuc Resources Pty Limited which was specifically incorporated to explore for Uranium and other minerals near Cloncurry.

Paradigm's 50% interest in the Joint Venture entity is accounted for in the consolidated financial statements using the proportional consolidation method of accounting. Paradigm's interest in the Joint Venture is reflected below:

	2011	2010
	\$	\$
Current Assets	1,027	16,300
Non – Current Assets	42,424	17,216
Total Assets	43,451	33,516
Current liabilities	8,750	9,245
Total Liabilities	8,750	9,245
Revenues	-	-
Expenses	(170)	(146,594)
Loss Before Income Tax	(170)	(146,594)
Income Tax Expenses	-	-
Loss after Income Tax Expense	(170)	(146,594)

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 16: FINANCIAL RISK MANAGEMENT

Capital Management

The Consolidated Entity's capital structure consists of deposits with banks, tenement deposits, accounts receivable and payables and loans to and from controlled entities.

Management controls the capital of the consolidated entity in order to ensure that the consolidated entity can fund its exploratory operations and continue as a going concern.

Due to the early stage nature of the consolidated entity's business, the consolidated entity's capital is limited to ordinary share capital.

There are no externally imposed capital requirements.

Management effectively manages the consolidated entity's capital by assessing the consolidated entity's financial risks and adjusting its capital structure in response to changes in these risks.

There have been no changes in the strategy adopted by management to control the capital of the consolidated entity since the prior year. The Consolidated Entity does not have any borrowings.

Financial Instruments

As at 30th June 2011, the consolidated entity held the following financial instruments:

	Non-Interest Bearing		Interest Bearing					
Consolidated Group			1 Year or Less		1 to 5 Years		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets								
Cash assets	109,835	35,196	866,687	730,278	-	-	976,522	765,474
Receivables	823	990	-	-	-	-	823	990
Tenement Deposits	72,500	65,000	-	-	-	-	72,500	65,000
Total Financial Assets	183,158	101,186	866,687	730,278	-	-	1,049,845	831,464
Financial Liabilities								
Trade and sundry payables	161,024	37,671	-	-	-	-	161,024	37,671
Total Financial Liabilities	161,024	37,671	-	-	-	-	161,024	37,671
Net Financial Assets	22,134	63,515	866,687	730,278	-	-	888,821	793,793

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 16: FINANCIAL RISK MANAGEMENT (CONTINUED)

Risk Exposures

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates. The consolidated entity's exposure to interest rate risk is shown below:

Cash flow sensitivity analysis for floating rate financial instruments:

The following table details the effects on net profit and equity if the interest rate was to increase by 5% and decrease by 5%. This assumes that all other variables remain constant.

	Consolidated Entity	
	Profit/(Loss)/Equity	
	2011	2010
	\$	\$
Increased by 5%	48,828	38,274
Decreased by 5%	(48,828)	(38,274)

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount net of any provision for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements. The Consolidated Entity does not have any material credit risk exposure to a single receivable or group of receivables under financial instruments entered into.

Liquidity Risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations associated with financial liabilities as and when they fall due.

The consolidated entity manages liquidity risk by monitoring cash flows and the maturity profiles of financial assets and liabilities to ensure that it will always have sufficient liquid resources to meet its liabilities as and when they fall due.

The consolidated entity's financial liabilities as at 30th June 2011 consist of trade payables and amounts due to the joint venture partner only. No contractual interest-bearing liabilities were held within the consolidated entity.

The cash flows associated with trade and other payables equals the carrying value and will be fully paid with 6 months of the reporting date.

Fair values of financial instruments

It is noted that the carrying value of all financial instruments at the Statement of Financial Position date are equal to their fair value.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 17: COMMITMENTS FOR EXPENDITURE

(a) Exploration expenditure commitments

	CONSOLIDATED	
	2011	2010
	\$	\$
Within 1 year	375,055	309,667
1-5 years	45,875	278,167
>5 years	-	-
	<u>420,930</u>	<u>587,834</u>

As at 30 June 2011, Paradigm had exploration commitments of \$9,722 (included above) relating to the Toolebuc joint venture.

Tenement holdings and related commitments are regularly reviewed, and there is no certainty that a tenement will be held for the full period of its grant. The Company is required to meet minimum committed expenditure requirements to maintain current rights of tenure on exploration tenements. These obligations may be subject to renegotiation, may be farmed out or may be relinquished. The expenditure commitments shown cover commitments for all current tenement holdings for a period of 2 years from reporting date.

(b) Operating Lease Commitments

	CONSOLIDATED	
	2011	2010
	\$	\$
Within 1 year	-	-
1-5 years	-	-
	<u>-</u>	<u>-</u>

NOTE 18: SEGMENT INFORMATION

Description of Segments

Paradigm Metals Limited has applied AASB 8 "Operating Segments" from 1 July 2009. AASB 8 requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in a change of reportable segments presented. The information reported for each segment has also changed and comparative amounts are now reported on a consistent basis with the current period.

Operating segments are now reported in a manner that is more consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors, and Managing Director that collectively make strategic decisions.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 18: SEGMENT INFORMATION (CONTINUED)

Operating segments

The consolidated entity undertakes the activities of exploration of mineral resources. The Board has therefore identified the reportable segments to be by geographical area of interest as each has different economic characteristics. The regions are New South Wales (NSW) and Queensland (QLD).

	Exploration			2011
	NSW	QLD	Unallocated	
	\$	\$	\$	\$
Revenues from external parties	-	-	-	-
Inter-segment revenues	-	-	-	-
Other revenues	-	-	41,414	41,414
Total revenues	-	-	41,414	41,414
Segment profit / (loss)	(20,538)	(5,128)	(527,998)	(553,664)
Segment assets	3,314,242	114,662	1,078,701	4,507,605
Segment liabilities	132,065	-	108,681	240,746
Acquisition of non-current assets	555,250	34,730	44,333	634,313

	Exploration			2010
	NSW	QLD	Unallocated	
	\$	\$	\$	\$
Revenues from external parties	-	-	-	-
Inter-segment revenues	-	-	-	-
Other revenues	-	47,654	39,707	87,361
Total revenues	-	47,654	39,707	87,361
Segment profit / (loss)	(1,605)	(116,165)	(547,369)	(665,139)
Segment assets	2,748,992	97,705	821,713	3,668,410
Segment liabilities	-	-	101,313	101,313
Acquisition of non-current assets	530,121	(112,979)	(6,872)	410,271

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 19: EARNINGS PER SHARE

	CONSOLIDATED	
	2011	2010
	\$	\$
(a) Reconciliation of earnings to net Loss		
Net loss after tax	(553,664)	(665,139)
Loss used in the calculation of basic EPS and dilutive EPS	(553,664)	(665,139)
	No.	No.
(b) Weighted average number of ordinary shares outstanding during the year used in the calculation of basic EPS	130,224,129	99,766,716
Weighted average number of options outstanding	-	-
Weighted average number of ordinary shares outstanding during the year used in the calculation of dilutive EPS	130,224,129	99,766,716

NOTE 20: NOTES ON THE STATEMENT OF CASH FLOWS

	CONSOLIDATED	
	2011	2010
	\$	\$
(a) Reconciliation of cash and cash equivalents		
Cash at bank	966,187	755,139
Rental Bond	10,335	10,335
	976,522	765,474
(b) Reconciliation of cash flows from operations with loss after income tax		
Loss after income tax	(553,664)	(665,139)
<i>Non cash flows in loss</i>		
Depreciation	6,289	6,871
Exploration expenditure written off	20,342	11,694
Write off of joint venture exploration expenditure	-	151,723
<i>Changes in Assets and Liabilities</i>		
Decrease/(increase) in trade and other receivables	167	1,928
Decrease/(increase) in other assets	(1,779)	(5,129)
Increase/(decrease) in other payables	2,592	28,344
Increase/(decrease) in other provisions	16,575	9,672
Net cash used in operating activities	(509,478)	(460,037)

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 21: SUPERANNUATION COMMITMENTS

The consolidated entity contributes to industry based superannuation plans which provide accumulated benefits to permanent employees. The level of contributions is determined by Superannuation Guarantee legislation. The consolidated entity has no responsibility for the administration or performance of these industry based funds.

NOTE 22: CONTINGENT LIABILITIES

In 2008 Paradigm purchased the tenement site of White Rock from Copper Strike Limited and Sherwood Ventures Pty Limited ("the vendors"). The purchase agreement includes terms obliging Paradigm to pay the vendors \$0.5 million on the announcement to the ASX of a defined Indicated Mineral Resource, and \$1.5 million after the first of (i) completion of a positive Project Feasibility Study, or (ii) a decision to mine.

NOTE 23: SUBSEQUENT EVENTS

No matter or circumstance has arisen since 30 June 2011 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 24: PARENT ENTITY INFORMATION

	2011	2010
Information relating to Paradigm Metals Limited	\$	\$
Current assets	1,010,292	798,112
Total Assets	1,494,839	841,715
Current liabilities	207,466	72,115
Total liabilities	231,996	91,633
Issued capital	10,732,353	9,763,660
Accumulated losses	(9,837,222)	(9,096,557)
Share options reserve	367,712	82,979
Total shareholders' equity	1,262,843	750,082
Profit or (loss) of the parent entity	(740,666)	(1,053,863)
Total comprehensive income of the parent entity	(740,666)	(1,053,863)

At reporting date the parent entity had the following contractual commitments for exploration expenditure:

Within 1 year	20,400	-
1-5 years	6,800	-
> 5 years	-	-
	27,200	-

In 2008 Paradigm purchased the tenement site of White Rock from Copper Strike Limited and Sherwood Ventures Pty Limited ("the vendors"). The purchase agreement includes terms obliging Paradigm to pay the vendors \$0.5 million on the announcement to the ASX of a defined Indicated Mineral Resource, and \$1.5 million after the first of (i) completion of a positive Project Feasibility Study, or (ii) a decision to mine.

PARADIGM METALS LIMITED AND CONTROLLED ENTITIES
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2011

The Directors of the Company declare that:

1. In the Directors' opinion the financial statements and notes on pages 18 to 46, and the remuneration disclosures that are contained in the Remuneration Report in the Directors' Report, set out on pages 13 to 15, are in accordance with the *Corporations Act 2001*, including;
 - (i) Giving a true and fair view of the Company's and the consolidate entity's financial position as at 30 June 2011 and of their performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting interpretations) and *Corporations Regulations 2001*.
2. The Financial Statements also comply with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) as disclosed in Note 1; and
3. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
4. the Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a Resolution of the Directors.

On behalf of the Directors



Graham D Carman

Dated: 28 September 2011

Sydney

INDEPENDENT AUDITOR'S REPORT

To the members of Paradigm Metals Limited

Report on the Financial Report

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

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

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

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Auditor's Opinion

In our opinion,

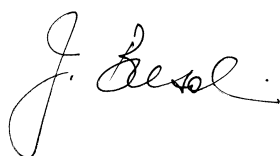
- a) the financial report of Paradigm Metals Limited is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - ii. complying with Australian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

Report on the Remuneration Report

We have audited the Remuneration Report included under the heading 'Remuneration Report' 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 Paradigm Metals Limited for the year ended 30 June 2011, complies with section 300A of the *Corporations Act 2001*.

**PKF****John Bresolin****Partner**

Sydney, 28 September 2011

PARADIGM METALS LIMITED
CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

The following sets out how the Company is currently implementing the ASX "Corporate Governance Principles and Recommendations" dated August 2007 ("the Principles"). A copy of this Statement is available on the Company's website: www.paradigmmetals.com.au.

Principle 1: Lay solid foundations for management and oversight

The Board has formally retained all functions except those delegated from time to time to the Managing Director. Currently, the following functions are so delegated;

- 1 Management of the Company's exploration program consistent with the plans and budgets approved by the Board.
- 2 Management of the Company's financial records.
- 3 Compliance with all ASIC and ASX reporting requirements, subject to prior Board approval.
- 4 Representation and promotion of the Company to the investment markets.
- 5 Engagement (subject to prior Board approval) of employees and supervision of employees and contractors.
- 6 Management of the Company's occupational health and safety and environmental protection obligations.
- 7 Identification, development and presentation of business development opportunities consistent with the Company's commitments to its stakeholders.

Apart from the foregoing there is no published Board Charter. A letter of appointment has been entered into between each Director and the Company. The Managing Director's performance is evaluated each year by the Board essentially against the exploration results and budget outcomes for the past year. The Managing Director's performance was evaluated on this basis during the year.

Given the size of the Company, there is no induction procedure for senior executives.

Principle 2: Structure the board to add value

It is recommended by the Principles that the majority of the Board should be independent Directors. Two Directors (Messrs Gaskell and Lonergan) are considered to be independent Directors. The Managing Director fulfils the role of Chief Executive Officer. The skills and experience of each Director and his period in office are set out in the Directors' Report.

The letter of appointment for each Director confers the right to seek independent legal advice at the Company's expense, subject to prior agreement of the other Directors which will not be unreasonably refused.

The independent Directors meet from time to time to discuss issues relating the Company without management being present. There is currently no formal Chairman, however either of the independent Directors acts as Chairman as required.

The Board has not established a Nominations Committee as it considers that there is no current need for such Committee. Consequently, there are no procedures for the selection and appointment of new directors. Should a Board vacancy arise, the Board as a whole will meet to decide on an appointee.

The Board has free and unfettered access to the executives in the Company and to the Company Secretary. The term of office held by each Director as at the date of this report is as follows:

	Date of appointment	Retire by rotation
Mr Carman	18 November 2002	Not required to retire
Mr Gaskell	07 November 2002	2011 AGM
Mr Lonergan	07 November 2002	2012 AGM

The period for which each of these Directors has held office is disclosed elsewhere in this Annual Report. The Board as a whole has considered its performance during the year and has (relevant Directors excepted) reviewed the performance of individual Directors, with particular regard to meeting attendance, contributions and participation in strategy and development.

PARADIGM METALS LIMITED
CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

The Company Secretary monitors Board policy and provides assurance that statutory procedures are followed. The Company Secretary coordinates timely completion and dispatch of board agenda and papers. The Company Secretary is appointed and removed by the Board.

New employees are inducted into the Company Codes of Conduct and procedures on commencement of employment. The Company follows a procedure to ensure regular education of employees occurs in their sphere of expertise, monitored by the CEO. This may include regular attendance to conferences, education classes, mine sites, etc.

Principle 3: Promote ethical and responsible decision-making

The Company has adopted a Code of Conduct and a policy on Trading in the Company's Securities and other governance policies which are available on the Company's web site.

Principle 4: Safeguard integrity in financial reporting

The Board has adopted a policy requiring the Managing Director to state in writing to the Board that the Company's Financial Statements present a true and fair view, in all material respects, of the Company's financial condition and operational results are in accordance with relevant accounting standards. In addition, standard audit procedures require management to provide a Management Representation Letter relating to these matters. The Board has established a practice of meeting periodically with the Company's Auditors, without management being present, to enable the auditors to freely express any concerns in this area.

The Company has established an Audit Committee comprising two independent Directors being John Gaskell (Chairman) and Stephen Lonergan, whose qualifications are set out in the Directors' Report. The Audit Committee has met twice during the year.

The formal charter of the Audit Committee is to give assurance to the Board that all financial statements and reports to be adopted by the Board are consistent with all applicable reporting requirements and are, in all respects, accurate and not misleading. Additionally, the Audit Committee is the mechanism through which the Company's Auditors will interface with the Board.

The Company's auditor is PKF which has a policy of rotating the audit Partner each five years.

Principle 5: Make timely and balanced disclosure

The Company has adopted a formal Continuous Disclosure Policy and this is available on the Company's website.

Principle 6: Respect the rights of shareholders

The Company maintains a website to facilitate shareholder communication and participation, including an email service. No formal communications policy has been adopted. The Company's auditor attends the Annual General Meeting and is available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditors report.

PARADIGM METALS LIMITED
CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

Principle 7: Recognise and manage risk

Risk faced by the Company is a standing agenda item for Board meetings. The suite of risks faced by the Company as a mining exploration entity are comparatively limited and for this reason a formal risk management policy has not yet been adopted. The Board actively discusses specific risks, and puts in place provisions to deal with these risks. An example is that the Company has addressed the risk of being exposed to fraud, and adapted its banking procedures to minimise exposure to this risk. The Company has also put in place insurance to cover this risk.

The Board has adopted a requirement that the Managing Director should state to the Board in writing that:

- the statement given in accordance with best practice recommendation 4.1 (the integrity of financial statements) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board, and;
- the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

It should be noted that the Company does not maintain a Risk Management Committee because of the simplicity of its operations solely as a mining exploration entity. This function remains with the Board.

Principle 8: Remunerate Fairly and Responsibly

Given the small size of the Board and that there are only two employees, the Board has not established a Remuneration Committee but remuneration issues are considered by the Board as a whole. There is a clear distinction in the remuneration of the non executive Directors and that of Management. The Company complies with the guidelines in the Principles for non executive Director remuneration.

The Company does not maintain any equity-based remuneration scheme other than an employee option scheme.

The main remuneration issues relate to the salary of the Managing Director, Directors fees, and rates paid to consultants and contractors relating to the provision of their services. These terms are set by reference to market terms paid by similar companies.

The only senior executive employed by the Company is the Managing Director whose remuneration package is currently as follows:

- gross salary of \$210,000 per annum inclusive of superannuation effective from 1 January 2011 and reviewed annually;
- the contract has no specified term but may be terminated with three months notice on either side;
- expenses incurred in the performance of Company business are refunded;
- the employment contract has no provision for non-monetary components such as share option benefits, salary bonuses, or non-cash benefits.

The fees paid to Directors are considered appropriate compared with market, the size of the Company, and the requirements for Directors to inform and involve themselves in the affairs of the Company. Individual Directors fees are a fixed amount per annum, and there are no retirement benefits provided to Directors. The aggregate amount payable as Directors fees in any year is a fixed amount (up to \$150,000) approved by shareholders.

Remuneration paid to Directors during the past year is set out in the Remuneration Report contained in the Financial Statements included in this Annual Report.

PARADIGM METALS LIMITED
ADDITIONAL SHAREHOLDER INFORMATION
FOR THE YEAR ENDED JUNE 2011

Paradigm Metals Limited

Analysis of Holdings

(a) Security Holdings

Paradigm Metals Limited

Analysis of Holdings as at 06-09-2011

Security Classes

Fully Paid Ordinary Shares

Holdings Ranges	Holders	Total Units	%
1-1,000	123	12,203	0.008
1,001-5,000	36	126,313	0.085
5,001-10,000	123	1,137,070	0.764
10,001-100,000	560	23,818,754	15.998
100,001-9,999,999,999	243	123,787,152	83.145
Totals	1,085	148,881,492	100.000

Unlisted Options \$0.10 expiring 30 November 2012

Holdings Ranges	Holders	Total Units	%
1-1,000	10	7,121	0.032
1,001-5,000	89	278,012	1.257
5,001-10,000	142	1,153,111	5.215
10,001-100,000	195	6,310,427	28.541
100,001-9,999,999,999	57	14,361,623	64.954
Totals	493	22,110,294	100.000

(b) Unmarketable Parcels (UMP) at 21-09-2011

Paradigm Metals Limited				
Security Class	Total Securities	UMP Holders	UMP Securities	UMP %
Fully Paid Ordinary Shares	148,881,492	448	4,094,441	2.750

(c) The names of substantial shareholders listed in the holding Company's register as at 6 September 2011 are:

Shareholder	Number of ordinary shares
BELL POTTER NOMINEES LTD <BB NOMINEES A/C>	8,000,000

(d) Voting Rights

The voting rights attached to each class of equity security are as follows:

- Ordinary shares: Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
- Options: Do not have voting rights attached.

PARADIGM METALS LIMITED
ADDITIONAL SHAREHOLDER INFORMATION
FOR THE YEAR ENDED JUNE 2011

e) 20 Largest Share Holders

Paradigm Metals Limited
Fully Paid Ordinary Shares
Top 20 Holdings as at 06-09-2011

Holder Name	Balance at 06-09-2011	%
BELL POTTER NOMINEES LTD <BB NOMINEES A/C>	8,000,000	5.373
MR BRUCE GRAHAM	6,000,000	4.030
MR GRAHAM DONALD CARMAN	4,097,170	2.752
PHILLIAN PTY LTD <AUSTEN FAMILY NO 1 A/C>	3,941,831	2.648
MR COLIN JOHN HOUGH	3,000,000	2.015
MIXAM HOLDINGS PTY LIMITED <COOMBES SUPER FUND A/C>	2,850,000	1.914
CALAMA HOLDINGS PTY LTD <MAMBAT SUPER FUND A/C>	2,655,028	1.783
MR JOHN DARROCH & MRS GLORIA DARROCH & MR RICHARD DARROCH & MS HELEN DARROCH <J N DARROCH PRIVATE S/F A/C>	2,050,000	1.377
GASKELL SUPERANNUATION PTY LIMITED	1,960,328	1.317
MR RAUL USED <THE RAUL USED FAMILY A/C>	1,871,428	1.257
SERLETT PTY LTD <DILIGENT SUPER FUND A/C>	1,707,834	1.147
SUPER LOOKOUT PTY LTD <WAVE SUPERANNUATION FUND A/C>	1,600,001	1.075
MR WAYNE HUGHES	1,600,000	1.075
ACN 139 886 025 PTY LTD	1,570,013	1.055
MR DAVID RAYMOND BOOTHEY	1,333,334	0.896
DAHELE PTY LTD	1,333,334	0.896
MR IANAKI SEMERDZIEV	1,300,000	0.873
PANSTYN INVESTMENTS PTY LTD	1,279,790	0.860
MR DEAN NESBIT WALKINGTON <D & J WALKINGTON SUPER A/C>	1,254,625	0.843
APAM HOLDINGS PTY LTD <HECTOR SUPER FUND A/C>	1,249,345	0.839
	50,654,061	34.023
Total IC	148,881,492	

PARADIGM METALS LIMITED
ADDITIONAL SHAREHOLDER INFORMATION
FOR THE YEAR ENDED JUNE 2011

Paradigm Metals Limited

Unlisted Options \$0.10 expiring 30 November 2012

Top 20 Holdings as at 06-09-2011

Holder Name	Balance at 06-09-2011	%
CALAMA HOLDINGS PTY LTD <MAMBAT SUPER FUND A/C>	1,144,181	5.175
TAYCOL NOMINEES PTY LTD	916,365	4.145
MR BRUCE GRAHAM	500,000	2.261
MR COLIN JOHN HOUGH	500,000	2.261
KAZAKCO PTY LIMITED <KENT FAMILY SUPER FUND A/C>	450,758	2.039
SERLETT PTY LTD <DILIGENT SUPER FUND A/C>	438,480	1.983
DINWOODIE INVESTMENTS PTY LTD <DINWOODIE INVESTMENTS A/C>	412,626	1.866
MR GRAEME WAYNE BOOTH	404,209	1.828
SUPER LOOKOUT PTY LTD <WAVER SUPER FUND A/C>	350,000	1.583
MR MATTHEW WILLIAM BAILEY & MRS FRANCES LORAIN BAILEY <MATTHEW BAILEY A/C>	333,334	1.508
SUPER LOOKOUT PTY LTD <WAVE SUPERANNUATION FUND A/C>	333,334	1.508
MIXAM HOLDINGS PTY LIMITED <COOMBES SUPER FUND A/C>	300,000	1.357
MR GRAHAM DONALD CARMAN	292,655	1.324
PASO HOLDINGS PTY LTD	282,382	1.277
MR GIUSEPPE MANCINI & MRS ANGELA MANCINI	275,083	1.244
MR IANAKI SEMERDZIEV	256,667	1.161
AGGREGATED CAPITAL PTY LTD <SUPER FUND NO 2 ACCOUNT>	250,000	1.131
MRS ELAINE MARIE CUTTEN	250,000	1.131
KIMBRIKI NOMINEES PTY LTD <KIMBRIKI HAMILTON SF A/C>	250,000	1.131
PANSTYN INVESTMENTS PTY LTD	250,000	1.131
PITTAR NOMINEES PTY LTD <THE PITTAR FAMILY A/C>	250,000	1.131
MR RICHARD KAREL VALENTA & MS ROSEMARY ANNE GALL <WATTLE CIRCLE SUPER FUND A/C>	250,000	1.131
YELWAC PTY LTD <THE CAWLEY S/F NO 2 A/C>	250,000	1.131
	8,940,074	40.434
Total IC	22,110,294	

(f) Granted tenements and applications held by subsidiaries, joint ventures, as at 22 September 2011

Project	Interest (%)	Tenement	Holder	Location
Frognore	100	EL 6590	Tungsten NSW Pty Ltd	Boorowa, NSW
White Rock	100	EL 6274	Tungsten NSW Pty Ltd	Boorowa, NSW
Temora	100	EL 7443	Paradigm NSW Pty Ltd	Temora, NSW
Kangiara	100	EL 7273	Tungsten NSW Pty Ltd	Boorowa, NSW
Rosedale	100	EL 7343	Paradigm NSW Pty Ltd	Bathurst, NSW
Marranoonbah	100	EL 7697	Paradigm NSW Pty Ltd	Condobolin, NSW
Yellow Mountain	30	EL 6325	Triako Resources Pty Ltd and Golden Cross Operations Pty Ltd	Condobolin, NSW
Four Mile Tank	100	EPMA 18294	Paradigm Queensland Pty Ltd	Cloncurry Region, QLD
Bluebush	75	EPM 15324	Paradigm Queensland Pty Ltd	Cloncurry Region, QLD
Lady Rose	100	EPMA 19016	Paradigm Queensland Pty Ltd	Cloncurry Region, QLD
Toolebuc JV	50	EPM 16073	Toolebuc Resources Pty Ltd	Cloncurry Region, QLD