Australian Motor Finance Group Limited

ABN 67 121 257 412

APPENDIX 4E

Report for the Year ended 30 June 2009

Previous corresponding period : Year ended 30 June 2008

1. Results for announcement to the market

The results of Australian Motor Finance Group Limited for the year ended 30 June 2009 are as follows:

Results

- Total revenues were $36, (2008, $15,786).
- Loss from ordinary activities after tax attributable to members up 371% to $7,497,521 in 2009 (2008, loss $1,589,563). The loss in 2009 includes impairment losses of $7,332,129.

Dividends

No dividends have been paid or declared by the entity since the beginning of the reporting period. No dividends were paid or declared in the previous corresponding period.

2. Commentary on and brief explanation of result

The company incurred a net loss of $7,497,521, primarily as a result of the impairment of the value of subsidiary Australian Motor Finance Limited as a consequence of the appointment of receivers on 23 January 2009. Refer to the Directors Report in the appended financial statements for further details. After the appointment of receivers, the company did not engage in any trading activities.

3. Other information to be included in Appendix 4E

Net Tangible Assets per ordinary Security

Net tangible assets per ordinary security at 30 June 2009 are a deficiency of $0.0014 (2008: net tangible assets $0.09).

Subsidiaries, associates and joint ventures

There were no changes in subsidiaries, associates and joint ventures during the year. As noted in item 2 above, receivers were appointed to subsidiary Australian Motor Finance Limited on 23 January 2009.

Status of review of accounts

This Appendix 4E is based on accounts which have been audited.

4. Audit Opinion

There is an adverse audit opinion, as a consequence of the issues described in the Directors' Report relating to the appointment of receivers to subsidiary Australian Motor Finance Limited on 23 January 2009 and related circumstances and events.

6. Financial information

Audited financial information is set out in the Annual Financial Report for the year ended 30 June 2009, which is appended to this report.

B R Andrew
Company Secretary

Australian Motor Finance Group Limited
(Subject to Deed of Company Arrangement)

ABN 67 121 257 412

Annual Financial Report

for the year ended 30 June 2009

Contents

Corporate Information

Australian Motor Finance Group Limited
ACN 121 257 412

This annual report covers Australian Motor Finance Group Limited as an individual entity. The Company's functional and presentation currency is Australian Dollars AUD ($).

A description of the Company's operations and of its principal activities is included in the review of operations and activities in the directors' report on pages 4 to 15. The directors' report is not part of the financial report.

Directors

D. Hickie (Chairman)
B. R. Andrew
I. Draudins
F. M. Menzies
J.P. O'Callaghan

Company Secretary

B.R. Andrew

Registered office

Level 7, 160 Queen Street
Melbourne Vic 3000
Australia

Principal place of business
Level 7, 160 Queen Street
Melbourne Vic 3000
Australia
T 61 3 9600 3678
F 61 3 9654 3935

Share Register

Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6953
T 618 9315 2333
www.securitytransfer.com.au

Solicitors

Wantrup & Associates
Level 7, 160 Queen Street
Melbourne Vic 3000
Australia

Auditors

Bentleys Melbourne Audit Pty Ltd
114 William Street
Melbourne Vic 3000

Directors' Report

The Board of Directors of Australian Motor Finance Group Limited submits this report in respect of the financial year ended 30 June 2009.

Directors

The names of the directors in office during or since the end of the financial year and up to the date of this report are:

Mr David Hickie, Chairman
Mr Bruce Andrew, Non-executive Director (appointed 24 November 2008)
Mr Ilmars Draudins, Non-executive Director (appointed 6 April 2010)
Mr Mark Menzies, Non-executive Director (appointed 6 April 2010)
Mr Jon O'Callaghan, Non-executive Director (appointed 6 April 2010)
Mr Richard Green, Non-executive Director (appointed 12 February 2009, resigned 6 April 2010)
Mr Denis Angeleri, Chief Executive Officer Director (resigned 12 February 2009)
Mr Ian Brindley, Executive Director (appointed 24 November 2008, resigned 12 February 2009)
Mr Michael O'Brien, Executive Director (appointed 24 November 2008, resigned 12 February 2009)
Mr Wayne Kernaghan, Non-executive Director (resigned 24 November 2008)
Mr Michael Pavone, Non-executive Director (retired due to ill health, 23 December 2008)

Details of the qualifications and experience of the directors in office during the financial year and until the date of this report are as follows:

Directors in office at the date of this report:

David Hickie	David Hickie has over 35 years experience in banking, finance and funds management. His experience extends across the banking, building society, friendly society and credit union movement. Mr. Hickie has had extensive experience in the management of various listed and unlisted trusts, including Mortgage and Property Trusts, Mortgage Securitisation, Equity Funds, Healthcare / Hospital Funds and Master Superannuation Funds. David was a non-executive director of the Société Générale Australia Limited securitisation conduits, ACE Limited, ACE Funding Limited, AUSTRA Limited and HOMES Limited with over $7.8b under management and is now providing consulting for structured finance to a number of companies locally as well as offshore. Mr Hickie was appointed to the board on 30 June 2008.
Bruce Andrew B Bus, CPA	Mr Andrew is an accountant and finance director of significant experience. He has worked in senior management, accounting and finance roles with a number of public companies and is a member of CPA Australia.
Ilmars Draudins B Eng, MBA	Mr Draudins is an investment banker and director of Collins Street Group Pty Ltd, a firm that provides a range of corporate advisory services to small and mid cap companies. His career covers numerous industries including engineering, electronics, telecommunications, corporate advisory and investment banking.

Directors' Report (continued)

Directors (continued)

Directors in office at the date of this report (continued)

Mark Menzies	Mr Menzies is a retired stockbroker and former senior and managing partner of Tonkin Scorer Menzies, Stockbrokers, and a former director of NSX Limited, and its subsidiary, Stock Exchange of Newcastle Limited.
Jon O'Callaghan	Mr O'Callaghan is a corporate financier whose experience includes initiating, structuring and managing a range of transactions including IPO's, takeovers and re-organisation.

Directors in office during or since the financial year who are not in office at the date of this report:

Denis Angeleri Bjuris/LLB	Mr Angeleri was Managing Director of Australian Motor Finance Limited ("AMF") from 2001 and is a solicitor and the former Chief Legal Counsel for the Norwich Union Group (now AVIVA). Mr Angeleri was also a director and general manager of Norwich Trusts Limited which had $600 million under management during his tenure. He was also a Director of Norwich Investment Management Limited which had $6 billion under management. He is experienced in motor vehicle finance provision and was managing director of AMF from its inception. Mr Angeleri resigned from the board on 12 February 2009.
Ian Brindley	Mr Brindley is a former East Coast Manager for Robert Holmes a Court's Heytesbury Holdings Limited and General Manager of the Burton Group finance company. He has undertaken high-level consulting work to the ANZ Banking Group in the position of General Manager of the Dalgety Legal Entity. During that time, he managed a rural loan book of $174 million and a unique rural finance agency agreement where the Wesfarmers/Dalgety Group acted as an agent for the ANZ Banking Group. He resigned from the board on 12 February 2009.
Michael O'Brien	Michael O'Brien has more than 18 years experience in the finance industry. He established the mortgage securitisation operations for and was General Manager of the public company Australian Trade Credits Limited, a founding manager and originator of RAMS Home Loans prior to establishing his own business, Moneypac Securities Limited. Mr. O'Brien is an Associate Fellow of the Australian Institute of Management. Mr O'Brien was appointed company secretary on 26 February 2008 and was appointed a director on 24 November 2008.He resigned from the board on 12 February 2009.

Directors' Report (continued)

Directors (continued

Directors in office during or since the financial year who are not in office at the date of this report (continued):

Wayne Kernaghan, B.Bus, ACA, FAICD, ACIS	Wayne Kernaghan is a member of the Institute of Chartered Accountants in Australia with over 20 years experience in various areas of the mining industry. He is a Fellow of the Australian Institute of Company Directors and a Chartered Secretary. Mr Kernaghan resigned on 24 November 2008.
Michael Pavone, B Comm, GradDip (App Fin and Invest), GradDip (Fin Plan, Management)	Michael Pavone is an investment banker and the principal of MP Capital Pty Ltd and has been involved in numerous venture capital, initial public offerings and secondary capital raisings over the past 5 years. Previously he served in the Australian Regular Army in various management positions rising to the rank of Lieutenant Colonel. Mr Pavone retired from the board on 23 December 2008.
Richard Green	Richard Green is a stockbroker with over 40 years experience. He has extensive experience in the stock broking industry working for major stock broking companies. He has had extensive funds management experience and is an affiliate member of the Australian Stock Exchange. Mr Green resigned on 6 April 2010.

Mr David Hickie held the position of director throughout the entire financial year and up to the date of this report. The following directors were appointed, retired or resigned during or since the financial year:

- Bruce Andrew, who was appointed on 24 November 2008,
- Richard Green, who was appointed on 12 February 2009, and resigned on 6 April 2010,
- Denis Angeleri, who resigned on 12 February 2009,
- Ian Brindley, who was appointed on 24 November 2008 and resigned on 12 February 2009,
- Michael O'Brien, who was appointed on 24 November 2008 and resigned on 12 February 2009,
- Wayne Kernaghan, who resigned on 24 November 2008,
- Michael Pavone, who retired from the Board on 23 December 2008,
- Jon O'Callaghan, who was appointed on 6 April 2010
- Mark Menzies, who was appointed on 6 April 2010
- Ilmars Draudins, who was appointed on 6 April 2010

Company Secretary

Bruce Andrew
Mr Andrew's details are disclosed above under Directors

Directors' Report (continued)

Directors' Interests

Relevant interests of the directors in the shares, options or other instruments of the company at the reporting date (30 June 2009) are:

Director	***Ordinary Shares Held Directly***	***Ordinary Shares Held Indirectly***	***Options***
David Hickie	-	-	-
Bruce Andrew	-	792,872	396,436
Richard Green	-	-	-

Relevant interests of the directors in the shares, options or other instruments of the company at the date of this report are:

Director	***Ordinary Shares Held Directly***	***Ordinary Shares Held Indirectly***	***Options***
David Hickie	-	-	-
Bruce Andrew	-	792,872	396,436
Ilmars Draudins	-	-	-
Mark Menzies	656,150	-	328,075
Jon O'Callaghan	-	-	-

Directors' Meetings

The company held eight (8) Directors' meetings during the year. The attendances of the directors in office during the year at meetings of the Board were:

	Board of Directors	
Director	Attended	Held
David Hickie	8	8
Bruce Andrew	7	7
Richard Green	7	7
Denis Angeleri	1	1
Michael Pavone	0	1

Directors' Report (continued)

Significant Events After Balance

Appointment of Receivers and Managers to Subsidiary

On 23 January 2009, Receivers and Managers ("Receivers") were appointed to Australian Motor Finance Limited, a subsidiary of Australian Motor Finance Group Limited (Subject to Deed of Company Arrangement), ("AMFGL"). The appointment was made by a secured lender, ABL Nominees Pty Ltd, which was the primary provider of wholesale loan funds to the AMF Warehouse Trust, an entity separate from Australian Motor Finance Limited, under arrangements which provided a right of recourse to Australian Motor Finance Limited (Receivers and Managers Appointed), in certain circumstances. The activities of Australian Motor Finance Limited (Receivers and Managers Appointed) have been under the control of the Receivers since the date of their appointment, and up to the date of this report.

Following the appointment of receivers to the subsidiary, the directors received their full co-operation and over a period of time a number of meetings were held to monitor progress and to take control of any property and records of AMFGL as they were identified during investigations by the Receiver. The Receivers have reported that upon their appointment, they were unable to locate certain computer systems and electronic records of Australian Motor Finance Limited (Receivers and Managers Appointed). The receiver has also advised the directors that certain physical and electronic records of AMFGL have not yet been located.

Since that time, the Receivers have been unable to provide the directors with access to any electronic records for the purposes of preparing financial statements. As a consequence, no transaction information is available in relation to the trading activities of Australian Motor Finance Limited (Receivers and Managers Appointed) for the year ended 30 June 2009. However, reports prepared by the Receivers and on the public record indicate that any assets of Australian Motor Finance Limited (Receivers and Managers Appointed), will be wholly applied to the liabilities owing to the secured lender, and that there will be no residual assets that will vest with shareholders.

There are a small number of transactions in Australian Motor Finance Group Limited (Subject to Deed of Company Arrangement), the parent entity, and these have been reconstructed from paper records.

As a consequence of these events and circumstances, the directors cannot be certain that all records and information required for compliance with the Corporations Law and accounting standards are in the possession of the Company.

Incomplete Financial Information for Consolidated Entity

The directors are of the opinion that it is not possible to prepare financial statements and notes in respect of the consolidated entity that are in accordance with the requirements of the Corporations Act 2001 due to the absence of electronic and financial records reported by the Receiver.

Framework Agreement for Reconstruction of Company

In October 2009 the company reported that it has entered into a Framework Agreement for the reconstruction and relisting of the company on the ASX. The reorganised company would be re named Orpheus Energy Limited.

Directors' Report (continued)

Significant Events After Balance Date (continued)

Framework Agreement for Reconstruction of Company (continued)

The proposal is subject to compliance with regulatory requirements and shareholder and other approvals, and will involve:

(a) Acquiring a portfolio of coal and minerals projects from several vendors which are at various stages of negotiations and are expected to include the Hodgson Vale coal project (EPC1145, QLD) and Ashford Limestone Project (EL 6511, NSW) ;
(b) Acquiring Orpheus Energy Group Pty Ltd, which plans to acquire rights to participate in further coal, uranium and industrial minerals projects;
(c) Consolidation of present issued share capital of 53,801,664 ordinary shares on a 1 for 5 basis to 10,760,333 ordinary shares (in anticipation of future share issues);
(d) Consolidation of present issued options of 27,558,748 options on a 1 for 5 basis to 5,511,750 options;
(e) A deed of company arrangement where Orpheus Energy Group Pty Ltd will advance a convertible loan of $132,557 to the company to extinguish its existing liabilities which will be satisfied by the payment of $132,557 in cash and the balance in shares in the company;

If the proposal clears shareholder, contractual and regulatory hurdles, a new board of directors experienced in coal and minerals projects would be appointed. A share issue and capital raising would be completed in conjunction with any ASX relisting. In respect of the company's remaining assets, these would be divested from the company. A general meeting of shareholders is expected to be convened on 30 November 2010 to seek approval of the various matters to give effect to these arrangements.

It was the intention of the directors that, through the loan arrangements incorporated in the Framework Agreement, all debts of the Company at the date the Company went into external administration would be expunged by the terms of the Deed of Company Arrangement. However, as the terms of the Deed of Company Arrangement remain to be fully observed and performed and given the continuing receivership of the subsidiary, the directors are precluded from reaching a position of unqualified certainty that all debts of the Company are known and have been identified or that they can be paid as and when they fall due. The payments required to be made to the Deed Administrators have been fully paid to enable the payment of a dividend to creditors of the Company. Upon payment by the Deed Administrators of the dividend to creditors and termination of the Deed of Company Arrangement all claims upon the Company occurring prior to the Company going into external administration will be extinguished under the terms of the Deed.

Share Placement October 2009

As part of the Framework Agreement outlined above, a share placement was completed on 29 October 2009, with the allotment of 7,017,608 shares to raise $21,052.

Deed of Company Arrangement

As part of the Framework Agreement outlined above, the company was placed into voluntary administration on 18 January 2010, and, on 16 March 2010 it entered into a Deed of Company Arrangement.

At the date of this report, the deed remains in place. The administrator is seeking to finalise the liabilities of the company, in preparation for settlement thereof. The administrator has received various claims which are under assessment as to their veracity as liabilities of the company. In the course of preparing the financial statements, the directors have reviewed the claims reported by the administrator, and have incorporated some creditor claims, but others have been excluded where either the administrator or the directors have not reached a conclusion as to the veracity of the amounts claimed.

Directors' Report (continued)

Significant Events After Balance Date (continued)

Impairment losses

The circumstances outlined above have resulted in the recognition of the following impairment losses during the year ended 30 June 2009.

Impairment of carrying value of investment in, and loans to Australian Motor Finance Ltd	$6,832,109
Impairment of loan to Australian Motor Finance Corporate Pty Ltd	$ 500,000
Impairment of investment in Bushveld Exploration SA (Pty) Ltd	$ 20
Total Impairment Losses	$7,332,129

Review of Operations

In view of the absence of financial and electronic records reported by the Receiver, the Directors are unable to provide a review of operations for the reporting period.

Principal Activities

The principal activity of the consolidated entity from commencement of the year until 23 January 2009 was facilitating the provision of motor finance. On 23 January 2009, the principal operating subsidiary, Australian Motor Finance Limited was placed in receivership, and all activity has since been under the control of the Receiver. There has been no trading activity since that time.

Corporate Structure

Australian Motor Finance Group Limited is a company limited by shares that is incorporated and domiciled in Australia.

Trading Results

The loss of the parent entity for the financial year was $7,497,521 after income tax (2008, loss $1,589,563).

Dividends

No dividends have been paid or declared since the beginning of the financial year by the Company.

Share Options

Since the end of the financial year, and up to the date of this report, no new shares have been issued as a consequence of the exercise of options which were on issue at year end. No new options have been issued, and no options have expired. The total number of options outstanding at the date of this report is 27,558,748. Details of movements in share options are set out in Note 11 in the financial statements.

Directors' Report (continued)

Environmental Regulations

The Group is not subject to significant environmental regulations.

Indemnification and Insurance

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

Likely Developments and Future Results

Likely developments and future results will depend on whether the Framework Agreement and matters included therein are realised. The Directors cannot determine, at the date of this report, whether this will occur.

Directors' Report (continued)

Remuneration Report (Audited)

This remuneration report outlines the director and executive remuneration arrangements of the Group in accordance with the requirements of the *Corporations Act 2001* and its regulations. For the purposes of this report, Key Management Personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group directly or indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report, "executive" encompasses the Managing Director, Chief Operating Officer, Director Corporate Affairs and the senior executives noted below, who collectively comprise the Executive Management team.

Details of Key Management Personnel during the year ended 30 June 2009

(i) Directors

David Hickie	Chairman (Non-executive)
Wayne Kernaghan	Non-executive director
Michael Pavone	Non-executive director
Denis Angeleri	Executive, Managing Director, appointed 26 February 2008, resigned 12 February 2009
Ian Brindley	Chief Operating Officer, Executive director, appointed 24 November 2008, resigned 12 February 2009
Michael O'Brien	Director Corporate Affairs, Executive director, appointed 24 November 2008, resigned 12 February 2009
Bruce Andrew	Non-executive director (appointed 24 November 2008)

(ii) Executives

Michael Healy	General Manager, Operations
John Hine	General Manager, Sales and Marketing

Remuneration Philosophy

The quality and performance of directors, executives and staff is critical to achieving business success. The Group must foster a remuneration policy that attracts, motivates and retains personnel of the highest calibre.

In formulating a framework for remuneration policies and practices, the board takes account of the following factors:

- Capacity to pay.
- Employment market conditions.
- Company performance.
- Identification of appropriate performance benchmarks.
- Individual performance levels.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

Objective of Remuneration Policy

The overall objective of the remuneration policy is to ensure maximum stakeholder benefit from the retention of a high quality board, management and staff at a cost which is commercially realistic and acceptable to shareholders. This objective seeks to:

- Reward employees for individual performance against appropriate benchmarks.
- Align the interests of management and staff with those of shareholders.
- Provide a link between rewards and the achievement of strategic targets, performance outcomes and share price.
- Ensure remuneration is competitive by market standards.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive director and executive compensation is separate and distinct.

Remuneration Committee

The board has previously formed the view that the small scale of the company and the small number of employees did not warrant the establishment of a Remuneration Committee. The matter will be kept under review.

Loss of financial and remuneration records

As disclosed above under Significant Events and Review of Operations, the Receiver has reported that all computer systems and electronic records of Australian Motor Finance Limited, and Australian Motor Finance Group Limited cannot be located. As a consequence, there is no information available concerning remuneration of executives and directors, other than where transactions were recorded in the reconstructed records for the parent entity, Australian Motor Finance Group Limited. Only these amounts have been disclosed in Table 1 and Table 2 on pages 13 and 14 of this report.

Non-executive Director Remuneration

The Constitution of the company and the ASX Listing Rules establish an aggregate or maximum level of remuneration available to non-executive directors, to be divided amongst the directors as agreed.
The Board has determined that non-executive directors shall receive only fixed remuneration by way of payment of fees. There is no variable, short term incentive remuneration for non-executive directors, nor is there any entitlement to retiring allowances or payments other than the statutory superannuation required by law.

Each non-executive director receives an annual fee for all services provided to the company, including being a director of the company and any of its subsidiaries

The remuneration of non-executive directors for the years ended 30 June 2009 and 30 June 2008 is detailed in Table 1 and Table 2 on pages 13 and 14 of this report.

Executive Remuneration

The Board is responsible for establishing the structure and amount of remuneration for executive management. The Board may obtain independent, external data on market trends in comparable executive roles. Remuneration currently consists only of fixed components. There are no short- term or long term incentive arrangements and as a consequence, no element of remuneration is performance based.

Directors' Report (continued)

Remuneration Report (Audited) (continued)

Executive Remuneration (continued)

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

Structure of fixed remuneration
Fixed remuneration is reviewed annually by the Board, and the process consists of a review of company and individual performance, and comparative remuneration in the market. All employees are provided with the opportunity to receive their fixed remuneration in both cash or benefits, subject to there being no change in overall cost to the company. Compulsory superannuation contributions are included in the determination of fixed remuneration.

The fixed remuneration component of executives for the years ended 30 June 2009 and 30 June 2008 is detailed in Table 1 and Table 2 on pages 13 and 14 of this report.

Compensation of Key Management Personnel

Table 1: Compensation of Key Management Personnel for the year ended 30 June 2009

Refer to Significant Changes in State of Affairs and Review of Operations.

	Short Term	*Post employment*	*Long Term*		
30 June 2009	*Salary & Fees* $	*Superannuation* $	*Long Service Leave* $	*Share based-Options* $	*TOTAL* $
Directors					
W. Kernaghan	12,500	1,125	-	-	13,625
M. Pavone	***	***	-	-	***
D.Angeleri	***	***	***	-	***
D. Hickie	20,000	***	-	-	20,000
B. Andrew	***	***	-	-	***
R. Green	-	-	-	-	-
I.Brindley	***	***	***	-	***
M.O'Brien	***	***	***	-	***
J Hine	***	***	***	-	***
M Healy	***	***	***	-	***
	***	***	***	-	***

*** Information about the remuneration paid to directors by Australian Motor Finance Limited (Receivers and Managers Appointed) is not available (refer to "Incomplete Financial Information" above). The amounts shown in the table were paid by the parent entity, Australian Motor Finance Group Limited (Subject to Deed of Company Administration).

Directors' Report (continued)

Remuneration Report (Audited) (continued)

Compensation of Key Management Personnel (continued)

Table 2: Compensation of Key Management Personnel for the year ended 30 June 2008

	Short Term	*Post employment*	*Long Term*		
30 June 2008	*Salary & Fees* $	*Superannuation* $	*Long Service Leave* $	*Share based-Options* $	*TOTAL* $
Directors					
W. Kernaghan	27,500	2,475	-	-	29,975
M. Pavone	111,383	5,502	-	-	116,885
M. Williamson	19,250	-	-	-	19,250
D.Angeleri	108,333	9,750	4,357	-	122,440
D. Hickie	-	-	-	-	-
Executives					
I.Brindley	83,333	7,500	3,338	-	94,171
M.O'Brien	87,200	-	-	-	87,200
	436,999	25,227	7,695	-	469,921

[2] D Angeleri, I. Brindley and M. O'Brien commenced employment with the Group on 26 February 2008. Therefore the remuneration disclosed here is only from this date until 30 June 2008.

Options issued to Key Management Personnel for the year ended 30 June 2009

There were no issues of options as part of remuneration to directors or other key management personnel during the year ended 30 June 2009 and the year ended 30 June 2008.

<u>Shares Issued on Exercise of Compensation Options</u>

No shares have been issued as a result of the exercise of options granted as compensation to key management personnel during the years ended 30 June 2009 and 30 June 2008.

Directors' Report (continued)

Auditor Independence and Non-Audit Services

The directors received the independence declaration appended to the Directors' Report from the auditor of Australian Motor Finance Group Limited (Subject to Deed of Company Administration).

Non-Audit Services

No non-audit services were provided by the company's previous auditors, Alcock Davis Danieli.

The board of directors of Australian Motor Finance Limited has declared that it is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The following non-audit services were provided Bentleys Melbourne Audit Pty Ltd, the auditors of Australian Motor Finance Group Limited (Subject to Deed of Company Arrangement) during the year ended 30 June 2009:

- Taxation services, $635

This report has been made in accordance with a resolution of directors.

BRUCE ANDREW
Director

Melbourne
4 November, 2010

Bentleys
Thinking ahead

Bentleys Melbourne Audit Pty Ltd
ABN 96 132 300 693
Audit & Assurance Services

Level 7, 114 William Street
Melbourne Vic 3000

GPO Box 2266
Melbourne Vic 3001

T +61 3 9274 0600
F +61 3 9274 0736

audit@melb.bentleys.com.au
www.melb.bentleys.com.au

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF AUSTRALIAN MOTOR FINANCE GROUP LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2009 there have been:

a) no contraventions of the auditor independence requirements as set out in 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.

BENTLEYS MELBOURNE AUDIT PTY LTD	**MARTIN FENSOME**
CHARTERED ACCOUNTANTS	**DIRECTOR**

Dated in Melbourne on this 4th day of November 2010

Corporate Governance Statement

The Board of Directors of Australian Motor Finance Group Limited (Subject to Deed of Company Administration) is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of Australian Motor Finance Group Limited (Subject to Deed of Company Administration) on behalf of the shareholders by whom they are elected and to whom they are accountable.

The format of the Corporate Governance Statement reflects the Australian Stock Exchange Corporate Governance Council's "Principles of Good Corporate Governance and Best Practice Recommendations". In accordance with the Council's recommendations, the Corporate Governance Statement contains certain specific information and discloses the extent to which the company has followed the guidelines during the reporting period. Where a recommendation has not been followed, the matter is disclosed, together with the reasons for the departure.

The Corporate Governance Statement of Australian Motor Finance Group Limited is structured with reference to the Corporate Governance Council's principles and recommendations, which are as follows:

- Principle 1. Lay solid foundations for management and oversight
- Principle 2. Structure the board to add value
- Principle 3. Promote ethical and responsible decision making
- Principle 4. Safeguard integrity in financial reporting
- Principle 5. Make timely and balanced disclosure
- Principle 6. Respect the rights of shareholders
- Principle 7. Recognise and manage risk
- Principle 8. Encourage enhanced performance
- Principle 9. Remunerate fairly and responsibly
- Principle 10. Recognise the legitimate interests of stakeholders

The corporate governance practices of Australian Motor Finance Group Limited (Subject to Deed of Company Administration) were in place throughout the year ended 30 June 2009. They were not fully compliant with the Council's best practice recommendations.

Structure of the Board

Details of the current directors and their term in office are:

Director	Status	Term in office
David Hickie	Independent, Non-executive	Appointed 30 June 2008
Bruce Andrew	Independent, Non-executive	Appointed 24 November 2008
Ilmars Draudins	Independent, Non-executive	Appointed 6 April 2010
Mark Menzies	Independent, Non-executive	Appointed 6 April 2010
Jon O'Callaghan	Independent, Non-executive	Appointed 6 April 2010

The skills, experience and expertise of each director is included in the Directors' Report.

Directors of Australian Motor Finance Group Limited (Subject to Deed of Company Administration) are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their independent judgement. In the context of director independence, "materiality" is considered from both the company and individual director perspective. In accordance with the definition of independence, and the materiality thresholds set, all non-executive directors of are considered to be independent. The directors have determined a materiality threshold, for these purposes, of $50,000, subject to the transaction being outside the ordinary terms of trade and ordinary course of business.

Members of the board or any committee are entitled to obtain such independent advice as is deemed necessary at the expense of the company, subject to the prior consent of the Chairman.

Income Statement
FOR THE YEAR ENDED 30 JUNE 2009

	Note	Parent Entity	
		2009 **$**	**2008** **$**
Revenue	3	36	15,786
Finance costs		(901)	(1,798)
Occupancy expense		-	-
Employee benefits expenses	3	(15,183)	(8,175)
Administration expenses		(124,140)	(89,827)
Impairment expenses		(7,332,129)	-
Loss from continuing operations before income tax		(7,472,317)	(84,014)
Income tax expense	4	25,204	(25,204)
Loss from continuing operations after income tax		(7,497,521)	(58,810)
Discontinued operations			
Loss from discontinued operations after income tax	3	-	(1,530,753)
Net loss for the year		(7,497,521)	(1,589,563)
Overall Operations			
Basic earnings (loss) per share (cents per share)	5	(16.0)	(3.4)
Diluted earnings per share (cents per share)	5	(16.0)	(3.4)
Continuing Operations			
Basic earnings (loss) per share (cents per share)	5	(16.0)	(0.1)
Diluted earnings per share (cents per share)	5	(16.0)	(0.1)
Discontinued Operations			
Basic earnings (loss) per share (cents per share)	5	-	(3.3)
Diluted earnings per share (cents per share)	5	-	(3.3)

The accompanying notes form part of these financial statements.

Balance Sheet
AS AT 30 JUNE 2009

	Note	Parent Entity 2009 $	Parent Entity 2008 $
ASSETS			
Current Assets			
Cash and cash equivalents	6	22,807	27,694
Trade and other receivables	7	23,194	44,071
Total Current Assets		46,001	71,765
Non-current Assets			
Trade and other receivables	7	-	500,000
Other financial assets	8	-	6,980,756
Deferred tax assets	4	-	25,204
Total Non-current Assets		46,001	7,505,960
TOTAL ASSETS		46,001	7,577,725
LIABILITIES			
Current Liabilities			
Trade and other payables	9	84,251	108,902
Provisions	10	-	9,552
Total Current Liabilities		84,251	118,454
Non-current Liabilities			
Trade and other payables		-	-
Total Non-current Liabilities		-	-
TOTAL LIABILITIES		84,251	118,454
NET ASSETS / (LIABILITIES)		(38,250)	7,459,271
EQUITY			
Issued capital	11	8,362,642	8,362,642
Reserves	11	979,952	979,952
Accumulated losses	11	(9,380,844)	(1,883,323)
TOTAL EQUITY / (DEFICIENCY)		(38,250)	7,459,271

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
FOR THE YEAR ENDED 30 JUNE 2009

		Issued Capital	Accumulated Losses	Reserves	Total Equity
		$	$	$	$
Balance at 30 June 2007		3,130,042	(293,760)	979,952	3,816,234
Shares issued as consideration for acquisition of business	11	5,232,600	-	-	5,232,600
Loss for year		-	(1,589,563)	-	(1,589,563)
Balance at 30 June 2008		8,362,642	(1,883,323)	979,952	7,459,271
Loss for year		-	(7,497,521)	-	(7,497,521)
Balance at 30 June 2009		8,362,642	(9,380,844)	979,952	(38,250)

Cash Flow Statement
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 $	2008 $
Cash flows from operating activities			
Payments to suppliers and employees		(191,935)	(357,824)
Interest received		36	111,727
Finance costs paid		(901)	(1,798)
Withholding tax refund received		39,286	
Other income		-	29,875
Net cash flows (used in) operating activities	6	(153,514)	(218,020)
Cash flows from investing activities			
Exploration expenditure		-	(266,367)
Sale (purchase) of financial assets		148,627	(2,150,000)
Proceeds from sale of financial assets		-	137,744
Costs of acquisition of subsidiary		-	(98,137)
Net cash flows from/(used in) investing activities		148,627	(2,376,760)
Net cash flows from/(used in) financing activities		-	-
Net increase (decrease) in cash and cash equivalents		(4,887)	(2,594,780)
Cash and cash equivalents at beginning of period		27,694	2,622,474
Cash and cash equivalents at end of period	6	22,807	27,694

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009

The financial report includes the financial statements and notes of Australian Motor Finance Group Limited (Subject to Deed of Company Arrangement), a listed (currently suspended) public company incorporated and domiciled in Australia.

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Significant Changes in State of Affairs

Appointment of Receivers and Managers to Subsidiary

On 23 January 2009, Receivers and Managers ("Receivers") were appointed to Australian Motor Finance Limited, a subsidiary of Australian Motor Finance Group Limited (Subject to Deed of Company Arrangement), ("AMFGL"). The appointment was made by a secured lender, ABL Nominees Pty Ltd, which was the primary provider of wholesale loan funds to the AMF Warehouse Trust, an entity separate from Australian Motor Finance Limited, under arrangements which provided a right of recourse to Australian Motor Finance Limited (Receivers and Managers Appointed), in certain circumstances.

The activities of Australian Motor Finance Limited have been under the control of the Receivers since the date of their appointment, and up to the date of this report. The Receivers have reported that upon their appointment, they were unable to locate certain computer systems and electronic records of Australian Motor Finance Limited (Receivers and Managers Appointed), and AMFGL. Since that time, the Receivers have been unable to provide the directors with access to any electronic records for the purposes of preparing consolidated financial statements.

As a consequence, no transaction information is available in relation to the trading activities of Australian Motor Finance Limited (Receivers and Managers Appointed) for the year ended 30 June 2009. However, reports prepared by the Receivers and on the public record indicate that any assets of Australian Motor Finance Limited (Receivers and Managers Appointed), will be wholly applied to the liabilities owing to the secured lender, and that there will be no residual assets that will vest with shareholders.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Incomplete Financial Information for Consolidated Entity

There are a small number of transactions in Australian Motor Finance Group Limited (Subject to Deed of Company Arrangement), the parent entity, and these have been reconstructed from paper records.

The directors are of the opinion that it is not possible to prepare financial statements and notes in respect of the consolidated entity that are in accordance with the requirements of the Corporations Act 2001 due to the absence of electronic and financial records reported by the Receiver.

Impairment losses

The circumstances outlined above have resulted in the recognition of the following impairment losses during the year ended 30 June 2009:

Impairment of carrying value of investment in, and loans to Australian Motor Finance Ltd	$6,832,109
Impairment of loan to Australian Motor Finance Corporate Pty Ltd	$ 500,000
Impairment of investment in Bushveld Exploration SA (Pty) Ltd	$ 20
Total Impairment Losses	$7,332,129

b) Significant Events After Balance Date

Framework Agreement for Reconstruction of Company

In October 2009 the company reported that it has entered into a Framework Agreement for the reconstruction and relisting of the company on the ASX. The reorganised company would be re named Orpheus Energy Limited.

The proposal is subject to compliance with regulatory requirements and shareholder and other approvals, and will involve:
(a) Acquiring a portfolio of coal and minerals projects from several vendors which are at various stages of negotiations and are expected to include the Hodgson Vale coal project (EPC1145, QLD) and Ashford Limestone Project (EL 6511, NSW) ;
(b) Acquiring Orpheus Energy Group Pty Ltd, which plans to acquire rights to participate in further coal, uranium and industrial minerals projects;
(c) Consolidation of present issued share capital of 53,801,664 ordinary shares on a 1 for 5 basis to 10,760,333 ordinary shares (in anticipation of future share issues);
(d) Consolidation of present issued options of 27,558,748 options on a 1 for 5 basis to 5,511,750 options;
(e) A deed of company arrangement where Orpheus Energy Group Pty Ltd will advance a convertible loan of $132,557 to the company to extinguish its existing liabilities which will be satisfied by the payment of $132,557 in cash and the balance in shares in the company;

If the proposal clears shareholder, contractual and regulatory hurdles, a new board of directors experienced in coal and minerals projects would be appointed. A share issue and capital raising would be completed in conjunction with any ASX relisting. In respect of the company's remaining assets, these would be divested from the company. A general meeting of shareholders is expected to be convened on 30 November 2010 to seek approval of the various matters to give effect to these arrangements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Significant Events After Balance Date (continued)

Share Placement October 2009

As part of the Framework Agreement outlined above, a share placement was completed on 29 October 2009, with the allotment of 7,017,608 shares to raise $21,052.

Deed of Company Arrangement January 2010

As part of the Framework Agreement outlined above, the company was placed into voluntary administration on 18 January 2010, and, on 16 March 2010 it entered into a Deed of Company Arrangement. At the date of this report, the deed remains in place. The administrator is seeking to finalise the liabilities of the company, in preparation for settlement thereof. The administrator has received various claims which are under assessment as to their veracity as liabilities of the company. In the course of preparing the financial statements, the directors have reviewed the claims reported by the administrator, and have incorporated some creditor claims, but others have been excluded where either the administrator or the directors have not reached a conclusion as to the veracity of the amounts claimed.

c) Basis of preparation

The financial report of Australian Motor Finance Group Limited (Subject to Deed of Company Arrangement) (the Company) for the year ended 30 June 2009 was authorised for issue in accordance with a resolution of the directors on 26 October 2010.

The financial report is a general purpose financial report, which has been prepared, subject to Note 1 (a), in accordance with Australian Accounting Standards ('AASBs') (including Australian Accounting Interpretations and other authoritative pronouncements) as issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*. The financial report has been prepared on an accruals basis and is based on historic costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Going Concern (Significant Uncertainty as at 30 June 2009)

In view of the circumstances outlined above, the company's future operations are uncertain. The Framework Agreement anticipates a reconstruction of the company, but it is subject to a number of processes and approvals that are not yet complete.

As at 30 June 2009, the financial position of the parent entity as disclosed in the financial statements reflects a net asset deficiency of $38,250, after recognising a net loss for the year of $7,497,521.

The accounts have been prepared on a going concern basis, which includes the presumption that the Framework Agreement will proceed and sufficient funds will be available to finance the future operations of the company. In adopting this position, the directors have had regard to:

- The progress achieved to date with the Framework Agreement
- The expectation that the Deed of Company Arrangement will be settled and the appointment of the administrator will terminate

Notes to the Financial Statements
FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Going Concern (Significant Uncertainty as at 30 June 2009) (continued)

At the present time however, the directors cannot declare with absolute certainty that completion of the Framework Agreement will be achieved.

The directors plan to continue the company's current activities on the basis outlined above. To the extent that future arrangements may not be concluded on a timely basis, and in the absence of new capital or additional funding, there is significant uncertainty whether the company will continue as a going concern, and therefore, whether the company will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. Other than the impairment losses disclosed above, the financial statements take no account of the consequences, if any, of the effects of unsuccessful commercialisation or capital raising, nor the ability of the company to continue as a going concern. Hence, the financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

d) Basis of consolidation

The consolidated financial statements comprise the financial statements of Australian Motor Finance Group Limited (Subject to Deed of Company Arrangement)and its subsidiaries as at 30 June each year (the Group). Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. Details of subsidiaries are set out in Note 13.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

In accordance with this policy, subsidiary Australian Motor Finance Limited (Receivers and Managers Appointed) is not consolidated at balance date as a result of the matters described in Note 1(a). In addition, subsidiary Bushveld Exploration (SA) Pty Ltd has not been consolidated as its net assets are immaterial and it did not trade during the year.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Investments in subsidiaries held by Australian Motor Finance Group Limited (Subject to Deed of Company Arrangement) are accounted for at cost in the separate financial statements of the parent entity.

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Statement of compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS), including interpretations, as issued by the International Accounting Standards Board.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the annual reporting period ending 30 June 2009. These are outlined in the table below.

Reference	Title	Summary	Application date of standard*	Impact on financial report	Application date for *
AASB Int. 4 (Revised)	Determining whether an Arrangement contains a Lease	The revised Interpretation specifically scopes out arrangements that fall within the scope of AASB Interpretation 12.	1 January 2008	The Group has not yet determined the extent of the impact of the amendments, if any.	1 July 2009
AASB 8 and AASB 2007-3	Operating Segments and consequential amendments to other Australian Accounting Standards	New standard replacing AASB 114 *Segment Reporting*, which adopts a management reporting approach to segment reporting.	1 January 2009	AASB 8 is a disclosure standard so will have no direct impact on the amounts included in the Group's financial statements, although it may indirectly impact the level at which goodwill is tested for impairment. In addition, the amendments may have an impact on the Group's segment disclosures.	1 July 2009
AASB 123 (Revised) and AASB 2007-6	Borrowing Costs and consequential amendments to other Australian Accounting Standards	The amendments to AASB 123 require that all borrowing costs associated with a qualifying asset be capitalised.	1 January 2009	These amendments to AASB 123 require that all borrowing costs associated with a qualifying asset be capitalised. This will only affect the Group if it incurs borrowing costs in relation to qualifying assets in the future.	1 July 2009

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Statement of compliance (continued)

Reference	Title	Summary	Application date of standard*	Impact on financial report	Application date for *
AASB 101 (Revised) and AASB 2007-8	Presentation of Financial Statements and consequential amendments to other Australian Accounting Standards	Introduces a statement of comprehensive income. Other revisions include impacts on the presentation of items in the statement of changes in equity, new presentation requirements for restatements or reclassifications of items in the financial statements, changes in the presentation requirements for dividends and changes to the titles of the financial statements.	1 January 2009	These amendments are only expected to affect the presentation of the Group's financial report and will not have a direct impact on the measurement and recognition of amounts disclosed in the financial report. The Group has not determined at this stage whether to present a single statement of comprehensive income or two separate statements.	1 July 2009
AASB 2008-1	Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations	The amendments clarify the definition of 'vesting conditions', introducing the term 'non-vesting conditions' for conditions other than vesting conditions as specifically defined and prescribe the accounting treatment of an award that is effectively cancelled because a non-vesting condition is not satisfied.	1 January 2009	The Group has share-based payment arrangements that may be affected by these amendments. However, the Group has not yet determined the extent of the impact, if any.	1 July 2009

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Statement of compliance (continued)

Reference	Title	Summary	Application date of standard*	Impact on financial report	Application date for *
AASB 3 (Revised)	Business Combinations	The revised standard introduces a number of changes to the accounting for business combinations, the most significant of which allows entities a choice for each business combination entered into – to measure a non-controlling interest (formerly a minority interest) in the acquiree either at its fair value or at its proportionate interest in the acquiree's net assets. This choice will effectively result in recognising goodwill relating to 100% of the business (applying the fair value option) or recognising goodwill relating to the percentage interest acquired. The changes apply prospectively.	1 July 2009	The Group may enter into some business combinations during the next financial year and may therefore consider early adopting the revised standard. The Group has not yet assessed the impact of early adoption, including which accounting policy to adopt.	1 July 2009
AASB 127 (Revised)	Consolidated and Separate Financial Statements	Under the revised standard, a change in the ownership interest of a subsidiary (that does not result in loss of control) will be accounted for as an equity transaction.	1 July 2009	If the Group changes its ownership interest in existing subsidiaries in the future, the change will be accounted for as an equity transaction. This will have no impact on goodwill, nor will it give rise to a gain or a loss in the Group's income statement.	1 July 2009
AASB 2008-3	Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127	Amending standard issued as a consequence of revisions to AASB 3 and AASB 127.	1 July 2009	Refer to AASB 3 (Revised) and AASB 127 (Revised) above.	1 July 2009

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Statement of compliance (continued)

Reference	Title	Summary	Application date of standard*	Impact on financial report	Application date for *
Amendments to International Financial Reporting Standards***	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	The main amendments of relevance to Australian entities are those made to IAS 27 deleting the 'cost method' and requiring all dividends from a subsidiary, jointly controlled entity or associate to be recognised in profit or loss in an entity's separate financial statements (i.e., parent company accounts). The distinction between pre- and post-acquisition profits is no longer required. However, the payment of such dividends requires the entity to consider whether there is an indicator of impairment. AASB 127 has also been amended to effectively allow the cost of an investment in a subsidiary, in limited reorganisations, to be based on the previous carrying amount of the subsidiary (that is, share of equity) rather than its fair value.	1 January 2009	Recognising all dividends received from subsidiaries, jointly controlled entities and associates as income will likely give rise to greater income being recognised by the parent entity after adoption of these amendments. In addition, if the Group enters into any reorganisation establishing new parent entities, an assessment will need to be made to determine if the reorganisation meets the conditions imposed to be effectively accounted for on a 'carry-over basis' rather than at fair value.	1 July 2009
Amendments to International Financial Reporting Standards***	Improvements to IFRSs	The improvements project is an annual project that provides a mechanism for making non-urgent, but necessary, amendments to IFRSs. The IASB has separated the amendments into two parts: Part 1 deals with changes the IASB identified resulting in accounting changes; Part II deals with either terminology or editorial amendments that the IASB believes will have minimal impact.	1 January 2009 except for amendments to IFRS 5, which are effective from 1 July 2009.	The Group has not yet determined the extent of the impact of the amendments, if any.	1 July 2009

*Designates the beginning of the annual reporting period unless otherwise stated
***These are pronouncements that have been issued by the IASB and IFRIC but have not yet been issued by AASB.

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Significant accounting judgements, estimates and assumptions

In applying the Company's accounting policies, management continually evaluates judgements, estimates and assumptions based on historical experience and other factors, including expectations of future events that may have an impact on the Company . All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions. The more significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

Impairment of loans to, and investment in, subsidiaries
Where a subsidiary entity incurs a loss, the parent entity assesses the recoverability of any loans due from, or investments in, any subsidiary. Where required, the parent entity will then record an impairment loss against the value of its loans to, or investment in, the subsidiary.

Useful lives of assets
The estimation of the useful lives of assets has been based on historical experience and management judgement. In addition, the condition of assets is assessed annually and considered in the context of remaining useful life, and adjustments to useful life are made where necessary.

g) Revenue recognition

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

Interest revenue is received from bank balances held by the company. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

h) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and short term deposits are stated at nominal values.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

i) Trade and other receivables
Trade receivables and other receivables, both of which generally have 30 day terms, are non interest bearing and are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

j) Income tax
Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

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

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

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

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

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

The carrying amount of deferred income tax assets is reviewed at each balance sheet date to determine whether it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. The carrying amount of deferred tax assets is reduced to the extent that it is not probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised

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

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

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

If deferred tax assets and deferred tax liabilities are recorded in the accounts, they are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Other taxes
Revenues, expenses and assets are recognised net of the amount of GST except:

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

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

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

l) Impairment of assets

At each reporting date, the company reviews the carrying values of its 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 income statement.

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

m) Trade and other payables
Trade payables and other payables are non interest bearing and are carried at amortised cost. They represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid and arise when the company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are generally paid on 30 day terms.

n) Provisions and employee leave benefits

Provisions
Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at balance date using a discounted cashflow methodology. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability.

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions and employee leave benefits (continued)

Employee leave benefits
(i) Wages, salaries, superannuation, and annual leave
Liabilities for wages and salaries, including non-monetary benefits, superannuation and annual leave expected to be settled within 12 months of the reporting dates are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(ii) Long service leave
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

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

p) Share-based payment transactions

(i*) Equity settled transactions:*
The company has provided benefits to employees (including key management personnel) in prior years the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each reporting date until vesting the cumulative charge to the income statement is the product of (i) the grant date fair value of the award; (ii) the current best estimate of the number of equity instruments that will ultimately vest, taking into account such factors as the likelihood of employee turnover during the vesting period, and the likelihood of non market performance conditions being met, and (iii) the expired portion of the vesting period.

The charge to the income statement for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding entry to equity.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market condition is considered to vest irrespective of whether or not that market condition is fulfilled, provided all other conditions are satisfied.

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payment transactions (continued)

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings / (loss) per share.

q) Earnings (Loss) per share

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

Diluted earnings (loss) per share is calculated as net profit (loss) attributable to members of the parent, adjusted for:

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

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares.

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments comprise receivables, payables, cash and short-term deposits and borrowings.

The Company monitors its exposure to key financial risks, principally interest, credit and liquidity risk, with the objective of achieving the company's financial targets whilst protecting future financial security. The main risks arising from the company's financial instruments are liquidity risk, interest rate risk and credit risk. The Company uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rates and assessments of market forecasts for interest rates. Liquidity risk is monitored through the development of future rolling cash flow forecasts and regular internal reporting.

The Board reviews and agrees policies for managing each of these risks as summarised below. Primary responsibility for identification and control of financial risks rests with the Board. It reviews and agrees policies for managing each of the risks, including the use of derivatives, hedging cover of interest rate exposure, credit allowances, and future cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the financial statements.

Risk Exposures and Responses

Interest rate risk

The Company's exposure to market interest rates relates primarily to the cash balances.

At balance date, the Company had the following financial assets and liabilities exposed to Australian variable interest rate risk that are not designated in cash flow hedges:

	Weighted average effective interest rate		Interest bearing balance	
	2009	2008	2009	2008
	%	%	$	$
Financial assets				
Cash	0.4%	0.4%	22,807	27,694
			22,807	27,694
Financial liabilities				
Borrowings			-	-
Net exposure			22,807	27,694

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

	Weighted average effective interest rate		Interest bearing balance	
Parent Entity	2009	2008	2009	2008
	%	%	$	$
Financial assets				
Cash	0.4%	0.4%	22,807	27,694

The following sensitivity analysis is based on the interest rate risk exposures in existence at the balance sheet date:

At 30 June 2009, if interest rates had moved throughout the year, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

Judgements of reasonably possible movements in interest rates:	Net Loss (Higher) Lower		Equity Higher (Lower)	
	2009	2008	2009	2008
	$	$	$	$
Parent Entity				
+1.25% (125 basis points)	-	346	-	-
-1.25% (125 basis points)	-	(346)	-	-

The movement factor of 1.25% was selected as it was the same factor as adopted in the prior year. The effect in the current year is immaterial. There is no movement in equity as there are no derivative instruments designated as cash flow hedges.

Credit risk

Credit risk arises from the financial assets of the Company, which comprise cash and cash equivalents, trade and other receivables. The company's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note. The Company does not hold any credit derivatives to offset its credit exposure.

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Company's policy to securitise its trade and other receivables. It is the company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer, and are regularly monitored. In addition, receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant.

The Company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Company.

With respect to credit risk arising from the other financial assets, which comprise cash and cash equivalents, the Company's exposure to credit risk arises from the possibility of default of the counter party.

Liquidity risk

The table below reflects all contractually fixed pay-offs and receivables for settlement from recognised financial assets and liabilities, including derivative financial instruments as of 30 June 2009. The amounts disclosed are undiscounted cash flows anticipated to eventuate in the next fiscal year.

Cash flows for financial assets and liabilities without fixed amount or timing are based on the conditions existing at 30 June 2009.

	TOTAL	< 6 Mths	6-12 Mths	1-5 Yrs	>5 Yrs
Parent Entity					
Financial assets					
Cash and cash deposits	22,807	22,807	-	-	-
Trade and other receivables	23,194	22,194	1,000	-	-
Financial liabilities					
Trade and other payables	84,251	6,174	78,077	-	-
Net maturity	(38,250)	38,827	(77,077)	-	-

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Liquidity risk (continued)

The contractual maturities of the company's financial assets and liabilities set out in the table are equivalent to the maturity analysis of financial assets and liability based on management's expectation. The risk implied from the values in the table reflects a balanced view of cash inflows and outflows.

Fair value

The methods for estimating fair value are outlined in the relevant notes to the financial statements, and unless specifically stated, carrying value approximates fair value for all financial instruments.

Capital management

The Company's objective is to maintain adequate funding of its activities in an effort to ensure it continues to operate as a going concern.

Capital financing has been derived from issues of ordinary shares. Capital management is therefore a process of monitoring financial risks, cash reserves, and forecast cash requirements, and responding to changes through management of equity funding. There are no externally imposed capital requirements.

There have been no changes in the strategy adopted by management to control the capital of the company. The gearing ratios for the year ended 30 June 2009 and 30 June 2008 are as follows:

	Parent Entity	
	2009	**2008**
	$	**$**
Total borrowings	-	-
Less cash and cash equivalents	(22,807)	(27,694)
Net debt	-	-
Total equity	(38,250)	7,459,271
Total capital	(38,250)	7,459,271
Gearing ratio	-	-

The company's activities are funded from its cash reserves. There are no unused credit facilities.

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

3 REVENUES AND EXPENSES

	Parent Entity 2009 $	Parent Entity 2008 $
REVENUE		
— Interest received	36	15,786
Total Revenue	36	15,786
(a) Interest revenue from:		
Other persons	36	15,786
	36	15,786
EXPENSES		
Employee benefits		
Wages & Salaries	24,288	7,500
Fees	-	-
Workers Compensation costs	485	-
Superannuation	(38)	675
Annual leave provision	(9,552)	-
Share based payments	-	-
	15,183	8,175
Impairment losses		
Impairment of investment in, and loans to subsidiaries		
- Australian Motor Finance Ltd (Receivers and Managers Appointed)	6,832,109	-
- Bushveld Exploration (SA) Pty Ltd	20	-
Impairment of loan to Australian Motor Finance Corporate Pty	500,000	-
	7,332,129	-

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

4 INCOME TAX

	Parent Entity	
	2009	**2008**
	$	**$**
The components of tax expense comprise:		
Current tax	-	(10,204)
Deferred tax	-	(15,000)
Write off deferred tax assets	25,204	-
Income tax expense reported in the income statement	25,204	(25,204)
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit (loss) from ordinary activities before income tax at 30% (2008: 30%)	(2,249,256)	(476,869)
Add tax effect of:		
Non-deductible expenses	-	-
Deferred tax asset not recognised	2,274,460	451,665
Income tax attributable to entity	25,204	(25,204)

Deferred Tax Asset

Deferred tax asset is comprised of:		
Temporary differences	-	186,703
Tax losses	-	446,658
	-	633,361

Reconciliation of movement in Deferred tax asset

i) Gross Movement
The overall movement in the deferred tax asset is as follows:

Opening balance	25,204	-
Deconsolidation of subsidiary (refer note 1)	-	-
Deferred tax assets written off	(25,204)	-
Temporary differences	-	15,000
Credit to income statement on recognition of losses	-	10,204
Closing balance	-	25,204

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

4 INCOME TAX (continued)

	Parent Entity	
	2009	**2008**
	$	**$**
ii) Movement of each deferred tax asset		
Temporary differences		
Opening balance	15,000	-
Deferred tax assets written off	(15,000)	-
Credit to income statement on recognition of differences arising in the current period	-	15,000
Closing balance	-	15,000
Tax losses		
Opening balance	10,204	-
Deferred tax assets written off	(10,204)	
Credit to income statement on recognition of losses	-	10,204
Closing balance	-	10,204

5 EARNINGS (LOSS) PER SHARE

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

	Parent Entity	
	2009	**2008**
	$	**$**
Net loss	(7,497,521)	(1,589,563)
	Number	*Number*
Weighted average number of ordinary shares for basic earnings per share	46,784,056	25,423,672
Effects of dilution:		
Share options	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	46,784,056	25,423,672

Options on issue have been determined to be not dilutive, as a loss was incurred during the year.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 30 JUNE 2009

6 CASH AND CASH EQUIVALENTS

Cash at bank earns interest at floating rates based on daily bank deposit rates. At balance date the weighted average interest rate is 0.4% (2008: 1.2%). The fair value of cash at bank approximates the carrying amount, in view of the short term to maturity.

Reconciliation to Cash Flow Statement

For the purposes of the Cash Flow Statement, cash and cash equivalents are as disclosed in the balance sheet.

	Note	Parent Entity 2009 $	Parent Entity 2008 $
Cash and cash equivalents		22,807	27,694
Reconciliation of net loss after tax to net cash flows from operations			
Net loss		(7,497,521)	(1,589,563)
Adjustments for:			
Impairment writedown		7,332,129	1,162,327
(Profit) on sale of investments		-	(37,744)
Changes in assets and liabilities			
(Increase)/decrease in trade and other receivables		20,877	292,458
(Increase)/decrease in deferred tax asset		25,204	(25,204)
(Decrease)/increase in trade and other payables		(24,651)	(23,876)
(Decrease)/increase in provisions		(9,552)	3,582
Net cash from / (used in) operating activities		(153,514)	(218,020)

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

7 TRADE AND OTHER RECEIVABLES

	Parent Entity	
	2009 $	**2008 $**
CURRENT		
Trade receivables (i)	-	-
Other receivables	23,194	44,071
Related party receivables from director related entities	-	-
	23,194	44,071
NON CURRENT		
Trade receivables	-	-
Related party receivables from director related entities	-	500,000
Amounts receivable from controlled entities (note 13)	-	1,162,327
Accumulated impairment	-	(1,162,327)
	-	500,000

(i) Trade receivables are non-interest bearing and are generally on 30 day terms. An allowance for doubtful debts will be made if there is objective evidence that a trade receivable is impaired. No such allowance has yet been made.

(ii) The fair value of receivables approximates the carrying amount, in view of the short term nature of the trading terms.

(iii) The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security, nor is it the company's policy to transfer or on sell receivables to special purpose vehicles.

(iv) For terms and conditions relating to related party receivables refer to note 13.

(v) Information regarding interest rate and liquidity risk is included in note 2.

8 OTHER FINANCIAL ASSETS (NON-CURRENT)

	Parent Entity	
	2009 $	**2008 $**
Investments in controlled entities at cost (Refer Note 13)	6,832,129	6,980,756
Impairment (Refer Notes 1 and 3)	(6,832,129)	-
Investments in controlled entities (Note 13)	-	6,980,756

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 30 JUNE 2009

9 TRADE AND OTHER PAYABLES

	Parent Entity 2009 $	Parent Entity 2008 $
CURRENT		
Unsecured liabilities		
Trade payables	52,965	38,187
Other payables	-	10,151
Accrued expenses	31,286	60,564
	84,251	108,902

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms. The fair value of trade payables approximates the carrying amount due to the short term nature of the trading terms.

(ii) For terms and conditions relating to director related entity payables, refer to note 13.

(iii) Information regarding interest rate and liquidity risk is included in note 2.

10 PROVISIONS

Annual Leave	
At 1 July 2008	9,552
Arising during the year	-
Reversed Unutilised	(9,552)
At 30 June 2009	-
Current 2009	-
Non-current 2009	-
	-
Current 2008	9,552
Non-current 2008	-
	9,552

Annual Leave Provision

The annual leave provision is for the unused entitlements to annual leave for employees. Staff are encouraged to take leave when due or entitled, but workflow considerations sometimes prevent all entitlements being utilised.

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 30 JUNE 2009

11 ISSUED CAPITAL AND RESERVES

	2009	2008
	$	$
Ordinary shares issued and fully paid	8,362,642	8,362,642

	No.	$
Movement on ordinary shares on issue		
Balance at 1 July 2007	17,500,000	3,130,042
Shares issued during 2007/08		
Issued as consideration for acquisition of business February 2008	61,804,641	4,004,942
Issued as consideration for acquisition of business June 2008	18,945,349	1,227,658
Balance at 30 June 2008	98,249,990	8,362,642
Movement during 2008/2009		
Consolidation at 2.1:1	(51,465,935)	-
Balance at 30 June 2009	46,784,055	8,362,642

	2009	2008
Movement in options on issue	**No.**	**No.**
At the beginning of reporting period	57,874,997	17,500,000
Consolidation at 2.1:1	(30,316,249)	-
Option exercised during the year	-	-
Issued as a consequence of acquisition of business February 2008	-	30,902,322
Issued as a consequence of acquisition of business June 2008	-	9,472,675
Balance 30 June 2009	27,558,748	57,874,997

	2009	2008
Accumulated losses		
Movements in accumulated losses were as follows:	$	$
Balance 1 July	(1,883,323)	(293,760)
Net loss attributable to members for the year	(7,497,521)	(1,589,563)
Balance 30 June 2009	(9,380,844)	(1,883,323)

Reserves

There was no movement in the Share Option Reserve

Balance 30 June 2009	979,952	979,952

Nature and purpose of reserves

Share option reserve
This reserve is used to record the value of share options issued in consideration for services rendered to discontinued operations in mineral exploration

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 30 JUNE 2009

12 COMMITMENTS AND CONTINGENCIES

Capital commitments
At 30 June 2009 there were no material capital commitments outstanding.

Contingent Liabilities
Since the last annual reporting date, the directors are not aware of any material changes in any commitments and contingencies of Australian Motor Finance Group Limited (Subject to Deed of Company Arrangement), subject to the matters disclosed in Note 1, and in particular, the receivership of Australian Motor Finance Limited (Receivers and Managers Appointed), and to finalization of the Deed of Company Arrangement.

13 RELATED PARTY DISCLOSURE

(a) Subsidiaries

The subsidiaries of Australian Motor Finance Group Limited are listed in the following table:

Name	Country of incorporation	% Equity interest 2009	% Equity interest 2008	Investment $ 2009	Investment $ 2008
Australian Motor Finance Limited	Australia	66.3	66.3	6,832,109	6,980,736
Bushveld Exploration (SA) (Pty) Ltd	South Africa	100.00	100	20	20
Less impairment				(6,832,129)	-
				-	6,980,756

Australian Motor Finance Limited ("AMFL") is a 66.3% owned subsidiary. As detailed in Note 1, AMFL has been under the control of Receivers and Managers since 23 January 2009.

Australian Motor Finance Group Limited is the ultimate Australian parent entity.

(b) Key management personnel
Details relating to key management personnel, including related party transactions are included in Note 14.

14 DIRECTOR AND EXECUTIVE DISCLOSURES

(a) Details of Key Management Personnel

Wayne Kernaghan	Chairman, non-executive
Michael Pavone	Non-executive director
Denis Angeleri	Managing Director
David Hickie	Non-executive director
Ian Brindley	Chief Operating Officer
Michael O'Brien	Director Corporate Affairs
Richard Green	Non-executive director
Bruce Andrew	Non-executive director

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 30 JUNE 2009

14 DIRECTOR AND EXECUTIVE DISCLOSURES (continued)

(b) Compensation of Key Management Personnel

Table 1: Compensation of Key Management Personnel for the year ended 30 June 2009

	Parent Entity	
	2009	**2008**
	$	**$**
Short term employee benefits	32,500	158,132
Post Employment benefits	1,125	7,977
Share-based payment	-	-
	33,625	166,109

(c) Option holdings of Key Management Personnel

Options holdings of Key Management Personnel for the year ended 30 June 2009

					Vested at 30 June 2009		
30 June 2009	Balance at beginning of period 01-Jul-08	Consolidation @ 2.1:1	Held at date of appointment resignation	Balance at end of period 30-Jun-09	Total Vested	Exercisable	Not Exercisable
Directors							
Wayne Kernaghan	250,000	(130,953)	(119,047)	-	-	-	-
Michael Pavone	5,333,333	(2,793,651)	(2,539,682)	-	-	-	-
Denis Angeleri	-	-	-	-	-	-	-
Ian Brindley	5,544,219	(2,904,115)	(2,640,104)	-	-	-	-
Michael O'Brien	6,030,428	(3,158,796)	(2,871,632)	-	-	-	-
Bruce Andrew	-	-	396,436	396,436	-	-	-
David Hickie	-	-	-	-	-	-	-
Richard Green	-	-	-	-	-	-	-
Total	17,157,980	(8,987,515)	(7,774,029)	396,436	-	-	-

(i) Options were acquired by executives pursuant to the arrangements for acquisition of shares in Australian Motor Finance Limited

(ii) No options were exercised during the year ended 30 June 2009.

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

14 DIRECTOR AND EXECUTIVE DISCLOSURES (continued)

Options holdings of Key Management Personnel for the year ended 30 June 2008

					Vested at 30 June 2008		
30 June 2008	Balance at beginning of period 01-Jul-07	Options Acquired(i)	Options Expired Forfeited Exercised	Balance at end of period 30-Jun-08	Total Vested	Exercisable	Not Exercisable
Directors							
Wayne Kernaghan	250,000	-	-	250,000	-	-	-
Michael Pavone	5,333,333	-	-	5,333,333	-	-	-
Martin Williamson	250,000	-	-	250,000	-	-	-
Denis Angeleri	-	-	-	-	-	-	-
David Hickie	-	-	-	-	-	-	-
Executives							
I. Brindley	-	5,544,219	-	5,544,219	-	-	-
M. O'Brien	-	6,030,428	-	6,030,428	-	-	-
Total	5,833,333	11,574,647	-	17,407,980	-	-	-

(d) Shareholdings of Key Management Personnel

Shares held in Australian Motor Finance Group Limited for the year ended 30 June 2009 (number)

30 June 2009	Balance at beginning of period 01-Jul-08	Consolidation @ 2.1:1	Held at date of appointment resignation	Purchased on market	Balance at end of period 30-Jun-09
Directors					
Wayne Kernaghan	250,000	(130,953)	(119,047)	-	-
Michael Pavone	-	-	-	-	-
Denis Angeleri	-	-	-	-	-
David Hickie	-	-	-	-	-
I. Brindley	11,088,438	(5,808,230)	(5,280,208)	-	-
M. O'Brien	12,060,856	(6,317,591)	(5,743,265)	-	-
B. Andrew	-	-	792,872	-	792,872
R. Green	-	-	-	-	-
Total	23,399,294	(12,256,774)	(10,349,648)	-	792,872

Notes to the Financial Statements (continued)
FOR THE YEAR ENDED 30 JUNE 2009

14 DIRECTOR AND EXECUTIVE DISCLOSURES (continued)

Shareholdings of Key Management Personnel (continued)

Shares held in Australian Motor Finance Group Limited for the year ended 30 June 2008 (number)

30 June 2008	Balance at beginning of period 01-Jul-07	Acquired in business combination	Options Exercised	Purchased on market	Balance at end of period 30-Jun-08
Directors					
Wayne Kernaghan	250,000	-	-	-	250,000
Michael Pavone	-	-	-	-	-
Martin Williamson	250,000	-	-	-	250,000
Denis Angeleri	-	-	-	-	-
David Hickie	-	-	-	-	-
Executives					
I. Brindley	-	11,088,438	-	-	11,088,438
M. O'Brien	-	12,060,856	-	-	12,060,856
Total	500,000	23,149,294	-	-	23,649,294

15 AUDITORS' REMUNERATION

The auditor of Australian Motor Finance Group Limited is Bentleys Melbourne Audit Pty Ltd

	Parent Entity 2009 $	Parent Entity 2008 $
Amounts received or due and receivable by Bentleys Melbourne Audit Pty Ltd for:		
• An audit or review of the financial report of the entity and any other entity in the consolidated group	15,000	-
• Other services in relation to the entity and any other entity in the consolidated group	635	-
	15,635	-
Amounts received or due and receivable by audit firms other than Bentleys Melbourne Audit Pty Ltd		
• audit or review of the financial report	-	75,085
• tax services	-	-
• other non-audit services	-	-
	-	75,085

Notes to the Financial Statements (continued)

FOR THE YEAR ENDED 30 JUNE 2009

16 SEGMENT NOTE

As the Company did not trade in its own right during the reporting period, no segment information is reported.

Directors' Declaration

In accordance with a resolution of the Directors of Australian Motor Finance Group Limited (Subject to Deed of Company Arrangement), the Directors of the company declare that:

1 Due to the circumstances described in Note 1 to the financial statements, it is not possible to state that:

(a) the financial statements and notes of the parent entity are in accordance with the Corporations Act 2001, including:

i giving a true and fair view of the financial position as at 30 June 2009 and the performance for the year ended on that date of the Company; and

ii comply with Accounting Standards and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

2. Due to the circumstances described in Note 1 to the financial statements, it is not possible to state that:

(a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;

(b) the financial statements and notes for the financial year comply with the Accounting Standards; and

(c) the financial statements and notes for the financial year give a true and fair view;

On behalf of the Board

BRUCE ANDREW

Director

Melbourne, 4 November 2010

Bentleys
Thinking ahead

Bentleys Melbourne Audit Pty Ltd
ABN 96 132 300 693
Audit & Assurance Services

Level 7, 114 William Street
Melbourne Vic 3000

GPO Box 2266
Melbourne Vic 3001

T +61 3 9274 0600
F +61 3 9274 0736

audit@melb.bentleys.com.au
www.melb.bentleys.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN MOTOR FINANCE GROUP LIMITED

We have audited the accompanying financial report of Australian Motor Finance Group Limited, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

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

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

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN MOTOR FINANCE GROUP LIMITED (Continued)

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Australian Motor Finance Group Limited on 4 November 2010, would be in the same terms if provided to the directors as at the date of this auditor's report.

Basis for adverse auditor's opinion

As noted, the directors make the following statements in the directors' declaration:

"1 Due to the circumstances described in Note 1 to the financial statements, it is not possible to state that:

(a) the financial statements and notes of the parent entity are in accordance with the Corporations Act 2001, including:

i giving a true and fair view of the financial position as at 30 June 2009 and the performance for the year ended on that date of the Company; and

ii comply with Accounting Standards and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

2. Due to the circumstances described in Note 1 to the financial statements, it is not possible to state that:

(a) the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;

(b) the financial statements and notes for the financial year comply with the Accounting Standards; and

(c) the financial statements and notes for the financial year give a true and fair view;"

The circumstances as referred to above and detailed in Note 1 to the financial statements include the following items:

1. Appointment of receivers and managers to subsidiary;
2. Framework agreement for reconstruction of company;
3. Share placement October 2009
4. Deed of company arrangement January 2010; and
5. Going concern (significant uncertainty).

Bentleys
Thinking ahead

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN MOTOR FINANCE GROUP LIMITED (Continued)

Based on the statements made by the directors, we have not been able to obtain reliable conclusive audit evidence during the course of the audit. Therefore in our opinion it is highly improbable that the company will be able to continue as a going concern. Had the going concern basis not been used, adjustments would need to be made relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities, to reflect the fact that the company may be required to realise its assets and extinguish its liabilities other than in the normal course of business, and at amounts different from those stated in the financial report.

As the accounting records as described above are not adequate to permit application of necessary auditing procedures, we are unable to obtain all the information and explanations we require in order to form an opinion on the financial report.

We were appointed auditors of the company at the 2008 Annual General Meeting. We have not been able to arrange for access to the audit work papers of the prior period auditor and given the statements made by the directors we have been unable to perform audit procedures on the comparative financial information and are therefore unable to form an opinion on the comparative financial information.

Adverse Auditor's Opinion
In our opinion, because of the effects of the matters discussed in the preceding paragraphs, the financial report of Australian Motor Finance Group Limited is not in accordance with the *Corporations Act 2001* including:

(i) giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the year ended on that date; and

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

Report on the Remuneration Report
We have audited the Remuneration Report included in pages 11 to 14 of the directors' report for the year ended 30 June 2009. 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.

Qualified Auditor's Opinion
In our opinion, because of the matters referred to in the preceding paragraphs, we are unable to form an opinion as to whether the Remuneration Report of Australian Motor Finance Group Limited for the year ended 30 June 2009, complies with section 300A of the *Corporations Act 2001*.

BENTLEYS MELBOURNE AUDIT PTY LTD
CHARTERED ACCOUNTANTS

MARTIN FENSOME
DIRECTOR

Dated in Melbourne on this 4 day of November 2010

ASX Additional Information

Additional information required by the Australian Securities Exchange and not shown elsewhere in this report is as follows. The information is current as at 25 October 2010.

(a) Distribution of equity securities

53,801,663 fully paid ordinary shares are held by 426 individual shareholders. All issued ordinary shares carry one vote per share and carry the rights to dividends.

The number of shareholders, by size of holding, in each class are:

	Total Holders	No of Fully paid ordinary shares
1 – 1,000	7	5,331
1,001 – 5,000	101	390,029
5,001 – 10,000	83	711,606
10,001 – 100,000	158	6,175,968
100,001 – and over	77	46,518,729
	426	53,801,663
Holding less than a marketable parcel		

(b) Substantial shareholders

Name	Number	Percentage
Michele Lehdey	3,012,331	5.60

(c) Twenty largest holders of quoted equity securities

	Ordinary shareholders	Fully Paid Number	Fully Paid Percentage
1.	Michele Lehdey	3,012,331	5.60
2.	Third Pleshette Pty Ltd (The I Herzog Cape York Ac>	2,380,952	4.43
3.	Bestvale Resources Cons Pty Ltd	2,339,203	4.35
4.	Octopi Enterprises Pty Ltd	2,339,203	4.35
5.	Garf Pty Ltd	2,339,202	4.35
6.	Preferential Capital Pty Ltd	2,168,951	4.03
7.	De Angelis, Frank	1,607,142	2.99
8.	Florims Pty Ltd <Fireq Super Fund Ac>	1,511,210	2.81
9.	Rodby Holdings Pty Ltd <Sin Pyng Teng Super Fund Ac>	1,511,210	2.81
10.	King, Anthony Meachem <Ark Super Fund Ac>	1,511,210	2.81
11.	Harder, Wesley Martin <Corrina Cons Ac>	1,511,210	2.81
12.	Mitchell, Wayne	1,511,210	2.81
13.	Seah Gak San	1,511,210	2.81
14.	Porcaro, Sian Elizabeth	1,302,139	2.42
15.	Mr Victor James Bonica & Ms Maria Rita Bonica	1,250,000	2.32
16.	Mr Christian Salathe & Ms Mary Salathe <The Salathe Super Fund Ac>	1,190,476	2.21
17.	Brakma Pty Ltd <The Andrew Family Ac>	792,872	1.47
18.	DDCT Holdings Pty Ltd	770,390	1.43
19.	Mr Robert George Douglas	714,285	1.33
20.	J.C.N. Holdings Pty Ltd	714,285	1.33
		31,988,691	59.47