



**ABN 88 009 153 128**

**Interim Financial Statements  
For the three months ended  
30 September 2011  
(Unaudited – Prepared by Management)**

**CGA MINING LIMITED**

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**NOTICE OF NO AUDITOR REVIEW OF  
INTERIM FINANCIAL STATEMENTS**

The accompanying interim consolidated financial statements for CGA Mining Limited (the "Company") have been prepared by management in accordance with the Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ("AIFRS"). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ("IFRS"). These financial statements are the responsibility of management and have not been reviewed by the auditors. The most significant accounting principles have been set out in the June 30, 2011 audited consolidated financial statements. There have been no changes in accounting policies from the latest completed financial year end. These financial statements have been prepared on a historical cost basis of accounting, except for derivative financial instruments and available for sale assets which have been measured at fair value. A precise determination of many assets and liabilities is dependent on future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

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## CORPORATE DIRECTORY

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### AUDITORS:

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### STOCK EXCHANGE:

Australian Securities Exchange Limited

*Exchange Code:*

CGX – Fully paid ordinary shares

Toronto Stock Exchange Inc

*Exchange Code:*

CGA – Fully paid ordinary shares

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#### Australian Register

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011

UNAUDITED – PREPARED BY MANAGEMENT

	Note	Consolidated	
		Three months ended 30 September	
		2011 US\$	2010 US\$
Revenue	3(a)	17,048,733	51,041,514
Cost of sales	3(b)	(23,540,802)	(34,717,562)
Gross profit		(6,492,070)	16,323,952
Administrative expenses	3(c)	(1,180,446)	(885,596)
Finance costs	3 (f)	(780,816)	(1,236,309)
Movement in fair value of derivative financial instruments	3(e)	(471,456)	523
Share of loss of associate		(949,428)	(117,027)
Other expenses		(2,060,686)	(2,049,983)
<b>Profit/(Loss) before income tax expense</b>		<b>(11,934,901)</b>	<b>12,035,560</b>
Income tax (expense)/benefit		-	-
<b>Net Profit/(Loss) for the period for the period</b>		<b>(11,934,901)</b>	<b>12,035,560</b>
<b>Other comprehensive income</b>			
Movement in available for sale investments		(896,974)	1,569,095
Cashflow hedges:			
Transferred to the income statement		-	(4,886,316)
Loss taken to equity		(4,195,962)	-
<b>Other comprehensive income/(loss) for the period, net of tax</b>		<b>(5,092,936)</b>	<b>(3,317,221)</b>
<b>Total comprehensive income/(loss) for the period</b>		<b>(17,027,838)</b>	<b>8,718,339</b>
<b>Earnings/(Loss) per share for profit/(loss) attributable to the ordinary equity holders of the company</b>			
Basic earnings/(loss) per share (cents)		(3.58)	3.83
Diluted earnings/(loss) per share (cents)		(3.52)	3.79

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2011

UNAUDITED – PREPARED BY MANAGEMENT

		Consolidated	
	Note	30 September 2011 US\$	30 June 2011 US\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	83,219,791	107,336,346
Trade and other receivables	12	2,317,800	704,293
Inventory	10	19,579,639	17,063,423
Prepayments		5,049,216	7,849,898
Derivative financial assets	8	1,125,388	1,759,748
<b>Total Current Assets</b>		<b>111,291,834</b>	<b>134,713,707</b>
<b>Non-Current Assets</b>			
Available for sale financial assets	15	3,284,702	4,181,703
Investment in associate		73,738,639	71,574,436
Property plant and equipment		191,614,787	191,355,070
Other assets		-	-
Intangible assets		38,224,661	38,278,394
Derivative financial assets	8	-	-
Deferred tax assets		20,109,191	19,532,657
<b>Total Non-current Assets</b>		<b>326,971,980</b>	<b>324,922,260</b>
<b>TOTAL ASSETS</b>		<b>438,263,814</b>	<b>459,635,968</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		8,953,508	12,697,345
Interest bearing loans and borrowings	7	17,057,603	22,077,574
Derivative financial liabilities	9	43,916,867	37,770,654
Provisions		536,536	527,119
<b>Total Current Liabilities</b>		<b>70,464,513</b>	<b>73,072,692</b>
<b>Non-Current Liabilities</b>			
Interest bearing loans and borrowings	7	46,953,180	46,953,180
Provisions		911,306	911,306
Derivative financial liabilities	9	47,369,212	49,482,368
Deferred Tax Liability		5,939,975	6,116,880
<b>Total Non-current Liabilities</b>		<b>101,173,673</b>	<b>103,463,733</b>
<b>TOTAL LIABILITIES</b>		<b>171,638,186</b>	<b>176,536,426</b>
<b>NET ASSETS</b>		<b>266,625,628</b>	<b>283,099,543</b>
<b>Equity</b>			
Contributed equity	5	302,110,029	302,016,570
Reserves		(73,499,468)	(68,866,996)
Accumulated Profits		38,015,068	49,949,969
<b>TOTAL EQUITY</b>		<b>266,625,628</b>	<b>283,099,543</b>

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

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011**

<b>UNAUDITED – PREPARED BY MANAGEMENT</b>	<b>Note</b>	<b>Consolidated</b>	
		<b>Three months ended 30 September</b>	
		<b>2011</b>	<b>2010</b>
		<b>US\$</b>	<b>US\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers		16,286,850	50,350,016
Payments to suppliers and employees		(28,895,534)	(37,072,873)
Interest received		34,066	39,917
Income tax paid		(1,128,345)	-
<b>Net cash inflow/(outflow) from operating activities</b>		<b>(13,702,963)</b>	<b>13,317,060</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(2,159,092)	(2,983)
Loans to associate		(2,385,814)	(3,912,207)
<b>Net cash outflow from investing activities</b>		<b>(4,544,906)</b>	<b>(3,915,190)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares, warrants and options		93,459	1,657,192
Repayment of borrowings		(5,019,971)	(3,606,870)
Interest and financing costs paid		(893,217)	(1,100,148)
Loans to Ratel Gold Limited		-	(1,554,889)
Financing costs		(68,504)	(56,654)
<b>Net cash inflow from financing activities</b>		<b>(5,888,233)</b>	<b>(4,661,369)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(24,136,102)</b>	<b>4,740,501</b>
<b>Cash and cash equivalents at beginning of financial period</b>		<b>107,336,346</b>	<b>8,645,140</b>
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies		19,547	(111,922)
<b>Cash and cash equivalents at the end of the financial period</b>	<b>6</b>	<b>83,219,791</b>	<b>92,273,719</b>

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011  
UNAUDITED – PREPARED BY MANAGEMENT

CONSOLIDATED	<i>Contributed Equity</i>	<i>Retained Profit/(Accumulated losses)</i>	<i>Foreign Currency Translation Reserve</i>	<i>Share Based Payments Reserve</i>	<i>Cash Flow Hedge Reserve</i>	<i>Available for Sale Reserve</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
<b>At 1 July 2011</b>	<b>302,016,570</b>	<b>49,949,969</b>	<b>5,815,359</b>	<b>5,862,078</b>	<b>(82,678,901)</b>	<b>2,134,468</b>	<b>283,099,543</b>
Net gain/(loss) on cash flow hedges	-	-	-	-	(4,195,962)	-	(4,195,962)
Available for sale reserve	-	-	-	-	-	(896,974)	(896,974)
Profit/(loss) for the period	-	(11,934,901)	-	-	-	-	(11,934,901)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(11,934,901)</b>	<b>-</b>	<b>-</b>	<b>(4,195,962)</b>	<b>(896,974)</b>	<b>(17,027,837)</b>
<b>Equity transactions:</b>							
Share-based payment	-	-	-	460,464	-	-	460,464
Exercise of options and warrants	93,458	-	-	-	-	-	93,458
<b>At 30 September 2011</b>	<b>302,110,029</b>	<b>38,015,068</b>	<b>5,815,359</b>	<b>6,322,542</b>	<b>(86,874,863)</b>	<b>1,237,494</b>	<b>266,625,628</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2010  
UNAUDITED – PREPARED BY MANAGEMENT

CONSOLIDATED	<i>Contributed Equity</i>	<i>Retained Profit/(Accumulated losses)</i>	<i>Foreign Currency Translation Reserve</i>	<i>Share Based Payments Reserve</i>	<i>Cash Flow Hedge Reserve</i>	<i>Available for Sale Reserve</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
<b>At 1 July 2010</b>	299,576,520	(15,132,295)	5,815,359	4,941,151	(72,551,338)	447,394	223,096,791
Net gain/(loss) on cash flow hedges	-	-	-	-	(4,886,316)	-	(4,886,316)
Available for sale reserve	-	-	-	-	-	1,569,095	1,569,095
Profit/(loss) for the period	-	12,035,560	-	-	-	-	12,035,560
<b>Total comprehensive income for the period</b>	-	12,035,560	-	-	(4,886,316)	1,569,095	8,718,338
<b>Equity Transactions:</b>							
Exercise of options and warrants	1,947,276	-	-	-	-	-	1,947,276
<b>At 30 September 2010</b>	301,523,796	(3,046,736)	5,815,359	4,941,151	(77,437,654)	2,016,489	240,885,891

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011  
UNAUDITED – PREPARED BY MANAGEMENT**

**1. CORPORATE INFORMATION**

CGA Mining Limited is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange and the Toronto Stock Exchange

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The interim financial statements does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The interim financial statements should be read in conjunction with the Annual Financial Report of CGA Mining Limited as at 30 June 2011.

It is also recommended that the interim financial statements be considered together with any public announcements made by CGA Mining Limited and its controlled entities during the three months period ended 30 September 2011 in accordance with the continuous disclosure obligations arising under ASX Listing Rules.

**(a) Basis of Accounting**

The interim financial statements are a general purpose condensed financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, and AASB 134 "Interim Financial Reporting".

The interim financial statements have been prepared on a historic cost basis, except for the measurement of derivative financial instruments including warrants, put options and forward sales contracts at fair value. The financial report is presented in United States Dollars ("US\$").

For the purposes of preparing the interim financial statements, the interim has been treated as a discrete reporting period.

**(b) Significant accounting policies**

The interim financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2011 except for the adoption of new and amending standards mandatory for annual periods beginning on or after 1 July 2011 as described in Note 2(c).

**(c) New and Revised Accounting Standards and Interpretations**

Since 1 July 2011, the Group has adopted all the amending Standards and Interpretations, mandatory for annual periods beginning on or after 1 July 2011 including:

- AASB 101 Presentation of Financial Statements  
The revised standard stipulates that the terms of a liability that could at any time result in its settlement by the issuance of equity instruments at the option of the counterparty do not affect its classification as current or non-current. The amendment had no impact.
- AASB 107 Statement of Cash Flows  
The revised standard states that only expenditures that result in a recognised asset can be classified as a cash flow from investing activities.
- AASB 117 Leases  
The revised standard removes specific guidance on classifying land as a lease so that only the general guidance remains. The amendment had no impact.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011  
UNAUDITED – PREPARED BY MANAGEMENT**

- **AASB 132 Financial Instruments: Presentation**  
The revised standard amends the definition of a financial liability to classify certain rights (and certain options or warrants) as equity instruments if they satisfy certain conditions. The amendment had no impact.
- **AASB 136 Impairment**  
The revised standard clarifies that the largest unit permitted for allocating goodwill acquired in a business combination is the operating segment defined in AASB 8 before aggregation for reporting purposes. The amendment had no impact.
- **Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments**  
The interpretation clarifies that equity instruments issued to a creditor to extinguish a financial liability are “consideration paid”. As a result, the financial liability is derecognised and the equity instruments issued are treated as consideration paid to extinguish that liability. The amendment had no impact.
- **AASB 2010-3 Amendments to Australian Accounting Standards Arising from the Annual improvements Project**  
This amendment affected the following standards:  
AASB 3 Business Combinations;  
AASB 7 Financial Instruments: Disclosures;  
AASB 121 The Effects of Changes in Foreign Exchange Rates;  
AASB 128 Investments in Associates;  
AASB 131 Investments in Joint Ventures;  
AASB 132 Financial Instruments: Presentation; and  
AASB 139 Financial Instruments: Recognition and Measurement.  
The amendments had no impact.

Adoption of these Standards and Interpretations did not have any material effect on the financial position or performance of the Group

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011  
UNAUDITED – PREPARED BY MANAGEMENT**

**3. REVENUES AND EXPENSES**

	Consolidated Three months ended 30 September	
	2011 US\$	2010 US\$
<b>(a) Revenue</b>		
Revenue from metal sales	16,286,850	50,350,016
Interest – non related parties	34,066	39,917
Interest – accretion on loan	727,816	651,581
	<u>17,048,733</u>	<u>51,041,514</u>
 <b>(b) Cost of sales</b>		
Ore purchases	7,975,762	14,274,373
Salaries and employee benefits	354,681	297,593
Contractors and professional fees	3,288,119	3,490,367
Consumables and supplies	7,004,294	9,329,695
Leases and rentals	413,307	197,833
Travel and accommodation	89,708	71,752
Utilities	5,538	6,342
Taxes and government charges	460,005	640,976
Other production overheads	2,041,249	2,325,109
Depreciation and amortisation	1,908,139	4,083,522
	<u>23,540,802</u>	<u>34,717,562</u>
 <b>(c) Administrative expenses</b>		
Salaries and wages	622,024	675,580
Defined contributions/superannuation expense	72,536	77,033
Employee share option expense	460,464	-
Foreign exchange (gains)/losses	(19,547)	82,800
Depreciation	44,969	50,183
	<u>1,180,446</u>	<u>885,596</u>
 <b>(e) Movement in fair value of derivative financial instruments - gain/(loss)</b>	 <u>471,456</u>	 <u>523</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011  
UNAUDITED – PREPARED BY MANAGEMENT**

**3. REVENUES AND EXPENSES (Continued)**

**(f) Finance costs**

	Consolidated Three months ended 30 September	
	2011	2010
	US\$	US\$
Interest expense	729,729	1,219,793
Amortisation expense	51,087	-
Lending fees and charges	-	16,516
	<u>780,816</u>	<u>1,236,309</u>

**4. DIVIDENDS PAID OR PROVIDED FOR**

No dividends have been paid or provided for during the three months.

**5. CONTRIBUTED EQUITY**

	Consolidated		Consolidated	
	30 September 2011	30 June 2011	30 September 2011	30 June 2011
	Number	Number	US\$	US\$
Issued and paid up capital	333,475,726	333,425,726	302,110,029	302,016,570
Total fully paid capital	<u>333,475,726</u>	<u>333,425,726</u>	<u>302,110,029</u>	<u>302,016,570</u>

Movements in contributed equity during the past three months were as follows:

**(i) Ordinary Shares**

	Consolidated		Consolidated	
	30 September 2011	30 June 2011	30 September 2011	30 June 2011
	Number	Number	US\$	US\$
Opening balance	333,427,726	331,294,976	302,016,570	299,576,520
Add: shares issued on exercise of options and warrants	50,000	2,130,750	93,458	2,449,402
Less: share issue costs	-	-	-	(9,352)
Issued and fully paid	<u>333,475,726</u>	<u>333,425,726</u>	<u>302,110,029</u>	<u>302,016,570</u>

**5. CONTRIBUTED EQUITY (Continued)**

	Consolidated	
	30 September 2011	30 June 2011
	US\$	US\$
<b>(ii) Unlisted Options</b>		
Opening balance	10,821,250	11,902,000
Issued during the reporting period	-	1,050,000
Exercised during the reporting period	(50,000)	(2,130,750)
Closing balance	<u>10,771,250</u>	<u>10,821,250</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011  
UNAUDITED – PREPARED BY MANAGEMENT**

**6. CASH AND CASH EQUIVALENTS**

For the purposes of the condensed consolidated statement of cash flows, cash and cash equivalents are comprised of the following:

	Consolidated	
	30 September 2011	30 June 2011
	US\$	US\$
Cash at bank and on hand	56,681,003	75,228,174
Deposits at call	26,538,788	32,108,172
	<b>83,219,791</b>	<b>107,336,346</b>

Included in cash and cash equivalents is an amount of \$9,000,000 held with BNP Paribas in line with the requirements of the project financing facility agreement which requires two quarters of principal payments due on the facility to be held in deposit.

	Consolidated	
	30 September 2011	30 September 2010
	US\$	US\$
<b>Reconciliation of net loss after tax to net cash flows from operations</b>		
Net profit/(loss) after related income tax	(11,934,901)	12,035,560
<i>Adjustment for non-cash income and expense items:</i>		
Depreciation and amortisation	1,953,108	4,133,704
Unrealised foreign exchange (gain)/loss	(19,547)	(50,483)
Share-based payments	460,460	-
Movement in fair value of Warrants	-	-
Share of loss of associate	949,428	117,027
Interest income on receivable from associate	(727,816)	(651,181)
Borrowing costs	961,721	1,236,309
Movement in fair value of derivatives	471,456	(524)
Capitalised Development	30	1,689,419
Other	30	-
<i>Changes in assets and liabilities:</i>		
<i>(Increase) / decrease in assets:</i>		
Trade and other receivables	(1,613,508)	(2,470,848)
Prepayments	2,800,686	(4,211,534)
Inventories	(2,516,216)	(2,936,833)
Tax assets	(576,536)	(906,923)
Other assets	-	679,290
<i>Increase / (decrease) in liabilities:</i>		
Trade and other payables	(3,743,838)	4,121,362
Deferred tax liabilities	(176,905)	506,514
Provisions	9,417	26,600
Net cash inflow/(outflow) from operating activities	<b>(13,702,961)</b>	<b>13,317,060</b>

**7. INTEREST BEARING LIABILITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011  
UNAUDITED – PREPARED BY MANAGEMENT**

	Consolidated	
	30 September 2011 US\$	30 June 2011 US\$
<b>Current</b>		
Loans <sup>(i)</sup>	12,334,140	16,272,330
Lease liabilities <sup>(ii)</sup>	4,723,463	5,805,244
	17,057,603	22,077,574
<b>Non-Current</b>		
Loans <sup>(i)</sup>	27,205,890	27,205,890
Lease liabilities <sup>(ii)</sup>	19,747,290	19,747,290
	46,953,180	46,953,180

(i) The Group began repaying the BNP Paribas arranged \$80,300,000 project finance facility in June 2009. The balance of the facility accrues interest at 3.15% plus LIBOR. The loan is repayable quarterly, from June 2009 to 31 December 2013.

ii) In December 2008, the Company has entered into a finance lease for certain equipment to be used in the mining process for the Masbate Gold Project. The lease details are specified in the Masbate Technical Contract with Leighton Contractors (Philippines) Incorporated and Leighton Holdings Limited. The term of the initially leased assets is for 72 months. The Company has also acquired an additional fleet during the current year which is for a term of 60 months and both are secured over the underlying assets.

**8. DERIVATIVE FINANCIAL ASSETS**

	Consolidated	
	30 September 2011 US\$	30 June 2011 US\$
Fuel swaps	1,125,388	1,759,748
	1,125,388	1,759,748

**9. DERIVATIVE FINANCIAL LIABILITIES**

	Consolidated	
	30 September 2011 US\$	30 June 2011 US\$
<b>Current</b>		
Gold forward sales contracts (i)	43,701,986	37,770,654
Interest rate swaps	214,881	-
	43,916,867	37,770,654
<b>Non-current</b>		
Gold forward sales contracts (i)	47,185,209	48,979,948
Interest rate swaps	184,003	502,420
	47,369,212	49,482,368

(i) The US\$80.3M senior debt facility arranged by BNP Paribas requires limited hedging which has been executed. A hedging program of puts covering 46,079 ounces and forward sales covering 214,337 ounces was successfully executed

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2011  
UNAUDITED – PREPARED BY MANAGEMENT**

during the September 2008 quarter. The derivative financial liabilities represent the fair values placed on the forward sales as at 30 September 2011.

**10. INVENTORIES**

	Consolidated	
	30 September 2011 US\$	30 June 2011 US\$
Gold on hand and in circuit	6,545,986	2,986,430
Gold in circuit	1,386,058	3,311,213
Consumables	9,031,106	7,625,071
Ore stockpile	2,616,489	3,140,709
	<b>19,579,639</b>	<b>17,063,423</b>

**11. EVENTS SUBSEQUENT TO BALANCE DATE**

Subsequent to 30 September 2011, there has not been any matter or circumstance that has significantly affected, or may significantly affect, the Company's operations, results or state of affairs in future financial years

**12. TRADE AND OTHER RECEIVABLES**

	Consolidated	
	30 September 2011 US\$	30 June 2011 US\$
<b>(Current)</b>		
VAT and GST	81,096	43,710
Other Debtors	2,236,703	660,583
	<b>2,317,800</b>	<b>704,293</b>

Trade and other receivables are non-interest bearing and generally on 30-90 day terms. There are no receivables past due or impaired. It is expected that these receivables will be received when due.

**13. COMMITMENTS**

	Consolidated	
	30 September 2011 US\$	30 June 2011 US\$
<b>Operating lease commitments – Group as lessee</b>		
Due within 1 year	61,786	167,184
After one year but no more than five years	-	-
Aggregate lease expenditure contracted for at balance date but not provided for	<b>61,786</b>	<b>167,184</b>
<b>Finance lease commitments – Group as lessee</b>		
Due within 1 year	7,296,497	7,336,668
After one year but no more than five years	22,409,631	24,226,509
Total commitment for finance leases	<b>29,706,128</b>	<b>31,563,177</b>
Less: Future Interest expense	5,625,428	6,040,643
Net Lease Liabilities	<b>24,080,701</b>	<b>25,552,534</b>
<b>Other commitments</b>		
(a) Mining services commitments	21,948,000	21,948,000
(b) Power services contract commitments	422,086	425,424

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(c) Camp Management commitments	86,301	86,301
(d) Laboratory services commitments	205,431	205,431
(e) Other capital commitments	1,204,345	2,434,635
	<u>23,866,163</u>	<u>25,099,791</u>

The Company is party to a mining services contract between Leighton Contractors (Philippines) Limited and Filminera Resources Corporation which has been determined to contain a finance lease. The Company is also party to a contract for the operation of the power station at the Masbate Gold Project, it has a 3 month termination notice period. The camp management commitments relate to capital commitments for camp improvements. Laboratory service agreements relate to a month termination notice period on the laboratory services contract. Under the Ore Purchase Agreement, PGPRC is contracted to purchase ore from Filminera at cost plus a profit margin.

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**14. SEGMENT REPORTING**

**Identification of reportable segments**

For management purposes the group is organized into one business segments which is the Masbate Gold Project in the Philippines. The Masbate Gold Projects primary activity is the extraction and processing of ore for gold sales. The Board is the chief operating decision maker for of the segment and monitors the performance of the business segment separately for the purpose of making decisions about resources to be allocated and of assessing performance.

The following table presents the revenue and result information regarding operating segments for the three months ended 30 September 2011 and 30 September 2010.

	Masbate Gold Project (Philippines)		Total	
	30 September 2011 US\$	30 September 2010 US\$	30 September 2011 US\$	30 September 2010 US\$
<b>Revenue</b>				
Segment revenue from external customers	16,202,797	50,350,601	16,202,797	50,350,601
Interest revenue	728,270	651,581	728,270	651,581
Other revenue	-	-	117,665	39,332
<b>Total revenue per income statement</b>	<b>16,931,067</b>	<b>51,002,182</b>		<b>51,041,514</b>
<b>Results</b>				
Segment Profit/(Loss) before tax	(8,688,940)	14,410,035	(8,688,940)	14,410,035
Other revenue			117,665	39,332
Share of loss in Associates			(328,824)	-
Administrative expenses			(1,160,275)	(701,983)
Borrowing costs			(51,087)	(16,516)
Depreciation expense (unallocated)			(33,411)	-
Other expenses			(1,790,029)	(1,695,309)
<b>Net profit/(loss) from continuing operations before tax as per the income statement</b>			<b>(11,934,901)</b>	<b>12,035,559</b>
Share of associate Loss	(949,428)	(117,027)	(949,428)	(117,027)
Depreciation expense	1,953,108	3,527,542	1,953,108	3,527,542

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The following table presents the total asset information regarding operating segments for the balance dates 30 September 2011 and 30 June 2011.

	Masbate Gold Project (Philippines)		Total	
	30 September 2011 US\$	30 June 2011 US\$	30 September 2011 US\$	30 June 2011 US\$
<b>Segment Assets</b>	357,442,185	374,791,468	357,442,185	374,791,468
Corporate assets			7,082,989	13,270,064
Investment in associate	32,503,473		73,738,639	71,574,436
<b>Total assets as per the balance sheet</b>			<b>438,263,813</b>	<b>459,635,968</b>
<b>Segment liabilities</b>	226,967,845	230,632,767	226,967,845	230,632,767
Corporate liabilities <sup>1</sup>			(125,794,172)	(127,169,034)
<b>Total liabilities as per the balance sheet</b>			<b>101,173,673</b>	<b>103,463,733</b>
<b>Other segment information</b>				
Capital expenditure	1,746,653	1,899,414	1,746,653	1,899,414
Non-Current assets	254,678,750	236,037,640	254,678,750	252,217,879

<sup>1</sup> Corporate liabilities are made up of trade creditors, provisions and the loan payable to BNP. The segment liabilities include intercompany payables which eliminate upon consolidation

15. AVAILABLE FOR SALE FINANCIAL ASSETS

	Consolidated	
	30 September	30 June
	2011	2011
	US\$	US\$
<b>Investments</b>		
Available for sale financial assets	1,855,468	1,855,494
Revaluation of investment at fair value	1,429,235	2,326,209
	<u>3,284,702</u>	<u>4,181,703</u>

The fair value of the available for sale investments has been determined directly by reference to published price quotations in an active market.