Renison Consolidated Mines NL

ACN 003 049 714

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ASX ANNOUNCEMENT

29 September 2006

ANNUAL FINANCIAL STATEMENTS

Please find attached the Annual Financial Statements for Renison Consolidated Mines NL.

The published Annual Report and Notice of Meeting for the Annual General Meeting will be despatched to shareholders and to ASX in October in accordance with the timing of the Annual General Meeting of the Company.

For and on behalf of the Board

JPK Marshall
Company Secretary

RENISON CONSOLIDATED MINES NL

A.C.N. 003 049 714

ANNUAL FINANCIAL REPORT 30 JUNE 2006

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CORPORATE INFORMATION

This annual report covers both Renison Consolidated Mines NL ("Company" or "Renison") as an individual entity and the consolidated entity comprising Renison Consolidated Mines NL and its subsidiaries ('the Consolidated Entity"). A description of the operations and of the principal activities is included in the directors' report and the review of operations. The directors' report is not part of the financial report.

DIRECTORS
Dr Christopher D Rawlings (Chairman)
Richard P Seville (Managing Director)
Stephen G Bizzell (Finance Director)
Richard S Anthon (Non-executive Director)

SECRETARY
Paul Marshall

AUSTRALIAN BUSINESS NUMBER
ABN 75 003 049 714

REGISTERED OFFICE AND PRINCIPAL BUSINESS ADDRESS
Level 5
60 Edward St
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Web: www.rcm.com.au

SHARE REGISTRY
Link Market Services
Level 12
300 Queen St
Brisbane Qld 4000
Telephone: (02) 8280 7454
Facsimile: (02) 9287 0303

AUDITORS
PKF
Level 6
120 Edward St
Brisbane Qld 4000

SOLICITORS
Hemming & Hart
Level 2
307 Queen St
Brisbane Qld 4000

STOCK EXCHANGE LISTING
Australian Stock Exchange Ltd
ASX Codes:
Ordinary shares - RSN
Partly Paid Shares - RSNCF
March 2007 Convertible Notes – RSNG
March 2009 Convertible Notes – RSNGB

REPORT OF THE DIRECTORS

The directors present their report for the year ended 30 June 2006.

Directors

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

Names, qualifications, experience and special responsibilities

Dr CD Rawlings (Non-Executive Chairman)
Chris Rawlings has over 25 years experience in the mining industry, 20 of them in the coal industry. Until late 2000, he was Managing Director of one of Australia's leading mining companies, QCT Resources Ltd. Dr Rawlings is also the Non-Executive Chairman of Northern Energy Corporation Ltd, Advanced Magnesium Limited, Queensland Energy Resources Limited and D'Aguilar Gold Ltd. He is also a Non-Executive Director of UniQuest Pty Ltd and JK Technology Pty Ltd.

Chris Rawlings has previously held board positions with numerous industry bodies including President of the Queensland Mining Council, Chairman of the Australia Coal Association and Director of the World Coal Institute.

Chris Rawlings is a member of the Audit and Risk Management Committee and Chairman of the Remuneration and Nomination Committee.

Other Listed Company Directorships in the past three years:
- Northern Energy Corporation Ltd *
- D'Aguilar Gold Ltd *
- Advanced Magnesium Limited *
- Gympie Gold Limited

RP Seville (Managing Director)
Richard Seville is a mining geologist and rock mechanics engineer with over 20 years experience in the mining industry. Richard holds a Bachelor of Science in Mining Geology from the Royal School of Mines and a Masters degree in engineering from James Cook University. He was formerly an executive director of operations for Murchison United NL.

Other Listed Company Directorships in the past three years:
- Northern Energy Corporation Ltd*

RS Anthon (Non-Executive Director)
Rick Anthon is a partner with the Queensland law firm of Hemming & Hart and acts as a non-executive director of the Company. He has practised extensively in the corporate and mining law area for more than 20 years.

Board Committees: Chairman of the Audit Committee and member of the Remuneration and Nomination Committee

SG Bizzell (Finance Director)
Stephen Bizzell holds a Bachelor of Commerce degree and is a Chartered Accountant. He has 15 years experience in the fields of corporate restructuring, equity financing, acquisitions and public company management.

Other Listed Company Directorships in the past three years:
- Arrow Energy NL*
- Bow Energy Ltd*
- CH4 Gas Ltd* (no longer a listed company)

* denotes current directorships

Company Secretary

JPK Marshall
Paul Marshall holds a Bachelor of Law degree and is a Chartered Accountant. He has been the Company Secretary of Renison for over 10 years. Prior to holding this position he was employed by Ernst & Young for 10 years.

Interests in the shares and options of the Company

Interest of the directors in the shares and options of the Company as at the date of this report are:

	Ordinary Shares		Convertible Notes	Convertible Notes
	Fully Paid	Partly Paid	March 2007	March 2009
Christopher Rawlings	2,148,576	-	14,151	97,663
Stephen Bizzell	16,176,662	6,658,970	580,170	2,047,437
Rick Anthon	500,000	3,500,000	-	91,000
Richard Seville	21,972,720	4,000,000	67,213	120,000

Corporate Information

Corporate Structure

Renison Consolidated Mines NL is a company limited by shares that is incorporated and domiciled in Australia. Renison Consolidated Mines NL has prepared a consolidated financial report encompassing the entities that it controlled or had significant influence over during the financial year:

Renison Consolidated Mines NL had the following investments in controlled companies throughout the financial year:

- Tom's Gully Holdings Pty Ltd (100%)
- Tom's Gully Mining Pty Ltd (50% from 30/09/05 prior to that 100%)
- A.C.N. 099 916 373 Pty Ltd (Deregistered on 17/3/2006. 50% from 30/09/05 prior to that 100%)
- Renison Coal Pty Ltd (100%)
- Agate Creek Holdings Pty Ltd (100%)

Nature of operations and principal activities

The principal activities of the Company during the year were:

- the development of a gold mining operation
- minerals exploration and evaluation

Employees

The Company employed 18 employees as at 30 June 2006 (2005: 17 employees). In addition there were 45 (2005: nil) employees engaged by the 50% owned Tom's Gully Mining Pty Ltd.

Operating and Financial Review

Operating Results	**2006**	**2005**
	$	$
Operating profit/(loss) after income tax attributable to members	(11,087,004)	71,744

During the 2006 year the Company recorded a loss due to the commencement of gold mining operations at the Tom's Gully mine. First revenues from the operations were not earned until after the end of the financial year while total mining costs to 30 June 2006 were $7.2 million (after recognising the value of the gold contained in the mined ore stockpile as at 30 June 2006). In addition the Company recorded an expense in accordance with the requirements of the revised accounting standards of $1.3 million in relation to the mark to market of open gold derivative contracts as at 30 June 2006.

Review of Financial Condition

Capital structure

During the period the Company raised before issue costs $7 million through placements to institutional and sophisticated investors of 35.2 million ordinary shares, $2.1 million from the exercise of options and a further $11.85 million by way of an issue of March 2009 convertible notes. The Company also made a call in accordance with the existing call program on its issued partly paid shares of 1 cent per partly paid share. This call raised $1.525 million for the Company.

At 30 June 2006, the Company had 322.9 million ordinary shares, 152.5 million partly paid ordinary shares (paid to 5.5 cents with 20.5 cents to pay), 3.2 million $1 March 2007 convertible notes and 35.9 million $0.33 March 2009 convertible notes on issue.

After the end of the financial year the Company has raised a further $4 million following the exercise of 21.3 million options. At the date of this report the Company has on issue 344.2 million ordinary shares, 152.5 million partly paid shares, 3.2 million $1 March 2007 convertible notes and 35.9 million $0.33 March 2009 convertible notes.

Treasury policy

The Company does not have a formally established treasury function. The Board is responsible for managing the Company's currency risks and finance facilities. The Company entered into hedging contracts as set out below during the financial year.

During the year as part of its requirements under the debt facilities put in place with Rothschild for the Tom's Gully development funding, a hedging strategy was put in place to put 'floor price' protection in place for a portion of the forecast gold production for the first year of production thus underwriting the initial operational revenues from the Tom's Gully project. This is being achieved primarily through bought A$ gold put options. Bought put options provide a "floor" or guaranteed 'worst case' price at which the underlying gold can be sold. The premium paid for the bought put options has been funded through the sale of call options. Call options were additionally bought to minimise exposure to the written call options. The maximum exposure that exists in relation to the contracts written is $1.8 million which arises in the event that the Australian dollar gold price rises to over A$800 per ounce at the date of option expiry.

The positions will provide the following realised gold price for the hedged amounts at the following spot gold prices at the relevant delivery or maturity dates:

A$ Spot gold price	Realised price
Below $640	$640 for 22,500 ounces, spot for balance
$640 - $680	spot price for all production
$680 - $800	$680 for 15,000 ounces, spot for balance
$800+	$680 plus excess of spot over $800 for 15,000 ounces, spot for balance

Liquidity and funding

The Company has sufficient funds to finance its operations and to allow the Company to take advantage of favourable business opportunities, not specifically budgeted for, or to fund unforeseen expenditure.

Dividends

No dividend was paid during the year and none is recommended as at 30 June 2006.

Significant Changes in the State of Affairs

Tom's Gully Mine

Mining commenced at the Tom's Gully Underground Gold Mine in the Northern Territory during the year. Based on the original feasibility study, the mine development was based on mining 1.2 million tonnes at a diluted grade of 7.2g/t gold for an initial 5 year mine life to produce on average 45,000 ounces of gold per annum. During the first half of the year underground development commenced following mobilisation of mining equipment, site establishment and cutting of the decline portal. During the second half of the year the orebody was accessed and ore has been stockpiled at surface. At 30 June an estimated 24,300 tonnes at a grade of 3.9 g/t for 2,500 oz of gold had been stockpiled. Work also commenced on the refurbishment and upgrade of the Tom's Gully CIL gold treatment plant with commissioning being completed shortly after the end of the financial period and the first gold poured in July 2006.

A 7,500m resource infill and step out core drilling programme was completed at Tom's Gully during the year. The results from this program at Tom's Gully included intercepts of 2.7m at 12.6 g/t gold and 2.2m at 10.7 g/t gold. A revised JORC compliant resource estimate for the Tom's Gully ore body was completed following the drilling and the Company was able to announce the identified mineral resource in the Tom's Gully reef has been increased to over 500,000 ounces of gold with the indicated resource increased by 118% to 369,000 ounces of gold from 169,000 ounces and the total resource by nearly 8% to 511,000 ounces of gold from 471,000 ounces, meeting the twin objectives of the programme.

Following the publication of a new and increased resource of 2.02 million tonnes at 7.9g/t in March 2006, a new Life-of-Mine Plan has been developed. Total production is scheduled at 1.82 million tonnes at a head grade of 6.5 g/t gold (after dilution) over a period of 6 years. At a design 84% recovery this will produce an average 51,500 ounces per annum with total production of 320,000 ounces over +6 years. This is an increase in both production rate and mine life compared to the Feasibility Study (1.2 million tonnes at 7.2 g/t over 5 years at an average 45,000 ounces per annum.)

Debt Financing

In the year, the Company received a final credit approved offer of finance from international investment bank, N M Rothschild and Sons (Australia) Limited (Rothschild) to provide Debt Finance and Hedging Facilities (Facilities) for the Tom's Gully Gold Mine development in the Northern Territory.

The debt facilities total $7 million and encompass a two tranche $5.5m revolving credit facility, a $1m cost overrun and working capital facility and a $0.5m performance bond facility. In addition, Rothschild will provide a gold hedging facility. The Company drew down $2.75 million of the revolving credit during the year.

Petrosea (Clough) Alliance Agreement

The Tom's Gully Mine is being developed and operated under an Alliance Agreement entered into with PT Petrosea Tbk ("Petrosea") earlier this year. ASX listed Clough Limited owns 82% of PT Petrosea which is listed on the Jakarta Stock Exchange. In addition to the provision of mobile and fixed underground mining plant and equipment, Petrosea had also provided initial funding for the project via a loan of $1 million. This loan was converted during the period into $1 million worth of Renison $1 convertible notes at an issue price of $2.50 per note. Petrosea also subscribed during the year for an additional $1 million of ordinary shares at an issue price of 12.5 cents per share to provide funding for the underground mine development.

Capital Raising

During the period the Company raised $7 million through placements to institutional and sophisticated investors of 35.2 million ordinary shares, $2.1 million from the exercise of options and a further $11.85 million by way of an issue of March 2009 convertible notes. The Company also made a call in accordance with the existing call program on its issued partly paid shares of 1 cent per partly paid share. This call raised $1.525 million for the Company.

Matters Subsequent to the End of the Financial Year

Subsequent to the end of the financial year the Company completed the commissioning of the plant at the Tom's Gully minesite and on 28 July 2006 was able to announce that the first gold had been poured from the Tom's Gully underground mine.

Since the end of the financial year option holders have exercised a total of 21.3 million unlisted options for proceeds of $4 million.

Apart from the items noted above, no matter or circumstance has arisen since 30 June 2006, that has significantly affected, or, may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in financial years subsequent to 30 June 2006.

Likely Developments and Expected Results of Operations

There are no developments of which the directors are aware which could be expected to affect the results of the Company's operations in subsequent financial years other than information which the directors believe comment on or disclosure of, would prejudice the interests of the Company.

Environmental Regulation and Performance

The Company holds authorisations under the Northern Territory Mining Management Act issued by the NT Government for its operations at Tom's Gully, Quest 29 and various exploration licences. It also held during the year a licence for the discharge of waters from the Tom's Gully mine with specified conditions. There have been no known breaches of the authorisation or licence conditions.

Share Options

At the date of this report there were a total of 6,025,000 unissued ordinary shares under options.

Number of Options	Exercise Price	Vesting Date	Expiry Date
2,500,000	12.5 cents	vested	30/6/07
3,525,000	17.5 cents	vested	30/6/08

The Company has also issued 2 series of convertible notes. If all the issued notes were converted into ordinary shares a total of 100,705,890 shares would be required to be issued. In addition the interest payable on the notes can at the option of the noteholder be paid as additional notes or as ordinary shares. If all the interest potentially payable as shares or on all the notes outstanding if they were reinvested as notes and these notes converted into ordinary shares a further 17,414,399 shares would require to be issued.

During the financial year directors and executives exercised options to acquire 5,700,000 fully paid ordinary shares at a weighted average exercise price of $0.143. Since the end of the financial year, a further 12,900,000 options have been exercised, at a weighted average exercise price of $0.152.

REMUNERATION REPORT

This report outlines the remuneration arrangements in place for the directors and key management personnel of Renison Consolidated Mines NL (the Company).

Remuneration Policy

The performance of the Company depends upon the quality of its directors and executives. To prosper, the Company must attract, motivate and retain highly skilled directors and executives.

The Remuneration and Nomination Committee of the Board of Directors is responsible for determining and reviewing compensation arrangements for the directors and the executive team. The Remuneration and Nomination Committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. Such officers are given the opportunity to receive their base emolument in a variety of forms including cash, equity and fringe benefits. It is intended that the manner of payments chosen will be optimal for the recipient without creating undue cost for the Company. Further details on the remuneration of directors and executives are set out in this Remuneration Report.

The Company aims to reward the executive directors and key management personnel with a level and mix of remuneration commensurate with their position and responsibilities within the Company. The Board's policy is to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering long-term incentives.

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

Non-Executive Director Remuneration

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

The Company's specific policy for determining the nature and amount of emoluments of board members of the Company is as follows:

- The Constitution of the Company provides that the non-executive directors are entitled to remuneration as determined by the Company in general meeting to be apportioned among them in such manner as the directors agree and, in default of agreement, equally. The aggregate remuneration currently determined by the Company is $200,000 per annum. Additionally, non-executive directors will be entitled to be reimbursed for properly incurred expenses.

- If a non-executive director performs extra services, which in the opinion of the directors are outside the scope of the ordinary duties of the director, the Company may remunerate that director by payment of a fixed sum determined by the directors in addition to or instead of the remuneration referred to above. A non-executive director is entitled to be paid travelling and other expenses properly incurred by them in attending director's or general meetings of the Company or otherwise in connection with the business of the Company.

The remuneration of non-executive directors for the year ending 30 June 2006 is detailed in Table 1 of this Remuneration Report.

Executive Director and Key Management Personnel Remuneration

The Company aims to reward the executive directors and key management personnel with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

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

The remuneration of the executive directors and key management personnel may from time to time be fixed by the board. The remuneration will comprise a fixed remuneration component and also may include offering specific short and long-term incentives, in the form of:

- performance based salary increases and/or bonuses; and/or
- the issue of options

The remuneration of the executive directors and key management personnel for the period ending 30 June 2006 is detailed in Tables 1 & 2 and details of options issued are set out in Table 3.

Employment Contracts

It is the Board's policy that employment agreements are entered into with all executive directors, executives and employees. No current employment contracts contain early termination clauses. All non-executive directors have contracts of employment.

The Managing Director, Mr Richard Seville is employed under an executive service contract. Under the terms of the present contract the Managing Directors Salary is for a $254,000 base salary inclusive of superannuation and a variable performance component to a maximum of $75,000. The variable component will be assessed on four key performance indicators being gold production, gold resources, cash resources and safety.

Employment contracts entered into with key management personnel contain the following key terms:

Event	Company Policy
Performance based salary increases and/or bonuses	Board discretion
Short and long-term incentives, such as options	Board discretion
Resignation / notice period	1 month
Serious misconduct	Company may terminate at any time
Payouts upon resignation or termination, outside industrial regulations	None

Details of Directors and Key Management Personnel

Directors

CD Rawlings	Chairman (non-executive)
RS Anthon	Director (non-executive)
SG Bizzell	Finance Director
RP Seville	Managing Director

Key Management Personnel

C Creagh	Exploration Manager
P Marshall	Company Secretary
S Slesarewich	Operations Manager Tom's Gully Mine (appointed August 2004)
M Smith	Finance and Administration Manager (appointed January 2006)

Key management personnel are those directly accountable and responsible for the operational management and strategic direction of the company and the consolidated entity.

Table 1: Director remuneration for the year ended 30 June 2006

	Short-term			Post-Employment		Share-based payment	Other	Total
	Salary & Fees	Cash Bonus	Non-cash benefits	Superan-nuation	Retirement benefits	Shares/ Options#		
C Rawlings								
2006	36,697	-	-	3,303	-	-	-	40,000
2005	36,697	-	-	3,303	-	-	-	40,000
R Anthon								
2006	25,000	-	-	-	-	-	-	25,000
2005	20,000	-	-	-	-	-	-	20,000
S Bizzell								
2006	121,104	-	7,024	-	-	12	-	128,140
2005	121,104	-	6,445	-	-	4,514	-	132,063
R Seville								
2006	206,339	-	2,236	18,570	-	25	-	227,170
2005	171,136	-	1,952	15,402	-	9,028	-	197,518
TOTAL								
2006	389,140	-	9,260	21,873	-	37	-	420,310
2005	348,937	-	8,397	18,705	-	13,542	-	389,581

- These options were approved in 2002 at a General Meeting of the company. The calculation of value of options granted using the Black-Scholes option pricing model, which takes into account factors such as the option exercise price, the market price at the date of issue and volatility of the underlying share price and the time to maturity of the option. The model allocates a value to more than one reporting period.

Table 2: Remuneration of the 4 named key management personnel who receive the highest remuneration for the year ended 30 June 2006

	Short-term			Post-Employment		Share-based payment	Other	Total
	Salary & Fees	Cash Bonus	Non-cash benefits	Superannuation	Retirement benefits	Shares/ Options*		
C Creagh								
2006	150,000	-	-	13,500	-	51,617	-	215,116
2005	135,921	-	-	12,233	-	-	10,000	158,154
P Marshall								
2006	104,400	-	994	-	-	12,904	-	118,299
2005	104,400	-	912	-	-	-	-	105,312
S Slesarewich								
2006	155,000	-	-	13,950	-	51,617	-	220,567
2005	134,135	-	-	12,072	-	-	-	146,207
M Smith								
2006	39,440	-	-	3,550	-	-	-	42,990
2005	-	-	-	-	-	-	-	-
TOTAL								
2006	448,840	-	994	31,000	-	116,137	-	596,972
2005	374,456	-	912	24,305	-	-	10,000	409,673

*The calculation of value of options granted using the Black-Scholes option pricing model, which takes into account factors such as the option exercise price, the market price at the date of issue and volatility of the underlying share price and the time to maturity of the option. The model allocates a value to more than one reporting period.

Table 3: Options granted as part of remuneration for the year ended 30 June 2006

Key Management Personnel	Grant date	Grant nos	Vest date	Value per option at grant date $	Exercised nos	Value per option at exercise date $	Value per option at lapse date	% of remuneration
C Creagh	27/7/05	1,000,000	2/8/06	0.16	-	-	-	24.0
P Marshall	27/7/05	250,000	2/8/06	0.16	-	-	-	10.9
S Slesarewich	27/7/05	1,000,000	2/8/06	0.16	-	-	-	23.4
		2,250,000			0			

Meetings of Directors

The following table sets out the number of meetings of the Company's directors and of the Audit and the Remuneration and Nomination Committees held during the year ended 30 June 2006 and the number of meetings attended by each director.

	Directors' Meetings	Audit	Remuneration & Nomination
Number of meetings held	10	2	3
Number attended			
C Rawlings	10	2	3
R Anthon	10	2	3
S Bizzell	10	-	-
R Seville	10	-	-

Indemnification of Officers or Auditor

During the financial year the Company paid a premium to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in a capacity of Director other than conduct involving a wilful breach of duty in relation to the Company. The contract of insurance prohibits the disclosure of the nature of the liabilities covered and the amount of the premium paid. The Corporations Act does not require disclosure of the information in these circumstances.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Auditor Independence Declaration Under Section 307c of The Corporations Act 2001

The Auditor's Independence Declaration is attached and forms part of the Director's Report for the year ended 30 June 2006

Non-Audit Services

During the year PKF, the Company's auditor, has performed certain other services in addition to statutory duties. The Board has considered the non-audit services provided during the year by the auditor and in accordance with written advice provided by resolution of the Audit Committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Audit Committee to ensure they do not impact the integrity and objectivity of the auditor.
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in Professional Statement F1 Professional Independence, as they did not involve reviewing or auditing the auditor's own work, acting in a management capacity for the Company, acting as an advocate for the Company or jointly sharing risks or rewards.
- Services were performed by persons not in the audit team.

Details of the amounts paid to the auditor of the Company, PKF, and its related practices for audit and non-audit services provided during the year are set out below.

PKF received a total of $31,950 for non statutory audit services namely $23,150 for taxation services, $1,000 for the audit of the NT Royalty Return, $3,000 in relation to assistance with the introduction of AIFRS, $4,500 in relation to a prospectus issued during the year and $300 for attending the Annual General Meeting.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of the Company support and have adhered to the principles of corporate governance. The Company's corporate governance statement is contained in a separate section of this report.

Signed in accordance with a resolution of the Board of Directors

SG Bizzell
Director
Brisbane 29 September 2006

The Directors
Renison Consolidated Mines NL
Level 5
60 Edward St
BRISBANE QLD 4000

Dear Directors

AUDITOR INDEPENDENCE DECLARATION IN ACCORDANCE WITH SECTION 307C OF THE CORPORATIONS ACT 2001

As lead engagement partner for the audit of Renison Consolidated Mines NL for the year ended 30 June 2006, I declare that, to the best of my knowledge and belief, there have been:

no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

no contraventions of any applicable code of professional conduct in relation to the audit.

PKF
Chartered Accountants

CG Bellamy
Partner
Dated this 29th day of September 2006.

SHAREHOLDER INFORMATION

DISTRIBUTION OF NUMBER OF HOLDERS OF EACH CLASS OF SECURITIES AS AT 18 SEPTEMBER 2006.

	Ordinary shares fully paid		Partly paid ordinary shares – paid to 5.5 cents		March 2007 Convertible Notes		March 2009 Convertible Notes	
Number of Securities Held	Nos of holders	Nos of shares	Nos of holders	Nos of shares	Nos of holders	Nos of notes	Nos of holders	Nos of notes
1 to 1,000	360	167,273	7	3,725	188	39,964	199	93,876
1,001 to 5,000	1,002	3,148,968	37	124,273	61	154,239	259	723,563
5,001 to 10,000	817	6,974,410	49	427,657	27	185,916	74	599,592
10,001 to 100,000	1,996	73,953,395	231	12,829,697	35	1,055,313	191	7,721,479
100,001 and over	392	259,913,268	165	139,114,648	7	1,804,408	49	26,770,580
	4,567	344,157,314	489	152,500,000	318	3,239,840	772	35,909,090
Number of shareholders holding less than a marketable parcel of shares	713	782,379	44	127,998	89	2,976	249	159,284

TWENTY LARGEST HOLDERS OF EACH QUOTED SECURITY

RSN – Ordinary Fully Paid Shares

No.	Name of Shareholder	Holding	% Held
1	ANZ Nominees Limited <Cash Income A/C>	74,979,087	21.79%
2	Chimaera Capital Limited	12,000,000	3.49%
3	PTP Investments Pte Ltd	8,000,000	2.32%
4	Mrs Jin Wei-Feng Vincent	6,600,000	1.92%
5	RBC Dexia Investor Services Australia Nominees Pty Limited <BKCUST A/C>	5,817,605	1.69%
6	Richard Seville & Associates Pty Ltd <The Seville A/C>	4,472,720	1.30%
7	Citicorp Nominees Pty Limited	4,058,986	1.18%
8	HSBC Custody Nominees (Australia) Limited	4,030,000	1.17%
9	Dr Leon Eugene Pretorius	3,872,333	1.13%
10	USB Wealth Management Australia Nominees Pty Ltd	2,886,000	.84%
11	CMG Equity Investments Pty Ltd	2,727,273	.79%
12	Dr Leon Eugene Pretorius	2,400,000	.70%
13	Rawni Holdings Pty Limited	2,270,000	.66%
14	Mallee Plains Pty Ltd <The Lawn Investment A/C>	2,210,000	.64%
15	Mrs Elizabeth Lee Nelson	2,148,576	.62%
16	HSBC Custody Nominees (Australia) Limited-GSCO ECA	2,054,666	.60%
17	Hadley Castle Pty Ltd	1,989,250	.58%
18	Mrs Rosemarie Geisler	1,866,647	.54%
19	Fortis Clearing Nominees P/L <Settlement A/C>	1,773,759	.52%
20	Solen Pty Ltd <Battleship No 2 A/C>	1,764,000	.51%
		147,920,902	42.98%

RSNCF – Ordinary Shares Paid to 5.5 Cents, 19.5 Cents Unpaid

No.	Name of Shareholder	Holding	% Held
1	ANZ Nominees Ltd <Cash Income A/C>	47,276,842	31.00%
2	Kabila Investments Pty Ltd	6,884,833	4.51%
3	Mr Warren William Brown + Mrs Marilyn Helena Brown <WWB INV P/L Super Fund A/C>	5,300,000	3.48%
4	Nambia Pty Ltd <The Anthon Family S/F A/C>	3,500,000	2.30%
5	WWB Investments Pty Ltd	2,829,400	1.86%
6	Chimaera Capital Limited	2,250,000	1.48%
7	Hadley Castle Pty Ltd	2,135,000	1.40%
8	Mrs Rosemarie Geisler	2,039,680	1.34%
9	Richard Seville & Associates Pty Ltd <The Seville Super Fund A/C>	2,000,000	1.31%
10	Richard Seville and Associates Pty Ltd <The Seville A/C>	2,000,000	1.31%
11	Dr Mark William Robinson	1,994,800	1.31%
12	Mr Timothy McKenzie Don	1,727,950	1.13%
13	Sypco Holdings Pty Ltd <Superannuation Fund A/C>	1,725,000	1.13%
14	Jayare Nominees Pty Ltd <Jasat Superfund A/C>	1,500,000	.98%
15	HSBC Custody Nominees (Australia) Limited-GSI EDA	1,404,068	.92%
16	Galtree Park Pty Ltd	1,170,000	.77%
17	Mr Matthew D'Astoli	1,157,366	.76%
18	Benbullen Enterprises Pty Ltd <R Krause Super Fund A/C>	1,000,000	.66%
19	Mr Lawrence Charles Bugeja	1,000,000	.66%
20	Caperock Pty Ltd	1,000,00	.66%
		89,894,939	58.95%

RSNG – March 2007 Convertible Notes

No.	Name of Shareholder	Holding	% Held
1	Fortis Clearing Nominees P/L <Settlement A/C>	491,729	15.18%
2	PTP Investments Pte Ltd	427,307	13.19%
3	Chimaera Capital Limited	295,186	9.11%
4	ANZ Nominees Limited <Cash Income A/C>	221,953	6.85%
5	Biotec International Pty Ltd <Bigum Super Fund A/C>	156,019	4.82%
6	Mrs Seraphine Schilter	106,560	3.29%
7	Bedford Banner Pty Ltd <Kupsch Family A/C>	105,754	3.26%
8	Biotec International Pty Ltd	97,589	3.01%
9	Mr Abraham Lester	89,618	2.77%
10	Richard Seville & Associates Pty Ltd <The Seville Super Fund A/C>	67,213	2.07%
11	Sixth Erra Pty Ltd <Staff Super Fund A/C>	53,769	1.66%
12	Hooper Bailie Industries Pty Ltd	47,123	1.45%
13	Westglade Pty Ltd	47,123	1.45%
14	Downshire Investments Pty Ltd	42,604	1.32%
15	Greig & Harrison Pty Ltd	39,000	1.20%
16	Mr Richard Boyer	37,971	1.17%
17	Goldsword Holdings Pty Ltd <Monk Super Fund A/C>	35,342	1.09%
18	Solen Pty Ltd <Battleship No 2 A/C>	35,342	1.09%
19	Mrs John Richards + Ms Jillian Cain <WTF Family Fund A/C>	33,232	1.03%
20	Goldsword Holdings Pty Ltd	32,520	1.00%
		2,462,854	76.02%

RSNGB – March 2009 Convertible Notes

No.	Name of Shareholder	Holding	% Held
1	J P Morgan Nominees Australia Limited	5,330,966	14.85%
2	HSBC Custody Nominees (Australia Limited)	4,118,970	11.47%
3	Chimaera Capital Limited	2,507,606	6.98%
4	ANZ Nominees Limited <Cash Income A/C>	1,288,845	3.59%
5	Tricom Nominees Pty Ltd <LPG A/C>	1,164,312	3.24%
6	Brispot Nominees Pty Ltd <House Head Nominee No 1 A/C>	1,085,556	3.02%
7	Oaktel Investments Pty Ltd	901,043	2.51%
8	Mr Ralph Russell + Ms Ann-Maree Hynes <Russell & Hynes Super Fund A/C>	723,182	2.01%
9	Biotec International Pty Ltd<Bigum Super Fund A/C>	613,909	1.71%
10	Fortis Clearing Nominees P/L<Settlement A/C>	571,668	1.59%
11	Stilwood Custodians Pty Ltd	536,000	1.49%
12	Hillmorton Custodians Pty Ltd <The Lennox Unit A/C>	500,000	1.39%
13	UBS Wealth Management Australia Nominees Pty Ltd	484,500	1.35%
14	Mr Andrew John Tierney + Mrs Petrina Tierney	406,819	1.13%
15	Stilwood Pty Ltd <Tinto Continuation A/C>	400,000	1.11%
16	Trafalgar Custodians Pty Ltd <Davgre Super Fund A/C>	334,000	.93%
17	Mr Ralph Douglas Russell + Ms Ann-Maree Hines	305,000	.85%
18	Biotec International Pty Ltd <Bigum Super Fund A/C>	303,030	.84%
19	Mallee Plains Pty Ltd <The Lawn Investment A/C>	303,030	.84%
20	Westpac Custodian Nominees Limited	299,900	.84%
		22,178,336	61.76%

VOTING RIGHTS

(i) All fully paid ordinary shares carry one vote per share without restriction.
(ii) All partly paid ordinary shares carry a fraction of one vote per share equal to the proportion that the amount paid up bears to the total issue price.

SUBSTANTIAL SHAREHOLDERS

Substantial shareholders as shown in substantial shareholder notices received by the Company at 28 September 2006 are:

Name of Shareholder	Ordinary Shares	Partly Paid Shares
David John Vincent	21,000,000	12,000,000
CMG Equity Pty Ltd	16,282,286	7,354,777
Richard Seville & Associates Pty Ltd	21,972,720	4,000,000

UNQUOTED SECURITIES

The following unquoted Executive Options are on issue:

Options

Number of Options	Exercise Price	Vesting Date	Expiry Date
2,500,000	12.5 cents	1/7/03	30/6/07
3,625,000	17.5 cents	2/8/06	30/6/08

INTERESTS IN MINING TENEMENTS

Renison Consolidated Mines NL held the following interests in mining and exploration tenements as at 18 September 2006:

Northern Territory Tenements

Type	Title No	Location	Interest
EL	10367	Mary River	100%
EL	10368	McKinley River	100%
EL	10382	Noonamah	100%
EL	22068	Steves Hill	0% ^
EL	22206	Mary River	100%
EL	22232	Mary River	100%
EL	23172	Noonamah	100%
EL	23173	Noonamah	100%
EL	23174	Mary River	100%
EL	23178	Darwin	100%
EL	24150	Noonamah	100%
ELA	24151	Noonamah	100%
EL	24288	Mary River	100%
ELA	24682	Mary River	100%
MLA	24828	Mary River	100%
MCN	68 to 83	Mary River	100%
*MCN	84 to 91	Mary River	100%
*MCN	3333 to 3339	Mary River	100%
MLN	281 to 284	Mary River	100%
*MLN	337 to 339	Mary River	100%
*MLN	369 to 373	Mary River	100%
*MLN	1058	Mary River	100%

* - tenements held by Tom's Gully Holdings Pty Ltd
^ - option to purchase 100% held
A - application

Queensland Tenements

Type	Title No	Location	Interest
EPM	9632	Agate Creek	65%
EPM	10719	Agate Creek	65%
EPM	11237	Agate Creek	65%
EPM	11238	Agate Creek	65%
EPM	13121	Eidsvold	0% ^
EPM	14523	Eidsvold	100%

^ - option to purchase 100% held

NSW Tenements

Type	Title No	Location	Interest
EL	6433	Arrawatta	100%
EL	6434	Bukkulla	100%
EL	6234	Ashford	50%#
EL	6526	Atholwood	50%
EL	6428	Ashford North	50%
EL	6521	Rob Roy	100%
EL	2616	Long Plain	100%

- option to earn a further 25% interest is held by Northern Energy Corporation Ltd

CORPORATE GOVERNANCE STATEMENT

The Board of Directors is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of Renison on behalf of the shareholders by whom they are elected and to whom they are accountable.

The format of the Corporate Governance Statement is based on the Australian Stock Exchange Corporate Governance Council's (the Council's) "Principles of Good Corporate Governance and Best Practice Recommendations" (the Recommendations). In accordance with the Council's recommendations, the Corporate Governance Statement must contain certain specific information and must disclose the extent to which the Company has followed the guidelines during the period. Where a recommendation has not been followed, that fact must be disclosed, together with the reasons for the departure.

The Company's Corporate Governance Statement 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

Given the size of the Company and the number of Board members the Company is not in a position to be fully compliant with the Council's best practice recommendations. The Company's current policies do not meet the set out recommended practices in the following areas:

Recommendation 2.1 - A majority of the board should be independent directors:
The Company does not meet this recommendation as it does not have a majority of independent directors. The Board currently has two non-executive directors who are independent directors and two executive directors.

Recommendation 2.4 - The board should establish a nomination committee:
The Company has established a nomination committee consisting of two non-executive independent directors. It does not meet the recommended structure for the committee as the committee does not consist of at least three members.

Recommendation 4.3 - Structure the audit committee so that it consists of only non-executive directors, a majority of independent directors, an independent chairperson who is not chairperson of the board, at least three members:
The Company has established an audit committee consisting of two non-executive independent directors. It meets all the recommendations except it does not meet the recommendation that the committee consist of at least three members.

For further information on corporate governance policies adopted by the Company, refer to our website: www.rcm.com.au.

Structure of the Board
The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report is included in the Directors' Report. Directors are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment.

In the context of director independence, "materiality" is considered from both the company and individual director perspective. The determination of materiality requires consideration of both quantitative and qualitative elements. An item is presumed to be quantitatively material on the following basis - balance sheet items are material if they have a value of more than 5% of pro-forma net assets and profit and loss items are material if they will have an impact on the current year operating result of 10% or more. Qualitative factors considered include whether a relationship is strategically important, the competitive landscape, the nature of the relationship and the contractual or other arrangements governing it and other factors which point to the actual ability of the director in question to shape the direction of the Company's loyalty.

In accordance with the definition of independence above, and the materiality thresholds set, the following directors of the Company are considered to be independent:

Dr CD Rawlings
Mr RS Anthon

There are procedures in place, agreed by the Board, to enable directors, in furtherance of their duties, to seek independent professional advice at the Company's expense.

The term in office held by each director in office at the date of this report is as follows:

Name	Term in Office
CD Rawlings	4 years
RS Anthon	10 years
SG Bizzell	10 years
RP Seville	5 years

Remuneration and Nomination Committee
The Board has established a Remuneration and Nomination committee to ensure that the Board continues to operate within the established guidelines, including when necessary, selecting candidates for the position of director. The committee comprises non-executive directors namely Dr CD Rawlings and RS Anthon. For additional details regarding the Remuneration and Nomination committee, please refer to the Statement of Corporate Governance Practices on our website (www.rcm.com.au).

Audit Committee
The Audit Committee operates under a charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the Company. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has delegated the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the Company to the audit committee.

The committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial reports. All members of the audit committee are non-executive directors. The members of the audit committee during the year were Dr CD Rawlings and RS Anthon.

Qualifications of audit committee members

RS Anthon has been a practising solicitor for over 20 years and has extensive experience in the area of corporate law. He has been a director of a number of public and private companies. He is the chairman of the audit committee.

Dr CD Rawlings has over 12 years experience as a Managing Director, Non Executive Director and Chairman of listed public companies.

For details on the number of meetings of the audit committee held during the year and the attendees at those meetings, refer to the Directors' Report.

Performance
The performance of the Board and executives is reviewed against both measurable and qualitative indicators. The nomination committee will conduct performance evaluations which will involve an assessment of each Board member's and executive's performance against specific and measurable qualitative and quantitative performance criteria. The

performance criteria against which directors and executives are assessed is aligned with the financial and non-financial objectives of the Company. Directors whose performance is consistently unsatisfactory may be sanctioned.

Remuneration

It is the Company's objective to provide maximum stakeholder benefit from the retention of a high quality board and executive team by remunerating directors and executives fairly and appropriately with reference to relevant employment market conditions. To assist in achieving this objective, the Remuneration and Nomination Committee links the nature and amount of executive directors' and executives' emoluments to the Company's financial and operational performance. The expected outcomes of the remuneration structure are the retention and motivation of executives, the attraction of quality management to the company and performance incentives which allow executives to share the rewards of the success of the Company.

For details on the amount of remuneration and all monetary and non-monetary components for each of the key management personnel during the year and for all directors, refer to the Remuneration Report in the Director's Report.

In relation to the payment of bonuses, options and other incentive payments, discretion is exercised by the Board, having regard to the overall performance of the Company and the performance of the individual during the period.

There is no scheme to provide retirement benefits, other than statutory superannuation, to non-executive directors. The Board is responsible for determining and reviewing compensation arrangements for the directors themselves and the chief executive officer and the executive team. The Board has established a remuneration and nomination committee, comprising two non-executive directors. The committee comprises the following members – Dr CD Rawlings (Chairman) and RS Anthon.

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

		Consolidated		Parent Entity	
		2006	2005	2006	2005
	Note	$	$	$	$
Revenue	2	341,810	430,186	268,114	430,186
Other Income	2	147,702	2,164,676	81,322	2,163,955
Changes in inventories		1,162,567	-	-	-
Mining and exploration expenses		(8,371,728)	(809,085)	-	(744,536)
Depreciation and amortisation expenses	3	(498,343)	(312,840)	(201,168)	(312,840)
Finance costs	3	(882,611)	(519,830)	(3,316,736)	(519,830)
Employment costs		(868,636)	(336,521)	(868,636)	(336,521)
Other expenses		(808,942)	(544,842)	(770,998)	(544,835)
Profit/(Loss) from ordinary activities before tax and movements in fair value of derivatives		(9,778,182)	71,744	(4,808,402)	135,578
Movements in fair value of derivatives	34	(1,308,822)	-	-	-
Income tax expense relating to ordinary activities	4	-	-	-	-
Net Profit/(Loss) attributable to members of Renison Consolidated Mines NL		(11,087,004)	71,744	(4,808,402)	135,578
Basic and diluted earnings/(loss) per share (cents per share)	27	(3.35)	0.027		

The above income statement should be read in conjunction with the accompanying notes

BALANCE SHEET
AS AT 30 JUNE 2006

		Consolidated		Parent Entity	
		2006	2005	2006	2005
	Note	$	$	$	$
Current Assets					
Cash and cash equivalents	5	2,344,302	1,124,298	897,796	1,124,295
Trade and other receivables	6	550,362	125,636	6,056,048	100,761
Inventories	7	1,162,567	54,929	-	54,929
Financial assets	8	101,667	20,353	101,667	20,176
Derivatives	34	86,718	-	-	-
Prepayments	9	76,350	78,214	76,350	78,214
Total Current Assets		4,321,966	1,403,430	7,131,861	1,378,375
Non-Current Assets					
Trade and other receivables	10	503,907	380,354	21,210,175	380,354
Available for sale financial assets	11,12	3,054,846	2,633,487	3,054,849	2,633,491
Property, plant & equipment	14	19,134,378	5,801,261	240,126	5,726,259
Exploration and development	15	12,896,245	6,932,085	4,245,268	6,932,085
Total Non-Current Assets		35,589,375	15,747,186	28,750,418	15,672,188
Total Assets		39,911,341	17,150,616	35,882,279	17,050,563
Current Liabilities					
Trade and other payables	16	6,972,787	981,001	1,569,147	814,568
Interest bearing loans and borrowings	17	4,374,723	1,036,107	3,254,395	1,036,107
Derivatives	34	1,295,540	-	-	-
Provisions	18	96,606	57,002	96,606	57,002
Total Current Liabilities		12,739,656	2,074,111	4,920,147	1,907,678
Non-Current Liabilities					
Interest bearing loans and borrowings	19	13,971,511	3,768,159	11,416,976	3,768,159
Provisions	20	400,000	400,000	400,000	400,000
Total Non-Current Liabilities		14,371,511	4,168,159	11,816,976	4,168,159
Total Liabilities		27,111,167	6,242,271	16,737,123	6,075,837
Net Assets		12,800,174	10,908,345	19,145,156	10,974,726
Equity					
Equity attributable to equity holders of the parent					
Share capital	21	46,353,977	33,983,613	46,353,977	33,983,613
Reserves	22	1,135,165	526,697	1,135,165	526,697
Accumulated Losses	22	(34,688,968)	(23,601,965)	(28,343,986)	(23,535,584)
Total Equity		12,800,174	10,908,345	19,145,156	10,974,726

The above balance sheets should be read in conjunction with the accompanying notes

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2006

Consolidated

	Issued Capital	Accumulated Losses	Financial Asset Reserve	Share Based Payment Reserve	Total
	$	$		$	$
At 1 July 2004	28,862,889	(23,673,709)	-	-	5,189,180
Issue of share capital	1,012,500	-	-	-	1,012,500
Call payment on partly paid shares	1,525,000	-	-	-	1,525,000
Conversion of convertible securities	1,131,474	-	-	-	1,131,474
Premium on convertible notes issued	1,519,800	-	-	-	1,519,800
Security issue costs	(68,050)	-	-	-	(68,050)
Gain from remeasuring available for sale financial assets to fair value	-	-	526,697	-	526,697
Profit/(loss) for the period	-	71,744		-	71,744
At 30 June 2005	33,983,613	(23,601,965)	526,697	-	10,908,345
At 1 July 2005	33,983,613	(23,601,965)	526,697	-	10,908,345
Issue of share capital	7,000,000	-	-	-	7,000,000
Call payment on partly paid shares	1,525,000	-	-	-	1,525,000
Conversion of convertible securities	1,192,171	-	-	-	1,192,171
Exercise of options	2,129,317	-	-	-	2,129,317
Premium on convertible notes issued	600,000	-	-	-	600,000
Financing fee	150,000	-	-	-	150,000
Security issue costs	(226,124)	-	-	-	(226,124)
Gain from remeasuring available for sale financial assets to fair value	-	-	421,358	-	421,358
Share based payment expense	-	-	-	187,110	187,110
Profit/(loss) for the period	-	(11,087,004)	-	-	(11,087,004)
At 30 June 2006	46,353,977	(34,688,968)	948,055	187,110	12,800,174

Parent Entity

	Issued Capital	Accumulated Losses	Financial Asset Reserve	Share Based Payment Reserve	Total
At 1 July 2004	28,862,889	(23,671,162)	-	-	5,191,726
Issue of share capital	1,012,500	-	-	-	1,012,500
Call payment on partly paid shares	1,525,000	-	-	-	1,525,000
Conversion of convertible securities	1,131,474	-	-	-	1,131,474
Premium on convertible notes issued	1,519,800	-	-	-	1,519,800
Security issue costs	(68,050)	-	-	-	(68,050)
Gain from remeasuring available for sale financial assets to fair value	-	-	526,697	-	526,697
Profit/(loss) for the period	-	135,578	-	-	135,578
At 30 June 2005	33,983,613	(23,535,584)	526,697	-	10,974,726
At 1 July 2005	33,983,613	(23,535,584)	526,697	-	10,974,726
Issue of share capital	7,000,000	-	-	-	7,000,000
Call payment on partly paid shares	1,525,000	-	-	-	1,525,000
Conversion of convertible securities	1,192,171	-	-	-	1,192,171
Exercise of options	2,129,317	-	-	-	2,129,317
Premium on convertible notes issued	600,000	-	-	-	600,000
Financing fee	150,000	-	-	-	150,000
Security issue costs	(226,124)	-	-	-	(226,124)
Gain from remeasuring available for sale financial assets to fair value	-	-	421,358	-	421,358
Share based payment expense	-	-	-	187,110	187,110
Profit/(loss) for the period	-	(4,808,402)	-	-	(4,808,402)
At 30 June 2006	46,353,977	(28,343,986)	948,055	187,110	19,145,156

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2006

		Consolidated		Parent Entity	
		2006	2005	2006	2005
	Note	$	$	$	$
Cash Flows from Operating Activities					
Cash receipts in the course of operations		193,341	399,877	193,341	399,877
Cash payments in the course of operations		(7,086,549)	(1,893,773)	(1,383,082)	(1,906,110)
Interest received		184,193	67,915	130,497	67,915
Interest paid		(291,553)	(236,418)	(188,323)	(236,418)
GST received/(paid)		(163,879)	40,641	(14,495)	63,591
Net Cash Used in Operating Activities	23	(7,164,447)	(1,621,757)	(1,262,062)	(1,611,145)
Cash Flow From Investing Activities					
Payments for property, plant & equipment		(9,934,913)	(401,023)	(64,163)	(344,763)
Payments for derivative contracts		(100,000)	-	-	2
Receipts from derivative contracts		20,000		-	
Proceeds of sale of investments		-	75,090	-	-
Proceeds from sale of tenements		-	75,000	-	75,000
Payments for exploration & development		(5,699,419)	(2,825,618)	(2,175,871)	(2,898,415)
Loan received		2,750,000		-	
Loan costs paid		(131,058)		-	
Loan repaid		(1,000,000)	450,000	(1,000,000)	450,000
Loans with subsidiary companies		-	-	(18,286,437)	79,815
Payments of security deposits		(123,553)	(80,412)	(73,553)	(80,412)
Net Cash Flow (Used in)/Provided by Investing Activities		(14,218,943)	(2,706,963)	(21,600,024)	(2,717,407)
Cash Flow from Financing Activities					
Proceeds from issue of shares		10,654,317	2,537,500	10,654,317	2,537,500
Payments for issue of shares		(226,124)	(48,550)	(226,124)	(48,550)
Proceeds from issue of debt securities		12,929,964	2,362,500	12,929,964	2,362,500
Payments for issue of debt securities		(679,019)	(41,245)	(679,019)	(41,245)
Repayment of hp/finance lease principal		(75,745)	(33,192)	(43,551)	(33,192)
Net Cash Flow from Financing Activities		22,603,394	4,777,014	22,635,588	4,777,014
Net increase (decrease) in cash held		1,220,004	448,293	(226,499)	448,461
Cash at the beginning of the financial year		1,124,298	676,005	1,124,295	675,834
Cash at the end of the financial year	23	2,344,302	1,124,298	897,796	1,124,295

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

This general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Corporations Act 2001.

This financial report covers the consolidated entity of Renison Consolidated Mines NL and controlled entities, and Renison Consolidated Mines NL as an individual parent entity. Renison Consolidated Mines NL is a listed public company, incorporated and domiciled in Australia.

The financial report of Renison Consolidated Mines NL and controlled entities, and Renison Consolidated Mines NL as an individual parent entity comply with all Australian Equivalents to International Financial Reporting Standards (IFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the consolidated entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation

Going concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. The ability of the Consolidated Entity to continue and adopt the going concern assumption is based on a number of matters including cash flow forecasts incorporating the operating revenues from the Tom's Gully mine, the capital raised by the Company after the balance date and the capacity of the Company to raise further capital.

First-time adoption of Australian Equivalents to International Financial Reporting Standards

Renison Consolidated Mines NL and its controlled entities and Renison Consolidated Mines NL as an individual parent entity have prepared financial statements in accordance with the Australian Equivalents to International Financial Reporting Standards (IFRS) from 1 July 2005.

In accordance with the requirement of AASB1: First-time of adoption of Australian Equivalents to International Financial Reporting Standards, adjustments to the parent entity and consolidated entity accounts resulting from the introduction of IFRS have been applied retrospectively to comparative figures. These consolidated financial statements are the first financial statements of Renison Consolidated Mines NL to be prepared in accordance with Australian Equivalents to IFRS.

Reconciliations of the transition from previous Australian GAAP to IFRS have been included in Note 36 to this report.

Reporting basis and conventions

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

Principles of consolidation

Subsidiaries

A controlled entity is any entity Renison Consolidated Mines NL has the power to control the financial and operating policies so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 12 to the financial statements. All controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the consolidated entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the consolidated entity. Investments in subsidiaries are accounted for at cost in the individual financial statements of the parent entity.

Joint Ventures

The proportionate interests in the assets, liabilities and expenses of joint venture operations have been incorporated in the financial statements under the appropriate headings.

Critical accounting estimates and judgments

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

Key estimates – impairment
The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Share-based payment transactions
The Company measures the cost of shares and options issued to employees and third parties by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of unlisted options is determined by an external valuer using the Black-Scholes formula taking into account the terms and conditions upon which the instruments were granted.

Value of gold inventory
Estimated gold contained in the mined ore stockpile is valued at the spot gold price at the end of the financial year less an allowance for non recovery during the processing of the ore and an allowance for the cost of processing.

Business Combinations

The purchase method of accounting is used for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Where equity instruments are issued in an acquisition, the value of the instruments is their market price as at the acquisition date, unless the notional price at which they could be placed in the market is a better indicator of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Foreign Currencies

Items included in the financial statements of each of the Company entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Revenue Recognition

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid.

Sale of minerals: Revenue from the sale of minerals is accrued once the mineral is transported from the minesite to the refinery based upon confirmation from the refinery of the quantity of gold and silver refined.

Interest revenue is recognised on a time proportional basis taking into account the interest rates applicable to the financial assets.

Taxes

Income taxes
The income tax expense or revenue for the period is the tax payable on the current periods taxable income based on the notional income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences

between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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

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

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

Tax Consolidation Legislation
Renison Consolidated Mines NL and its wholly owned Australian subsidiaries entered the tax consolidation regime with effect from 1 July 2004. As a consequence the subsidiaries are no longer subject to income tax as separate entities unless the parent entity is in default of its obligations, a default is probable, or the tax amounts relate to taxable income incurred prior to the implementation of the tax consolidation regime. The Renison Consolidated Mines NL group will consider entering a tax sharing agreement which will limit potential liabilities of the subsidiary entities, should Renison Consolidated Mines NL be in default of its obligations. Amounts payable or receivable under such a tax sharing agreement with the parent entity will be recognised in accordance with the terms and conditions of the agreement as tax related amounts receivable or payable. Expenses and revenues arising under the tax sharing agreement will be recognised as income tax expense (revenue).

The impact on the income tax expense and results of Renison Consolidated Mines NL is immaterial because of the current tax position of the group.

Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the GST incurred on a purchase of goods or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the assets or as part of the expense item as applicable, and except for receivables and payables which are stated inclusive of GST.

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.

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

Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases
The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis.

Finance leases
Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Company are capitalised at the present value of the minimum lease payments. A lease liability of equal value is also recognised. Minimum lease payments are allocated between interest expense and reduction of the lease liability with the interest expense calculated using the interest rate implicit in the lease and recognised directly in net profit.

Cash and cash equivalents

For purposes of the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits at call with financial institutions and other highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

Receivables

All trade receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision of doubtful receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the assets carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

Loans between companies within the consolidated entity are included in current assets of the Parent entity, except for those with anticipated repayment terms greater than 12 months after the balance sheet date which are classified as non-current assets. Such assets are carried at amortised cost using the effective rate interest method. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Inventories

Inventories are valued at the lower of cost and net realisable value. The costs incurred in mining the ore stockpile are compared to the estimated net realisable value of the gold contained in the mined ore stockpile valued at the spot gold price at the end of the financial year less an allowance for non recovery during the processing of the stockpile and an allowance for the cost of processing.

Investments and other financial assets

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

(i) *Financial Assets at fair value through profit or loss*
Financial assets at fair value through profit or loss are financial assets held for trading which are acquired principally for the purpose of selling in the short term with the intention of making a profit. Derivatives are also categorised as held for trading unless they are designated as hedges.

(ii) *Loans and receivables*
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Such assets are carried at amortised cost using the effective rate interest method. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(iii) *Held-to-maturity investments*
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity.

(iv) *Available-for-sale financial assets*
Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

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

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investment are carried at amortised cost using the effective interest method. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category, including interest and dividend income, are presented in the income statement within other income or other expenses in the period in which they arise.

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

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

The fair values of quoted investment are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Company established fair value by using valuation techniques. These included the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

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

Derivative Financial Instruments

Derivative instruments
Derivative financial assets and liabilities are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges.

Gold Options
The consolidated entity may enter into gold sale options where it agrees to sell specified amounts of gold in the future at a predetermined rate. The objective is to match the sale with anticipated production from the gold mining operations.

Property, Plant and Equipment

Plant and Equipment
The exploration plant and equipment is recorded at cost less accumulated depreciation, where depreciation is calculated on a straight line basis over the estimated useful lives for the period the assets are put to productive use. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

Major depreciation periods are	
- Mine Site Buildings	7-8 years
- Mining infrastructure	7-8 years
- Mining plant and equipment	7-8 years
- Motor vehicles	5-6 years
- Office and computer equipment	3-8 years

Maintenance and repairs
Plant of the consolidated entity is required to be overhauled on a regular basis. This is managed as part of an ongoing cyclical maintenance program. The costs of this maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and amortised as noted above. Other routine operating maintenance, repair and minor renewal costs are also charged as expenses as incurred.

The cost of plant and equipment constructed by the consolidated entity includes the cost of all materials used in construction, direct labour on the project, borrowing costs incurred during construction and an appropriate proportion of directly attributable variable and fixed overheads.

Exploration, Evaluation and Development Expenditure

Costs Carried Forward
Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but does not include

overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

The Company has capitalised all development costs up to the time in January 2006 that it first commenced mining ore from the underground resource. From that point all expenditure is being expensed as incurred.

Amortisation
Capitalised exploration, evaluation, development and construction costs are amortised over the life of the area of interest to which they relate. Amortisation charges are determined on a production output basis. Economically recoverable reserves are reassessed annually to establish any adjustments required to amortisation patterns.

Restoration Costs
Restoration costs that are expected to be incurred are provided for as part of the cost of the exploration, evaluation, development, construction and production phases that give rise to the need for restoration. Accordingly, these costs are recognised gradually over the life of the facility as these phases occur. The costs include obligations relating to reclamation, waste site closure, plant closure and other costs associated with the restoration of the site. In determining the restoration obligations, the entity has assumed no significant changes will occur in the relevant Federal and State legislation in relation to restoration of such mines in the future.

Both for close down and restoration and for environmental clean up costs, provision is made in the accounting period when the related disturbance occurs, based on the net present value of estimated future costs.

The amortisation or "unwinding" of the discount applied in establishing the net present value of provisions is charged to the Income Statement in each accounting period.

For close down and restoration costs, which include the dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas, movements in provision other than the amortisation of the discount, such as those resulting from changes in the cost estimates, lives of operations or discount rates, are capitalised into the carrying amount of development and amortised against future production.

Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received. Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accruals basis. Trade account payables are usually settled on a 30 day basis.

Borrowings

All loans and convertible notes are measured at the principal amount net of transaction costs incurred. Costs in relation to the convertible notes issued are amortised on a straight line basis over the period from issue of the notes until the redemption date of the notes. Interest is charged as an expense as it accrues.

Contributed Equity

Issued and paid up capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Employee Benefits

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

(ii) Long service leave
The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision for employee benefits and is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date 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 currency that match, as closely as possible, the estimated future cash outflows.

iii) Share-based payments
The Company has issued options to executives and employees as part of their remuneration.

Share options granted before 7 November 2002 and /or vested before 1 January 2005
No expense is recognised in respect of these options. The shares are recognised when the options are exercised and the proceeds received in respect of these options. The shares are recognised when the options are exercised and the proceeds received allocated to share capital.

Share options granted after 7 November 2002 and vested after 1 January 2005
The fair value of options granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

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

The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

(iv) Employee benefit on-costs
Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

Earnings/Loss per Share

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

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

Segment Reporting

The Company operates in one segment, being the exploration, development, and production of minerals. All of the Company's areas of operation are currently located in Australia.

Comparatives

When required by Australian Equivalents to International Reporting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $

2. REVENUE

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
Revenues from continuing operations					
Revenue from sale of minerals		-	274,706	-	274,706
Other operating income		138,412	69,632	138,412	69,632
Interest income		183,398	85,848	129,702	85,848
Premium from option contracts		20,000	-	-	-
		341,810	430,186	268,114	430,186
Other Income					
Fair value gain on other financial assets at fair value through profit and loss		81,322	-	81,322	-
Net gain on sale of available-for-sale financial assets		-	722	-	-
Net gain on sale of interests in tenements		-	2,163,955	-	2,163,955
Other non-operating income		66,380	-	-	-
Total revenues from non-operating activities		147,702	2,164,676	81,322	2,163,955

3. EXPENSES

Loss from ordinary activities before income tax includes the following specific items:

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
Depreciation of non-current assets					
- Buildings		51,004	21,216	5,348	21,216
- Plant and equipment		211,838	171,807	82,775	171,807
Total depreciation of non-current assets		262,842	193,023	88,122	193,023
Amortisation of non-current assets					
- Finance costs		156,286	119,817	113,046	119,817
- Development costs		79,216	-	-	-
		235,502	119,817	113,046	119,817
Finance costs					
Interest and finance charges paid/payable		882,611	519,830	757,920	519,830
Discount non-current receivable to current value	10	-	-	2,558,816	-
		882,611	519,830	3,316,736	519,830
Net loss from disposal of plant and equipment		4,911	-	4,911	-
Operating lease rental payments		65,708	75,608	65,708	75,608

4. INCOME TAX

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
Reconciliation of the effective tax rate					
Profit/(Loss) before income tax		(11,087,004)	71,744	(4,808,402)	135,578
Prima facie tax benefit on loss before tax calculated at 30% (2005: 30%)		(3,326,101)	21,523	(1,442,521)	40,673
Tax effect on permanent differences					
- employee share options		56,133	-	56,133	-
- interest expense attributable to subsidiary loan		-	-	767,645	-
- other non deductible items		-	(21,523)	-	(40,673)
Tax losses not recognised as own asset		3,382,234	-	731,009	-
Income tax expense at effective tax rate of 30% (2005: 30%)		-	-	-	-

		Consolidated		Parent Entity	
		2006	2005	2006	2005
	Note	$	$	$	$

Potential deferred tax assets attributable to tax losses carried forward for the consolidated entity, have not been brought to account because Directors do not believe it is appropriate to regard realisation of the deferred tax as probable. These benefits will only be obtained if:

(a) the consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction of the loss to be realised;
(b) the consolidated entity continues to comply with the conditions for deductibility imposed by law; and
(c) no changes in tax legislation adversely affect the consolidated entity in realising the benefit from the deduction for the loss.

Deferred tax assets not brought to account		10,214,659	7,351,093		

5: CASH AND CASH EQUIVALENTS (CURRENT)

Cash at bank and in hand		2,344,302	724,191	897,796	724,188
Deposits at call		-	400,107	-	400,107
		2,344,302	1,124,298	897,796	1,124,295

6. TRADE AND OTHER RECEIVABLES (CURRENT)

Other debtors		550,362	125,636	156,048	102,687
Receivable from controlled entity	30	-	-	5,900,000	(1,926)
		550,362	125,636	6,056,048	100,761

Terms and conditions relating to the above financial instruments:
- Other debtors are non interest bearing and have repayment terms of between 0 and 90 days
- The receivable from controlled entity is the current part of funds owed by a subsidiary company. This balance is carried at amortised cost.

7. INVENTORIES (CURRENT)

Raw materials and stores – at cost		182,550	-	-	-
Work in progress – gold in stockpile at net realisable value		980,017	-	-	-
Finished goods – gold at mint at net realisable value		-	54,929	-	54,929
		1,162,567	54,929	-	54,929

The costs incurred in mining the ore stockpile as at 30 June 2006 have been compared to the estimated realisable value of the gold contained in the mined ore stockpile valued at the spot gold price at the end of the financial year less an allowance for non recovery during the processing of the stockpile and an allowance for the cost of processing.

8. OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CURRENT)

Australian listed shares		101,667	20,353	101,667	20,176

9. PREPAYMENTS (CURRENT)

Prepayments		76,350	78,214	76,350	78,214

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
10. RECEIVABLES (NON-CURRENT)					
Other receivables		503,907	380,354	453,907	380,354
Receivable from controlled entity	30	-	-	20,756,269	
		503,907	380,354	21,210,175	380,354

Other receivables are security bonds in relation to leases and tenements held and term deposits lodged as security in relation to guarantees provided for tenements held. The receivable from controlled entity is the non-current part of funds owed by a subsidiary company. This balance at cost of $23,315,085 has been discounted to present value using a discount rate of 10%. The discount arising of $2,558,816 has been charged as a finance expense in the books of the parent company in the 2006 financial year.

11. AVAILABLE FOR SALE FINANCIAL ASSETS (NON-CURRENT)

Australian listed shares	3,054,846	2,633,487	3,054,846	2,633,487

The listed shares at cost is the following material investment:
Northern Energy Corporation Ltd (NEC): NEC is a coal exploration company with interests in coal tenements in Queensland and New South Wales. Renison hold an 18% (2005 – 19.67%) ownership interest in NEC. The shares held are subject to an escrow period that ends on 17/2/07 in accordance with the listing rules of the Australian Stock Exchange.

12. OTHER FINANCIAL ASSETS (NON-CURRENT)

Investments in controlled entities	-	-	3	4

All companies are incorporated in Australia	Percentage of equity interest 2006 %	Percentage of equity interest 2005 %	Investment 2006 $	Investment 2005 $
Tom's Gully Holdings Pty Ltd	100	100	1	1
Renison Coal Pty Ltd	100	100	1	1
Agate Creek Holdings Pty Ltd	100	100	1	1
Tom's Gully Mining Pty Ltd *	-	100	-	1
ACN 099 916 373 Pty Ltd # (deregistered 17/3/06)	-	100	-	-
			3	4

* a 50% interest in Tom's Gully Mining Pty Ltd was acquired by a third party on 30 September 2005
# investment held by Tom's Gully Mining Pty Ltd

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
13. INVESTMENT IN ASSOCIATE (NON-CURRENT)					
Share in associate		1	-	1	-

Interest in associate
Name: Tom's Gully Mining Pty Ltd
Principal activity: Mine operator
During the period the interest held in Tom's Gully Mining Pty Ltd was reduced from 100% to 50% following the issue of new shares by Tom's Gully Mining Pty Ltd to the Company's Alliance Partner PT Petrosea Tbk in accordance with the provisions of the Alliance Agreement between the two companies for the development and mining of the Tom's Gully Gold Project. Tom's Gully Mining Pty Ltd is the operating company for the mining operations at the Tom's Gully Gold Project but has no ownership interest in the mine. It conducts all the operations at the mine and is designed to break even from its operations as it invoices Tom's Gully Holdings Pty Ltd (a 100% owned subsidiary of Renison) for all the costs it incurs. Tom's Gully Holdings Pty Ltd owns the mining tenements and associated fixed plant and equipment associated with the Tom's Gully mine.

The issue of the new shares and the dilution of ownership from 100% to 50% of the ordinary shares constitutes a loss of control. From the date of the loss of control the Company has treated Tom's Gully Mining Pty Ltd as an investment in associate. There is no profit or loss arising in relation to the transaction.

The carrying amount of the investment in Tom's Gully Mining Pty Ltd at 30 June 2006 was $1.

Share of associate's profits/(loss)	
Operating profit/(loss) before income tax	-
Income tax attributable to operating profit/(loss)	-
Share of associate's net profit(loss)	-
Carrying amount of investment in associate	
Balance at the beginning of the financial year	-
Balance at date of becoming an associate	1
Share of profits after income tax	-
Carrying amount at the end of the financial year	1
Share of associate's assets and liabilities at 30 June 2006	
Current assets	
Cash and cash equivalents	40,906
Trade and other receivables	1,906,524
Prepayments	65,760
Total current assets	2,013,189
Current liabilities	
Payables	1,959,802
Provisions	53,386
Total current liabilities	2,013,188
Net assets	1

14. PROPERTY, PLANT AND EQUIPMENT

	Consolidated			Parent		
	Land & Buildings	Plant & Equip	Total	Land & Buildings	Plant & Equip	Total
	$	$	$	$	$	$
Year ended 30 June 2006						
At 1 July 2005, net of accumulated depreciation	41,200	5,760,060	5,801,261	41,200	5,685,058	5,726,259
Additions	712,852	12,888,018	13,600,870	-	187,352	187,352
Transfer to subsidiary	-	-	-	(35,853)	(5,480,171)	(5,516,023)
Disposals	-	(4,911)	(4,911)	-	(69,339)	(69,339)
Depreciation charge for the year	(51,004)	(211,838)	(262,842)	(5,348)	(82,775)	(88,122)
At 30 June 2006, net of accumulated depreciation	703,048	18,431,330	19,134,378	-	240,126	240,126
At 1 July 2005						
Cost	191,475	7,371,149	7,562,623	191,475	7,296,147	7,487,621
Accumulated depreciation	(150,274)	(1,611,088)	(1,761,362)	(150,274)	(1,611,088)	(1,761,362)
Net carrying amount	41,200	5,760,060	5,801,261	41,200	5,685,058	5,726,259
At 30 June 2006						
Cost	748,704	18,647,044	19,395,749	-	326,777	326,777
Accumulated depreciation	(45,656)	(215,714)	(261,370)	-	(86,651)	(86,651)
Net carrying amount	703,048	18,431,330	19,134,378	-	240,126	240,126
Year ended 30 June 2005						
At 1 July 2004, net of accumulated depreciation	62,417	5,338,584	5,401,001	62,417	5,338,584	5,401,001
Additions	-	593,283	593,283	-	518,281	518,281
Disposals	-	-	-	-	-	-
Depreciation charge for the year	(21,217)	(171,807)	(193,024)	(21,217)	(171,807)	(193,024)
At 30 June 2005, net of accumulated depreciation	41,200	5,760,060	5,801,261	41,200	5,685,058	5,726,259
At 1 July 2004						
Cost	191,475	6,777,865	6,969,340	191,475	6,777,865	6,969,340
Accumulated depreciation	(129,058)	(1,439,281)	(1,568,339)	(129,058)	(1,439,281)	(1,568,339)
Net carrying amount	62,417	5,338,584	5,401,001	62,417	5,338,584	5,401,001
At 30 June 2005						
Cost	191,475	7,371,149	7,562,623	191,475	7,296,147	7,487,621
Accumulated depreciation	(150,274)	(1,611,088)	(1,761,362)	(150,274)	(1,611,088)	(1,761,362)
Net carrying amount	41,200	5,760,060	5,801,261	41,200	5,685,058	5,726,259

The carrying value of plant and equipment held under finance leases and hire purchase contracts at 30 June 2006 is $1,158,619 (2005 - $138,514). Additions during the year include $1,318,063 (2005 - $36,121) of plant and equipment held under finance leases and hire purchase contracts. Leased assets held under hire purchase are pledged as security for the related finance leases and hire purchase liabilities.

All property plant and equipment of the consolidated entity and of the parent entity are pledged as security for the loan shown in note 17 and 19.

Included in plant and equipment at 30 June 2006 is $16,970,668 (2005 - $4,797,718) relating to expenditure for a gold processing plant in the course of construction. Construction was completed after the end of the financial year.

		Consolidated		Parent Entity	
		2006	2005	2006	2005
	Note	$	$	$	$

15. DEFERRED EXPLORATION AND DEVELOPMENT COSTS (NON CURRENT)

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
Exploration and development costs carried forward in respect of areas of interest					
Areas of production					
- At cost		8,736,413	-	186,648	-
- Accumulated amortisation		(79,216)	-	-	-
		8,657,197	-	186,648	-
Areas not in production					
- Development phase		-	5,035,943	-	5,035,943
- Exploration phase		4,239,048	1,896,142	4,058,620	1,896,142
		4,239,048	6,932,085	4,058,620	6,932,085
		12,896,245	6,932,085	4,245,268	6,932,085

16. TRADE AND OTHER PAYABLES (CURRENT)

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
Trade creditors		3,678,830	670,284	861,305	503,851
Other creditors		318,523	159,481	282,620	159,481
Interest accrued		446,681	151,236	425,221	151,236
Payable to associate company	30	2,528,753	-	-	-
		6,972,787	981,001	1,569,147	814,568
Included in the above are aggregate amounts payable to the following related parties					
Directors and director related entities		177,896	62,883	177,896	62,883

Terms and conditions relating to the above financial instruments
- (i) Trade creditors are unsecured, non-interest bearing and are normally settled on 30 day terms
- (ii) Other creditors are unsecured, non interest bearing
- (iii) Details of the terms and conditions of related party payables are set out in note 30

17. INTEREST BEARING LOANS AND BORROWINGS (CURRENT)

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
Secured					
Bank loan		940,000	-	-	-
Amortised borrowing costs		(81,301)	-	-	-
		858,699	-	-	-
Lease Liabilities		318,530	56,900	36,107	36,107
		1,177,229	56,900	36,107	36,107
Unsecured					
Convertible Notes		3,239,840	-	3,239,840	
Amortised borrowing costs		(42,346)	-	(42,346)	
		3,197,494	-	3,197,494	-
Other loan		-	1,000,000	-	1,000,000
		3,197,494	1,000,000	3,197,494	1,000,000
TOTAL		4,374,723	1,036,107	3,254,395	1,036,107

Secured Liability:
The lease and hire purchase liabilities are secured by charges over the assets subject to the liability.

		Consolidated		Parent Entity	
		2006	2005	2006	2005
	Note	$	$	$	$

The bank loan is secured by a fixed and floating charge over the assets of all the companies within the consolidated entity.

The terms and conditions of the other loan:

- The loan was converted into Renison March 2007 convertible notes at an issue price of $2.50 per note in September 2005.
- Interest Rate: 10%

Convertible Notes (Current): The terms and conditions of the convertible notes are:

- Conversion, Maturity & Redemption: Convertible at any time until 31 March 2007 at holder's election. Each $1 note converts into 20 ordinary shares. Redemption for full face value on 31 March 2007.
- Interest Rate: 10% base yield with A$ gold price linked yield enhancer. Interest rate increases by 1.0% for each A$50/oz the average gold price exceeds A$550/oz (pro rata) during each interest period.

18. PROVISIONS (CURRENT)

Employee benefits	96,606	57,002	96,606	57,002

19. INTEREST BEARING LOANS AND BORROWINGS (NON CURRENT)

Secured				
Bank loan	1,810,000	-	-	-
Amortised borrowing costs	(156,517)	-	-	-
	1,653,483	-	-	-
Lease Liabilities	1,090,463	130,567	189,410	130,567
	2,743,946	130,567	189,410	130,567
Unsecured				
Convertible Notes	11,850,000	3,736,399	11,850,000	3,736,399
Amortised borrowing costs	(622,434)	(98,806)	(622,434)	(98,806)
	11,227,566	3,637,593	11,227,566	3,637,593
Other loan				
	13,971,511	3,768,159	11,416,976	3,768,159

Secured liability: The lease and hire purchase liabilities are secured by charges over the assets subject to the liability

The bank loan is secured by a fixed and floating charge over the assets of all the companies within the consolidated entity.

Convertible Notes (Non-Current): The terms and conditions of the convertible notes are:

- Conversion, Maturity & Redemption: Convertible at any time until 31 March 2009 at holder's election. Each $0.33 note converts into 1 ordinary shares. Redemption for full face value on 31 March 2009.
- Interest Rate: 10%

20. PROVISIONS (NON-CURRENT)

Restoration	400,000	400,000	400,000	400,000

A provision for restoration is recognised in relation to the mining activities for costs such as reclamation, waste site closure, plant removal and other costs associated with the restoration of a mining site. Estimates of the restoration obligations are based on anticipated technology and legal requirements which have been estimated at current values. In determining the restoration provision, the entity has assumed no significant changes will occur in the relevant Federal and State legislation in relation to restoration of such mines in the future.

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $

21. SHARE CAPITAL

(a) Issued and paid up capital

	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
Ordinary shares fully paid	38,116,710	27,271,346	38,116,710	27,271,346
Ordinary shares partly paid	8,237,267	6,712,267	8,237,267	6,712,267
	46,353,977	33,983,613	46,353,977	33,983,613

(b) Movements in shares on issue

	2006 Nos of shares	2006 $	2005 Nos of shares	2005 $
Ordinary shares fully paid				
Beginning of the financial year	252,185,670	27,271,346	233,112,458	23,627,072
Increases				
- Conversion of Notes	23,843,420	1,192,171	11,573,212	1,131,474
- Premium on Note Issue	-	600,000	7,500,000	1,012,500
- Placement	35,272,727	7,000,000	-	1,519,800
- Option exercise	10,927,269	2,129,317	-	-
- Financing fee	719,133	150,000	-	-
- costs of securities issued	-	(226,124)	-	(19,500)
	322,948,219	38,116,710	252,185,670	27,271,346
Ordinary shares partly paid				
Beginning of the financial year	152,500,000	6,712,267	152,500,000	5,235,817
- Call payment	-	1,525,500	-	1,525,500
- Transaction costs	-	-	-	(48,550)
	152,500,000	8,237,267	152,500,000	6,712,267

(c) Share Options

The following options were on issue at the end of the financial year.

Terms	01-Jul-05	additions	exercised	30-Jun-06
Unlisted Options 12.5 cents 30 June 2007	8,000,000	1,000,000	(2,500,000)	6,500,000
Unlisted Options 15 cents 30 June 2007	6,000,000	-	(2,000,000)	4,000,000
Unlisted Options 17.5 cents 30 June 2007	6,000,000	-	(1,200,000)	4,800,000
Unlisted Options 25 cents 31 July 2006	-	13,636,364	(5,227,269)	8,409,095
	20,000,000	14,636,364	(10,927,269)	23,709,095

The March 2007 $1 convertible notes on issue can be also be converted into ordinary shares at the rate of 20 ordinary shares for each $1 Note held and the March 2009 $0.33 convertible notes on issue can be also be converted into ordinary shares at the rate of 1 ordinary shares for each $0.33 Note held.

(d) Terms and conditions of contributed equity

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

Partly paid shares
The Company has on issue partly paid shares which at balance date were paid up to 5.5 cents each with 19.5 cents to pay. The partly paid shares have on a pro rata basis the same rights as held by ordinary share holders. Call payments are due as follows – 1 cent on each of 31/01/07 and 31/01/08 and a final payment of 17.5 cents on 31/01/09.

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
22. ACCUMULATED LOSSES AND RESERVES					
(a) Accumulated losses					
Balance at the beginning of the year		(23,601,965)	(23,673,709)	(23,535,584)	(23,671,162)
Net profit/(loss) attributable to members of Renison Consolidated Mines NL		(11,087,004)	71,744	(4,808,402)	135,578
Balance at end of year		(34,688,968)	(23,601,965)	(28,343,968)	(23,535,584)
(b) Reserves					
Financial asset reserve		948,055	526,697	948,055	526,697
Share based payments reserve		187,110	-	187,110	-
		1,135,165	526,697	1,135,165	526,697
Movements					
Financial asset reserve					
Balance 1 July		526,697	-	526,697	-
Gain from remeasuring		421,358	526,697	421,358	526,697
Balance 30 June		948,055	526,697	948,055	526,697
Share based payments reserve					
Balance 1 July		-	-	-	-
Option expense		187,110	-	187,110	-
Balance 30 June		187,110	-	187,110	-

(c) Nature and purpose of reserves

Financial asset reserve

Changes in the fair value of investments, such as equities, classified as available for sale financial assets, are taken to the financial asset reserve. Amounts are recognised in the profit and loss when the associated assets are sold or impaired.

Share based payments reserve

The share based payments reserve is used to recognise the fair value of options issued but not exercised.

23. STATEMENT OF CASH FLOWS

	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
Reconciliation of the operating /(loss) after tax to the net cash flows from operations				
Profit/(Loss) from ordinary activities after tax	(11,087,004)	71,744	(4,798,580)	135,578
Add (less) non-cash items				
Prior period costs capitalised as development costs	(66,380)	-	-	-
Provision for employee entitlements	39,604	25,984	39,604	25,984
Fair value gain available-for-sale through profit of loss	(81,322)		(81,322)	
Fair value adjustment to derivatives	1,208,822		-	
Non cash employee expense – options issued	187,110		187,110	
Depreciation	262,842	193,024	88,122	193,024
Amortisation	235,502	119,817	113,046	119,817
Interest expense – discount non-current receivable from subsidiary to net current value	-	-	2,558,816	
Interest Reinvestment Plan	295,612	209,021	295,612	209,021
(Profit)/Loss on sale of tenements	-	(2,163,955)	-	(2,163,955)
(Profit)/Loss on sale of investments	-	(723)	-	-
(Profit)/Loss on derivative contracts	80,000		-	
(Profit)/Loss on sale of plant & equipment	4,911	-	4,911	-
Changes in assets & liabilities during the year				
(Increase)/decrease in receivables	(173,908)	(46,853)	(24,524)	(23,904)
(Increase)/decrease in inventory	(1,07,638)	39,323	54,929	39,323
(Increase)/decrease in prepayments	1,864	(49,496)	1,864	(49,496)
(Decrease)/increase in creditors	52,292	(167,670)	(88,783)	(244,568)
(Decrease)/increase in accruals	2,983,247	148,028	396,956	148,028
	(7,164,447)	(1,621,757)	(1,262,062)	(1,611,145)

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
Reconciliation of cash					
- Cash at bank		2,344,302	1,124,298	897,796	1,124,295

Non cash financing and investing activities

Conversion of Convertible Notes
During the financial year 1,192,171 - $1,192,171 (2005: 108,933 - $108,933) March 2007 Convertible Notes were converted into fully paid ordinary shares in the Company.

Lease and Hire Purchase
During the financial year the consolidated entity financed assets totalling $1,318,063 (2005 - $36,121) by way of lease and hire purchase agreements.

Sale of Interest in Tenements
During the 2005 year a 50% interest in the Ashford Coal Project was sold to Northern Energy Corporation Ltd. Part of the consideration for the sale was the issue of shares in Northern Energy Corporation Ltd valued at $2,106,789 to Renison.

24. EXPENDITURE COMMITMENTS

	Note	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
Lease expenditure commitments					
(i) Operating leases					
Minimum lease payments					
- payable within one year		66,926	63,739	66,926	63,739
- payable between one and five years		40,776	107,702	40,776	107,702
Total contracted at balance date		107,702	171,441	107,702	171,441
(ii) Finance lease and hire purchase contracts					
- payable within one year		424,348	46,309	74,148	46,309
- payable between one and five years		1,211,963	142,468	216,604	142,468
- payable later than five years		40,327	-	3,000	-
- total minimum payments		1,676,639	188,777	293,752	188,777
- future finance charges		(267,646)	(22,103)	(47,442)	(22,103)
- hire purchase and lease liability		1,408,992	166,674	246,310	166,674
- current liability	17	318,530	36,107	56,900	36,107
- non-current liability	19	1,090,463	130,567	189,410	130,567
		1,408,993	166,674	246,310	166,674

Future exploration

The consolidated entity has certain obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the consolidated entity.

The commitments to be undertaken are as follows:

	Consolidated 2006 $	Consolidated 2005 $	Parent Entity 2006 $	Parent Entity 2005 $
Payable				
- not later than 12 months	1,367,500	670,000	500,000	470,000
- between 12 months and 5 years	4,607,500	2,960,000	2,030,000	1,360,000
	5,975,000	3,180,000	2,530,000	1,830,000

To keep tenements in good standing, work programs should meet certain minimum expenditure requirements. If the minimum expenditure requirements are not met, the consolidated entity has the option to negotiate new terms or relinquish the tenements. The consolidated entity also has the ability to meet expenditure requirements by joint venture or farm in agreements.

25. SHARE BASED PAYMENTS

Equity based instruments

The Company has granted options over ordinary shares to directors, employees and consultants as part of their remuneration packages. The options were granted for nil consideration and are not quoted on the ASX. Information with respect to the number of options granted is as follows:

Consolidated and Parent Entity 2006

Issue Date	Expiry Date	Exercise Price	Balance at start of year	Granted in year	Exercised in year	Expired in year	Balance at end of year	Exerciseable at end of year
29/08/2002	30/06/2007	0.125	6,000,000	-	(2,000,000)	-	4,000,000	4,000,000
29/08/2002	30/06/2007	0.150	6,000,000	-	(2,000,000)	-	4,000,000	4,000,000
29/08/2002	30/06/2007	0.175	6,000,000	-	(1,200,000)	-	4,800,000	4,800,000
19/12/2003	30/06/2007	0.125	2,000,000	-	(500,000)	-	1,500,000	1,500,000
23/09/2005	30/06/2007	0.125	-	1,000,000	-	-	1,000,000	1,000,000
			20,000,000	1,000,000	(5,700,000)	-	15,300,000	15,300,000
Weighted average exercise price			0.15	0.13	0.14	-	0.15	0.15

Consolidated and Parent Entity 2005

Issue Date	Expiry Date	Exercise Price	Balance at start of year	Granted in year	Exercised in year	Expired in year	Balance at end of year	Exerciseable at end of year
29/08/2002	30/06/2007	0.125	6,000,000	-	-	-	6,000,000	6,000,000
29/08/2002	30/06/2007	0.150	6,000,000	-	-	-	6,000,000	6,000,000
29/08/2002	30/06/2007	0.175	6,000,000	-	-	-	6,000,000	6,000,000
19/12/2003	30/06/2007	0.125	2,000,000	-	-	-	2,000,000	2,000,000
			20,000,000	-	-	-	20,000,000	20,000,000
Weighted average exercise price			0.15	-	-	-	0.15	0.15

No options were forfeited during the periods covered by the above tables.

The weighted average share price at the date of exercise of options exercised during the year ended 30 June 2006 was $0.27 (2005- no options exercised)

The weighted average remaining contractual life of share options outstanding at the end of the period was 1 year. (2005 – 2 years).

Fair value of options granted

The assessed fair value at the date of grant of options issued is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the underlying share price at the time of issue, the term of the option, the underlying share's expected volatility, expected dividends and the risk free interest rate for the expected life of the instrument.

Expenses arising from share based payment transactions

Total expenses arising from share based payment transactions recognised during the period as part of employee benefit expense were as follows:

	Consolidated		Parent Entity	
	2006	2005	2006	2005
	$	$	$	$
- Options issued	187,110	-	187,110	-

26. CONTINGENT LIABILITIES

The company has arranged for the issue of bank indemnity guarantees for $215,000 in respect of bonds required by government departments in relation to tenements held.

27. EARNINGS PER SHARE

	Consolidated 2006	Consolidated 2005
	$	$
The following reflects the income and share data used in the calculations of basic and diluted earnings per share:		
Net Profit/(Loss)	(11,087,004)	71,744
Adjustments	-	-
Earnings used in calculating basic and diluted earnings per share	(11,087,004)	71,744
	Number	Number
Weighted average number of ordinary shares on issue used in the calculation of basic earning per share	331,339,482	264,931,211
Effect of dilutive securities	-	-
Adjusted weighted average number of ordinary shares used in calculating dilutive earnings per share	331,339,482	264,931,211

The following potential ordinary shares are antidilutive as at 30 June 2006 and therefore are not included in the determination of diluted earnings per share.

- 6,500,000 12.5 cent options expiring 30/6/07
- 4,000,000 15 cent options expiring 30/6/07
- 4,800,000 17.5 cent options expiring 30/6/07
- 8,409,095 25 cent options expiring 31/7/06
- 3,239,840 March 2007 $1 convertible notes
- 35,909,090 March 2009 $0.33 convertible notes

Conversions, calls, subscriptions or issues after 30 June 2006

Since the end of the financial year the following additional securities have been issued
- 21,309,095 ordinary shares have been issued following the exercise of unlisted options

28. AUDITORS REMUNERATION

	Consolidated 2006	Consolidated 2005	Parent Entity 2006	Parent Entity 2005
Amounts received or due and receivable by the Auditors for:	$	$	$	$
- audit and review of financial reports	34,872	12,900	34,872	12,900
- other services	23,950	17,212	23,950	17,212
	58,822	30,112	58,822	30,112

29. DIRECTOR and KEY MANAGEMENT PERSONNEL DISCLOSURES

Information about the remuneration of Directors and Executives which is currently required under Section 300A of the Corporations Act and under Accounting Standard AASB 124 "Related Party Disclosures" is included in the Remuneration Report within the Director's Report. The Company has taken the relief provided by Corporations Amendments Regulations 2006 (No. 4) released on 5 July 2006.

Key management personnel compensation	$	$	$	$
Short term employee benefits	848,234	732,702	848,234	732,702
Post employment benefits	52,873	43,010	52,873	43,010
Share based payments	116,174	13,542	116,174	13,542
Other	-	10,000	-	10,000
Total	1,017,281	799,254	1,017,281	799,254

Option holdings of directors and key management personnel

2006	Balance at 1/7/05	Issued as Remuneration	Options Exercised	Net Change Other	Balance at 30/6/06	Total Vested and Exercisable
Directors						
SG Bizzell	6,000,000	-	5,200,000	-	800,000	800,000
RP Seville	12,000,000	-	-	-	12,000,000	12,000,000
Management						
C Creagh	500,000	-	500,000	-	-	-
P Marshall	250,000	-	-	-	250,000	250,000
S Slesarewich	0		-	68,182	68,182	68,182
Total	18,750,000	-	5,700,000	68,182	13,118,182	13,118,182

2005	Balance at 1/7/04	Issued as Remuneration	Options Exercised	Net Change Other	Balance at 30/6/05	Total Vested and Exercisable
Directors						
SG Bizzell	6,000,000	-	-	-	6,000,000	4,000,000
RP Seville	12,000,000	-	-	-	12,000,000	8,000,000
Management						
C Creagh	500,000	-	-	-	500,000	500,000
P Marshall	250,000	-	-	-	250,000	250,000
S Slesarewich	-	-	-	-	-	-
Total	18,750,000	-	-	-	18,750,000	12,750,000

Security holdings of directors and key management personnel

All equity transactions with directors and ky management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arm's length. On market, public offering transactions and interest reinvestment issues of Convertible Notes are included within Net Change Other in the table below:

2006	Balance 1/7/05	Granted as Remuneration	On Exercise of Options/Notes	Net Change Other	Balance 30 6/06
Ordinary Shares					
Directors					
RS Anthon	500,000	-	-	-	500,000
SG Bizzell	13,214,323	-	5,200,000	(4,300,000)	14,114,323
CD Rawlings	2,148,576	-	-	-	2,148,576
RP Seville	9,972,720	-	-	-	9,972,720
Management					
C Creagh	15,000	-	500,000	(500,000)	15,000
P Marshall	1,000,000	-	-	-	1,000,000
S Slesarewich	107,000	-	-	29,364	136,364
Total	26,957,619	-	5,700,000	(4,770,636)	27,886,983
Partly Paid Shares					
Directors					
RS Anthon	3,500,000	-	-	-	3,500,000
SG Bizzell	6,658,970	-	-	-	6,658,970
RP Seville	4,000,000	-	-	-	4,000,000
Total	14,158,970	-	-	-	14,158,970

March 2009 Convertible Notes

	Balance 1/7/05	Granted as Remuneration	On Exercise of Options/Notes	Net Change Other	Balance 30 6/06
Directors					
RS Anthon		-	-	91,000	91,000
SG Bizzell	-	-	-	2,047,437	2,047,437
CD Rawlings	-	-	-	97,663	97,663
RP Seville	-	-	-	120,000	120,000
Management					
C Creagh	-	-	-	15,000	15,000
P Marshall	-	-	-	94,089	94,089
S Slesarewich	-	-	-	15,152	15,152
M Smith	-	-	-	15,153	15,153
Total	-	-	-	2,495,494	2,495,494

March 2007 Convertible Notes

	Balance 1/7/05	Granted as Remuneration	On Exercise of Options/Notes	Net Change Other	Balance 30 6/06
Directors					
SG Bizzell	224,351	-	-	-	224,351
CD Rawlings	12,583	-	-	-	12,583
RP Seville	59,980	-	-	-	59,980
Management					
C Creagh	928	-	-	-	928
P Marshall	36,605	-	-	-	36,605
Total	334,447	-	-	-	334,447

2005	Balance 1/7/04	Granted as Remuneration	On Exercise of Options/Notes	Net Change Other	Balance 30/6/05
Ordinary Shares					
Directors					
RS Anthon	500,000	-	-	-	500,000
SG Bizzell	13,214,323	-	-	-	13,214,323
CD Rawlings	2,148,576	-	-	-	2,148,576
RP Seville	9,972,720	-	-	-	9,972,720
Management					
C Creagh	15,000	-	-	-	15,000
P Marshall	1,000,000	-	-	-	1,000,000
S Slesarewich	-	-	-	107,000	107,000
Total	26,850,619	-	-	107,000	26,957,619
Partly Paid Shares					
Directors					
RS Anthon	3,500,000	-	-	-	3,500,000
SG Bizzell	6,658,970	-	-	-	6,658,970
RP Seville	4,000,000	-	-	-	4,000,000
Total	14,158,970	-	-	-	14,158,970
March 2007 Convertible Notes					
Directors					
SG Bizzell	202,956	-	-	21,395	224,351
CD Rawlings	11,382	-	-	1,201	12,583
RP Seville	54,255	-	-	5,725	59,980
Management					
C Creagh	840	-	-	88	928
P Marshall	33,111	-	-	3,494	36,605
Total	302,544	-	-	31,903	334,447

Loans with directors and key management personnel.

There were no loan balances with any directors or specified executives during the financial year.

Other transactions and balances with directors and key management personnel and amounts recognised at the reporting date in relation to other transactions

Purchases
Mr R S Anthon is a partner in the firm of Hemming & Hart, Solicitors. Hemming & Hart were paid $58,460 (2005: $30,096) for the provision of legal services to the Company during the year. At balance date $28,596 (2005: $3,064) was an outstanding trade creditor payable. The services were based on normal commercial terms and conditions.

30. RELATED PARTY DISCLOSURES

Ultimate parent
Renison Consolidated Mines NL is the ultimate parent entity

Consolidated
Tom's Gully Holdings Pty Ltd has the following balance as at balance date

Associate
Tom's Gully Mining Pty Ltd - at balance date $2,528,753 (2005 - $63,811) was owed in relation to the provision of mining development and operating services undertaken. A total of $14,420,439 was charged in the 2006 financial year for these services.

Parent
Renison Consolidated Mines NL has the following balance on interest free loans with:

Wholly owned subsidiary
Tom's Gully Holdings Pty Ltd – at balance date a total balance of $29,215,085 (2005 - $61,885) was outstanding. After discounting the expected cashflows in relation to the estimated repayment of this balance a finance expense of $2,558,816 has been recorded in the parent company accounts and the net value of the receivable being carried in the balance sheet is $26,656,269.

Other
Renison Consolidated Mines NL supplied geological services, administrative services and also rented office space to Northern Energy Corporation Ltd a company in which Renison holds an 18% interest at 30 June 2006 and in which Dr CD Rawlings and Mr RP Seville were appointed directors in February 2005. Total services invoiced to Northern Energy Corporation Ltd in the 2006 year was $180,512 (2005 - $78,525). At balance date $61,435 was outstanding (2005: $19,653)

In addition Northern Energy Corporation Ltd supplied geological services to Renison Consolidated Mines NL. Total services invoiced to Renison in the 2006 year was $43,404 (2005 - $nil). At balance date $23,988 was outstanding (2005: $nil) The charges are based on normal commercial terms and conditions.

31. SEGMENT INFORMATION

Segment products and locations

The consolidated entity operates solely in the mining and exploration segments. The mining segment has operational and exploration activities in the Northern Territory, Queensland and New South Wales. Geographically the consolidated entity operates only within Australia.

Segment accounting policies

Segment accounting policies are the same as the consolidated entity's policies described in note 1.

32. FINANCIAL INSTRUMENTS and FINANCIAL RISK MANAGEMENT

Notes to the financial statements for the year ended 30 June 2006

Interest rate risk

The consolidated entity's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

Financial Instruments	Floating Interest Rate		Fixed interest rate maturing in:						Non-interest bearing		Total carrying amount as per balance sheet		Weighted average effective interest rate	
			1 year or less		Over 1 to 5 years		More than 5 years							
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
	$	$	$	$	$	$	$	$	$	$	$	$	%	%
Financial assets														
Cash and cash equivalents	2,314,802	703,070	-	400,107	-	-	-	-	29,500	21,121	2,344,302	1,124,298	5.04	5.04
Trade and other receivables	-	-	-	-	-	-	-	-	550,362	125,636	550,362	125,636	N/A	N/A
Financial assets at fair value through profit and loss	-	-	-	-	-	-	-	-	101,667	20,353	101,667	20,353	N/A	N/A
Derivatives	-	-	-	-	-	-	-	-	86,718	-	86,718	-	N/A	N/A
Available for sale financial assets	-	-	-	-	-	-	-	-	3,054,846	2,633,487	3,054,846	2,633,487	N/A	N/A
Trade and other receivables	-	-	247,439	236,386	-	-	-	-	256,467	143,968	503,906	380,354	0.75	1.88
Total Financial Assets	2,314,802	703,070	247,439	636,493	-	-	-	-	4,079,560	2,944,565	6,641,801	4,284,128	-	-

Financial Instruments	Floating Interest Rate		Fixed interest rate maturing in:						Non-interest bearing		Total carrying amount as per the statement of financial position		Weighted average effective interest rate	
			1 year or less		Over 1 to 5 years		More than 5 years							
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
	$	$	$	$	$	$	$	$	$	$	$	$	%	%
Financial liabilities														
Trade and other payables	-	-	-	-	-	-	-	-	6,972,787	981,001	6,972,787	981,001	N/A	N/A
Loans	-	-	940,000	1,000,000	1,810,000	-	-	-	-	-	2,750,000	1,000,000	8.68	10
Derivatives	-	-	-	-	-	-	-	-	1,295,540	-	1,295,540		N/A	N/A
Convertible Notes	-	-	3,197,494	-	11,227,566	3,736,399	-	-	-	-	14,425,060	3,736,399	10	10
Lease and hire purchase	-	-	318,530	36,107	1,050,136	130,567	40,327	-	-	-	1,408,993	166,674	8.6	8.63
Total Financial Liabilities	-	-	4,456,024	1,036,107	14,087,702	3,866,966	40,327	-	8,268,327	981,001	26,852,380	5,884,074	-	-

N/A – not applicable for non-interest bearing instruments.

(a) Financial risk management

The Company's financial instruments other than derivatives, comprise deposits with banks, bank loans, loans to subsidiaries, lease and hire purchase contracts and convertible notes. The main purpose of these financial instruments is to raise cash for the Company's operations. The Company has other financial assets and liabilities such as trade receivables and payables which arise directly from operations. The Company also enters into derivative transactions as noted in note 34.

The Company does not have a formally established treasury function. The Board is responsible for managing the economic entity's currency and interest rate exposure and for evaluating treasury management strategies in the context of the most recent economic conditions and forecasts.

Market risk
(i) Commodity price risk
The Company is exposed to the price of gold. The Company will manage this exposure by consideration of the use of derivative instruments. Further details are set out in note 34 below.

(ii) Equity security price risk
The Company is exposed to equity securities risk arising from investments held by the Company and classified on the balance sheet either as available-for-sale or at fair value through profit or loss.

Liquidity risk
The group manages liquidity risk by monitoring forecast cash flows and the availability of funding through committed credit facilities.

Credit Risk
The Company has no significant concentration of credit risk. The Company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into.

Cashflow and fair value interest rate risk
As the Company has no significant interest bearing assets, the Company's income is not materially exposed to changes in market interest rates. The Company's interest rate risk arises from bank loans.

33. SUBSEQUENT EVENTS

Options Exercised

A total of 21.3 million unlisted options have been exercised since 30 June 2006 for total proceeds of $4.06 million.

34. DERIVATIVES

Movement in fair value of derivatives

During the year as part of its requirements under the debt facilities put in place for the Tom's Gully development funding, the Company put in place a hedging strategy to put 'floor price' protection in place for a portion of the forecast gold production for the first year of production thus underwriting the initial operational revenues from the Tom's Gully mine. This is being achieved primarily through bought A$ gold put options. Bought put options provide a floor or guaranteed worst case price at which the underlying gold can be sold. The premium paid for the bought put options has been funded through the sale of call options. Call options were additionally bought to minimise exposure to the written call options. The maximum exposure that exists in relation to the contracts written is $1.8 million and arises in the event that the Australian $ gold price rises to over A$800 per ounce.

The positions will provide the following realised gold price for the hedged amounts at the following spot gold prices at the relevant delivery or maturity dates:

A$ Spot gold price: Below $640	Realised price: $640 for 22,500 ounces, spot for balance
A$ Spot gold price: $640 - $680	Realised price: spot price for all production
A$ Spot gold price: $680 - $800	Realised price: $680 for 15,000 ounces, spot for balance
A$ Spot gold price: $800+	Realised price: $680 plus excess of spot over $800 for 15,000 ounces, spot for balance

These contracts are defined as derivatives under Australian Accounting Standard AASB 139 Financial Instruments: Recognition and Measurement. In accordance with the requirements of this accounting standard the Company is required to record the contracts written as assets or liabilities and to measure these derivative instruments at fair value at 30 June 2006 with gains and losses arising from changes in fair value being taken to the Income Statement unless they are designated as hedges. The contracts entered into by the Company do not technically meet the strict requirements of AASB 139 in relation to being designated as hedges and therefore the unrealised loss of $1,308,822 based on the fair value of the open contracts at balance date when valued at a mark to market value has been recognised in the results for the year ending 30 June 2006.

The mark to market valuation as at 30 June 2006 of each contract along with the values included in the balance sheet is set out below:

Deal Type	Strike Price A$	Call/Put	Expiry Date	Net Position oz	Bought/Sold	Mark to Market at 30/06/06	Current Financial Assets	Current Financial Liabilities
Option	$640.00	P	27/09/2006	7,500	B	9,710	9,710	
Option	$680.00	C	27/09/2006	5,000	S	(703,069)		(703,069)
Option	$800.00	C	27/09/2006	5,000	B	246,527		246,527
Option	$640.00	P	27/12/2006	7,500	B	28,030	28,030	
Option	$680.00	C	27/12/2006	5,000	S	(773,451)		(773,451)
Option	$800.00	C	27/12/2006	5,000	B	344,918		344,918
Option	$640.00	P	28/03/2007	7,500	B	48,978	48,978	
Option	$680.00	C	28/03/2007	5,000	S	(843,436)		(843,436)
Option	$800.00	C	28/03/2007	5,000	B	432,971		432,971
						(1,208,822)	86,718	(1,295,540)

The Company's production from Tom's Gully beyond March 2007 is currently unhedged.

35. CHANGES IN COMPOSITION

During the year the interest held in Tom's Gully Mining Pty Ltd was reduced from 100% to 50% following the issue of new shares by Tom's Gully Mining Pty Ltd to the Company's Alliance Partner PT Petrosea Tbk in accordance with the provisions of the Alliance Agreement between the two companies for the development and mining of the Tom's Gully Gold Project. Tom's Gully Mining Pty Ltd is the operating company for the mining operations at the Tom's Gully Gold Project but has no ownership interest in the mine. It conducts all the operations at the mine and is designed to break even from its operations as it invoices Tom's Gully Holdings Pty Ltd (a 100% owned subsidiary of Renison) for all the costs it incurs. Tom's Gully Holdings Pty Ltd owns the mining tenements and associated fixed plant and equipment associated with the Tom's Gully mine.

The issue of the new shares and the dilution of ownership from 100% to 50% of the ordinary shares constitutes a loss of control. From the date of the loss of control the consolidated entity has treated Tom's Gully Mining Pty Ltd as an investment in associate. There is no profit or loss arising in relation to the transaction.

The carrying amount of the investment in Tom's Gully Mining Pty Ltd at 30 June 2006 was $1.

36. FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

Reconciliation of equity reported under previous Australian Generally Accepted Accounting Principles (AGAAP) to equity under Australian equivalents to IFRS (AIFRS)

Reconciliation of Equity at the date of transition to AIFRS: 1 July 2004

There are no differences in equity as at 1 July 2004.

Reconciliation of Equity at the end of the last reporting period under previous AGAAP: 30 June 2005

		CONSOLIDATED			Parent Entity		
	Note	Previous GAAP at 30 June 2005	Effect of transition to AIFRS	AIFRS at 30 June 2005	Previous GAAP at 30 June 2005	Effect of transition to AIFRS	AIFRS at 30 June 2005
		$	$	$			
Current Assets							
Cash assets		1,124,298	-	1,124,298	1,124,295	-	1,124,295
Receivables		125,636	-	125,636	100,761	-	100,761
Inventory		54,929		54,929	54,929		54,929
Other financial assets		20,353	-	20,353	20,176	-	20,176
Other		78,214	-	78,214	78,214	-	78,214
Total Current Assets		1,403,430	-	1,403,430	1,378,375	-	1,378,375
Non-Current Assets							
Receivables		380,354	-	380,354	380,354	-	380,354
Available for sale financial assets	a	2,106,789	526,697	2,633,487	2,106,793	526,679	2,633,491
Property, plant and equipment		5,801,261	-	5,801,261	5,726,259	-	5,726,259
Deferred exploration and development costs		6,932,085	-	6,932,085	6,932,085	-	6,932,085
Other	b	98,806	(98,806)		98,806	(98,806)	
Total Non-Current Assets		15,319,295	427,891	15,747,186	15,244,297	427,873	15,672,188
TOTAL ASSETS		16,722,725	427,891	17,150,616	16,622,672	427,873	17,050,563
Current Liabilities							
Payables		981,001	-	981,001	814,568	-	814,568
Other Liabilities		1,036,107	-	1,036,107	1,036,107	-	1,036,107
Provisions		57,002	-	57,002	57,002	-	57,002
Total Current Liabilities		2,074,111	-	2,074,111	1,907,678	-	1,907,678
Non-Current Liabilities							
Interest Bearing Liabilities	b	3,866,966	(98,806)	3,768,159	3,866,966	(98,806)	3,768,159
Provisions		400,000		400,000	400,000		400,000
Total Non-Current Liabilities		4,266,966	(98,806)	4,168,159	4,266,966	(98,806)	4,168,159
TOTAL LIABILITIES		6,341,077	(98,806)	6,242,271	6,174,644	(98,806)	6,075,837
NET ASSETS		10,381,648	526,697	10,908,345	10,448,028	526,679	10,974,726
Equity							
Contributed equity		33,983,613	-	33,983,613	33,983,613	-	33,983,613
Reserves	a	-	526,697	526,697	-	526,679	526,697
Accumulated losses		(23,601,965)	-	(23,601,965)	(23,535,584)	-	(23,535,584)
TOTAL EQUITY		10,381,648	526,697	10,908,345	10,448,028	526,679	10,974,726

Reconciliation of Profit for the year ended 30 June 2005

There are no differences between the profit for the year ended 30 June 2005 between the previous GAAP and AIFRS.

Notes to the reconciliations of equity and profit and loss at 1 July 2004 and 30 June 2005

a. The adjustment due to valuing available for sale investments at market value is as follows:
   As at 30 June 2005 the mark to market value of listed securities was $2,633,491. Under previous GAAP the investments were carried at cost of $2,106,789. The difference of $526,697 has been recorded as a non current asset with a corresponding increase in reserves.

b. The amortised borrowing costs in relation to convertible notes issued have been reclassified as follows:
   Previously the costs in relation to the issue of the March 2007 convertible notes had been carried as a non-current asset and were being amortised over the life of the notes. Following AIFRS these amortised costs are no longer carried as an asset but are set off against the outstanding liability in relation to the convertible notes.

DIRECTORS' DECLARATION

The Directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001:

   a) comply with Accounting Standards and the Corporations Regulations 2001; and

   b) give a true and fair view of the financial position as at 30 June 2006 and of their performance for the year ended on that date of the consolidated entity;

   c) the audited remuneration of key management personnel included in the remuneration report set out in pages 7 to 10 of the Directors' Report comply with Accounting Standards AASB 124: Related Party Disclosures and the Corporations Regulation 2001.

2. the Chief Executive Officer and Chief Financial Officer have each declared 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.

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

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

SG Bizzell
Director

Brisbane 29 September 2006

INDEPENDENT AUDIT REPORT

To the members of Renison Consolidated Mines NL

Scope

The financial report, remuneration disclosures and directors' responsibility

The financial report comprises the balance sheet, income statement, statement of changes in equity, cash flow statement, notes to the financial statements and the directors' declaration for both Renison Consolidated Mines NL (the company) and Renison Consolidated Mines NL (the consolidated entity), for the year ended 30 June 2006. The consolidated entity comprises both the company and the entities it controlled during that year.

The company has disclosed information about the remuneration of key management personnel ("remuneration disclosures"), as required by Accounting Standard AASB 124 Related Party Disclosures under the heading "remuneration report" in pages 7 to 10 of the directors' report, as permitted by the Corporations Regulations 2001.

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

Audit approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement and the remuneration disclosures comply with Accounting Standard AASB 124 and the Corporations Regulations 2001. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows and whether the remuneration disclosures comply with Accounting Standard AASB 124 and the Corporations Regulations 2001.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report and remuneration disclosures, and

- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

The auditor's independence declaration given to the relevant directors would be in the same terms if it had been given at the time the audit report was made.

Audit opinion

In our opinion:

(1) the financial report of Renison Consolidated Mines NL is in accordance with:

(a) the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2006 and of its performance for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory financial reporting requirements in Australia; and

(2) the remuneration disclosures that are contained in pages 7 to 10 of the directors' report comply with Accounting Standard AASB 124 and the Corporations Regulations 2001.

PKF
Chartered Accountants

CG Bellamy
Partner

Dated at Brisbane this 29th day of September, 2006.