

United Uranium Limited
(ACN 123 920 990)

Annual Report

For the Financial Year Ended 30 June 2008

CONTENTS

<i>Corporate Directory</i>	2
<i>Directors' Report</i>	3
<i>Auditor's Independence Declaration</i>	14
<i>Income Statement</i>	15
<i>Balance Sheet</i>	16
<i>Cash Flow Statement</i>	17
<i>Statement of Changes in Equity</i>	18
<i>Notes to the Financial Statements</i>	19
<i>Directors' Declaration</i>	41
<i>Independent Audit Report To The Members of United Uranium Limited</i>	42
<i>Corporate Governance Statement</i>	44
<i>Additional Shareholder Information</i>	50
<i>Schedule of Mineral Tenements</i>	53

CORPORATE DIRECTORY

NON EXECUTIVE CHAIRMAN

Xing Yan (Simon)

EXECUTIVE DIRECTOR

George Lazarou

NON-EXECUTIVE DIRECTOR

Eric Kong

COMPANY SECRETARY

Cecilia Chiu

PRINCIPAL & REGISTERED OFFICE

Suite 1, 23 Richardson Street
SOUTH PERTH WA 6151
Telephone: (08) 6436 1888
Facsimile: (08) 6436 1899

AUDITORS

Bentleys
Level 1, 12 Kings Park Road
WEST PERTH WA 6005

SHARE REGISTRAR

Advanced Share Registry Services
150 Stirling Highway
NEDLANDS WA 6009
Telephone: (08) 9389 8033
Facsimile: (08) 9389 7371

STOCK EXCHANGE LISTING

Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: UUL, UULO

DIRECTORS' REPORT

The directors of United Uranium Limited submit herewith the financial report of the company for the financial year ended 30 June 2008. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

1. DIRECTORS

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

Mr Xing Yan (Simon) – Non-Executive Chairman

Mr George Lazarou – Executive Director

Mr Eric Kong – Non-Executive Director (Appointed 15 May 2008)

Mr Michael Vaughan – Non-Executive Director (Resigned 15 May 2008)

Mr Mark Fogarty – Non-Executive Director (Resigned 15 May 2008)

INFORMATION ON DIRECTORS

Xing Yan (Simon) Non-Executive Chairman

Experience Mr Yan has over 30 years of senior level management experience in international mining trade. He was part of the management team of China National Minerals and Metals Import & Export Corporation (MINMETALS); the largest and most established resource company in China.

He headed the Non-Ferrous section of MINMETALS and had a stellar record of being the leading global exporter of Molybdenum Concentrate, Silicon Metal and Ferro-Silicon. He then became the representative of MINMETALS to Australia in purchasing W.A minerals for the Chinese market. He established trade relations, this includes the successful iron-ore export of Robe River to China.

After the tenure of representation, he settled down in Western Australia and established a number of successful private enterprises of which he holds directorships. The contact and knowledge about the two country's business systems, remains him widely sought as a consultant for international trade issues.

Interest in Shares	3,650,000	Fully paid Ordinary Shares
Interest in Options	1,000,000	40 cent options exercisable on or before 30/6/10
	1,825,000	20 cent options exercisable on or before 30/6/09

DIRECTORS' REPORT (Continued)**INFORMATION ON DIRECTORS (Continued)**

George Lazarou Executive Director

Qualifications BCom, CA

Experience Mr Lazarou is a qualified Chartered Accountant who has over 15 years experience, including 5 years as a Partner with a West Perth accounting firm, specialising in the areas of Audit, Advisory and Corporate Services. Mr Lazarou has extensive skills in the areas of audit, corporate services, due diligence, independent expert reports, merger & acquisitions and valuations. Mr Lazarou also brings with him a high level of commercial skills having worked closely with publicly listed companies in the mining, building, engineering, environmental and construction industries. Mr Lazarou is also a non-executive director of Cortona Resources Ltd.

Interest in Shares	350,000	Fully paid Ordinary Shares
Interest in Options	1,000,000	40 cent options exercisable on or before 30/6/10
	175,000	20 cent options exercisable on or before 30/6/09

Eric Kong Non-Executive Director (Appointed 15 May 2008)

Qualifications BCom, Grad Cert. Commercial Law, MBA

Experience Mr Kong's qualifications include a Bachelor of Arts Degree, with a Graduate Certificate in Commercial Law, together with an MBA.

Mr Kong has extensive corporate experience in Fortune 500 companies. He began his career as a MGM (Metro Goldwyn Meyer Inc) analyst where he provided trend analysis and project viability studies, before becoming the senior supply chain specialist for electronics contract manufacturing giant Solectron Inc.

Mr Kong has also held the position of Asia Pacific regional manager for another Fortune 500 company; Molex Inc. Mr Kong became Molex's youngest regional manager, and was responsible for the highly competitive contract manufacturing division. Mr Kong was directly responsible for strategic planning and business development in the region. Mr Kong is an experienced international business player with intricate knowledge of global business models, trends and high-level expertise in both eastern and western management styles. Mr Kong was widely recognised within the regional management team for introducing the Pareto Principle into focus accounts and competitive strategies, and two years later, he was named lead regional manager by Molex Far East South Inc.

Interest in Shares	79,500	Fully paid Ordinary Shares
Interest in Options	39,750	20 cent options exercisable on or before 30/6/09

DIRECTORS' REPORT (Continued)**INFORMATION ON DIRECTORS (Continued)**

Michael Vaughan Non-Executive Director (Resigned 15 May 2008)

Qualifications **B.A Grad Dip Bus**

Experience Mr Vaughan has over 20 years commercial experience and has held State Management positions for private international companies within the FMCG industry in Western Australia since 1991.

Mr Vaughan qualifies as a professional investor and has created substantial shareholder value for private companies through personal ownership and management of small businesses within the FMCG industry.

For the last 20 years Mr Vaughan has been actively involved as an investor in the equity markets. Investment focus has been on emerging and advanced uranium exploration companies for the last 5 years.

Experience in the investment and equity markets has enabled Mr Vaughan to develop a wide range of contacts within the Western Australian business community; including Investors and Broking House Advisors from a number of Investment firms.

Interest in Shares	350,000	Fully paid Ordinary Shares
Interest in Options	1,000,000	40 cent options exercisable on or before 30/6/10
	175,000	20 cent options exercisable on or before 30/6/09

Mark Fogarty Non-Executive Director (Resigned 15 May 2008)

Qualifications **BSc. M AusIM**

Experience Mr Fogarty has had over fifteen year experience in the mining and exploration industry in various position, include his current appointment as Senior Geologist at Scimitar Resources. Mr Fogarty graduated in 2001 with a Bachelor of Science degree.

Mr Fogarty's experience includes work on Redport Limited's Lake Maitland Uranium Project, five years experience working on International Goldfields' Mt Ida Project (including the Baldock resource) and Evanston Projects, Consolidated Gold's Orient Well Gold Project located at Kookynie, WA, Mt Burgess Mining NL's Butcher Well mine including exploration on the Red October project, Arimco NL's Gidgee Gold Mine, and various projects at Nord Resources including Karara Gold Mine, Randells, Mount Monger and Barwidgee.

Interest in Shares	150,000	Fully paid Ordinary Shares
Interest in Options	75,000	20 cent options exercisable on or before 30/6/09

DIRECTORS' REPORT (Continued)**INFORMATION ON DIRECTORS (Continued)****Directorships of other listed companies**

Directorships of other listed companies held by directors in the 3 years immediately before the end of the financial year are as follows:

<i>Name</i>	<i>Company</i>	<i>Period of directorship</i>
Xing Yan (Simon)	-	-
George Lazarou	Cortona Resources Limited Coziron Resources Limited	Appointed 12 January 2006 22 May 2006 – 15 August 2007
Eric Kong	-	-
Michael Vaughan	-	-
Mark Fogarty	-	-

COMPANY SECRETARY

The following person has held the position of company secretary during or at the end of the financial year:

COMPANY SECRETARY (Continued)

Cecilia Chiu (appointed 17 July 2007)

Ms Chiu was appointed Company Secretary on 17 July 2007. Ms Chiu is a Certified Practising Accountant and holds a Bachelor of Commerce degree from the University of Western Australia. She has more than 7 years accountancy experience. Ms Chiu has previously worked as an auditor at Ernst & Young, and for 5 years at Ord Partners in West Perth specializing in mining industry audit and assurance services. Ms Chiu is currently company secretary of listed oil and gas explorer Sunset Energy Limited.

2. PRINCIPAL ACTIVITIES

The principal activity of the Company during the financial year was uranium exploration. There were no significant changes in the nature of the Company's principal activities during the financial year.

3. OPERATING RESULTS

The loss of the Company after providing for income tax amounted to \$76,399 (2007: profit \$3,173)

4. DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

5. REVIEW OF OPERATIONS**Corporate**

On 1 August 2007, the Company lodged a prospectus for a one for two non-renounceable entitlements issue to its shareholders to raise approximately \$187,000 through the issue of up to 18,700,001 new options to subscribe for fully paid ordinary shares in the Company. The New Options are exercisable at 20 cents each on or before 30 June 2009 and were issued for the cost of 1 cent per option.

DIRECTORS' REPORT (Continued)**5. REVIEW OF OPERATIONS (Continued)****Review of Operations****1.1 Background**

The Company's primary objective is to build a uranium exploration and mining company at a time when the global demand for the commodity is increasing significantly.

The Company intends to achieve this goal by:

- exploring the existing projects in the Northern Territory;
- maintaining a watching brief over the uranium sector in Australia (and overseas) and pursuing uranium development and acquisition opportunities; and
- assembling a team of experienced uranium and mining industry professionals to develop a portfolio of high quality uranium production and advanced exploration assets.

The Company has secured tenements across ground in the Northern Territory which it believes is prospective.

The Company will also undertake research with a view to acquiring additional uranium and other mineral projects with the intention of developing them into economically mineable deposits in Australia and overseas.

1.2 Granting of Tenements during the year

Tenements over three projects in the Company's portfolio including Wiso (EL25835), Dunmarra Basin (EL25838), McArthur Basin (EL25839) were granted in September 2007.

1.3 Projects**Pine Creek Project (EL24815)**

Since listing on the ASX on 1 June 2007, the Company has been busy with an inaugural field program over the Pine Creek Project (EL24815), completed during August 2007.

The main objective of the field program was to undertake geological mapping, ground spectrometer traverses and reconnaissance sampling over seven previously identified radiometric and magnetic targets. A total of twenty two surface samples were collected and assayed for nine elements.

The field program highlighted two geological targets with potential for unconformity associated uranium mineralisation, Stray Creek and The Pines, with ground spectrometer traverses showing elevated CPS readings up to 7 times background levels. The geological setting at both of these areas is deemed favourable for unconformity style uranium mineralisation similar to that found elsewhere within the Pine Creek region and warranted additional systematic surface geochemistry and mapping. No significant uranium values were returned from the reconnaissance sampling within the project area.

Rock chip sampling and mapping was also undertaken over a previously identified copper prospect within the Cullen Batholith. Results confirmed elevated copper values with assays up to 3% Cu returned from altered and sheared quartz veins. Better results are as follows:-

DIRECTORS' REPORT (Continued)**5. REVIEW OF OPERATIONS (Continued)**

- Sample 94221, which returned 2% Cu and 0.7% Co; and
- Sample 94222, which returned 3% Cu and 0.4% Co.

A follow up soil geochemical program was completed at the Pine Creek Project (EL24815) in the first week of November 2007.

A total of 333 samples were collected during the program which consisted of 221 250gm 65 mesh sieved dry samples and 112 2mm sieved wet samples. Ultra Trace Analytical Laboratories in Canning Vale analysed all samples by Fire Assay for determining Au, Pt and Pd; and a Mixed Acid Digest for elements; U, As, Th, Mo, Se, Sb, Sr, Pb, Cu, Mn, Ni, Co, Zn, Ba, and P.

The main objective of the program was to undertake soil geochemical sampling over three geological targets; two of which had potential for unconformity associated uranium mineralisation; namely the Stray Creek and The Pines prospects. Both targets from a previous ground spectrometer program returned elevated CPS readings up to 7 times background levels and warranted a systematic soil geochemical program to further test the potential for uranium mineralisation.

The third target area focused on a previously identified copper prospect within the Cullen Batholith which returned elevated copper values from reconnaissance exploration work, with assays returning up to 3% Cu.

Some low background readings were recorded congruent with the elevated CPS readings from the previous spectrometer program. It would appear that the radiometric and magnetic anomalies initially targeted represent low order magnitude radiometrics and that the uranium concentrations represent surficial accumulations or expressions.

The Company has entered into an agreement to conduct an Airborne Electromagnetic (AEM) survey over the Pine Creek Project (EL24815). The AEM survey will be conducted using the VTEM system and consist of lines flown east-west and spaced 555 metres apart for a total of approximately 794 line kilometres, targeting unconformity and vein type uranium deposits. It is anticipated that the survey will be conducted in late September and the data available for interpretation in the following quarter. The data from the AEM Survey will be interpreted to define potential drilling targets.

Wiso (EL25835), Dunmarra Basin (EL25838), McArthur Basin (EL25839)

Field work commenced in late July on the Wiso (EL25835), Dunmarra (EL25838) and McArthur Basin (EL25839) tenements. The field work program which will include mapping, soil geochemistry, rock chip sampling and orientation ground scintillometer traverses over previously identified radiometric and magnetic targets. It is anticipated that results will be available in October.

United Uranium has entered into an agreement to conduct an Airborne Electromagnetic (AEM) survey over the McArthur Basin Project (EL25839). The AEM survey will be conducted using the TEMPEST system and consist of lines flown east-west and spaced 250 metres apart for a total of approximately 981 line kilometres, targeting sandstone and unconformity type uranium deposits, as well as base metal deposits. It is anticipated that the survey will be conducted in late September and the data available for interpretation during the following quarter. The data from the AEM Survey will be interpreted to define potential drilling targets.

DIRECTORS' REPORT (Continued)**6. SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

The following significant changes in the state of affairs of the Company occurred during the financial year:

On 1 August 2007, the Company lodged a prospectus for a one for two non-renounceable entitlements issue to its shareholders to raise approximately \$187,000 through the issue of up to 18,700,001 new options to subscribe for fully paid ordinary shares in the Company. The New Options are exercisable at 20 cents each on or before 30 June 2009 and were issued for the cost of 1 cent per option.

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

7. AFTER BALANCE DATE EVENTS

Since the reporting date, the Australian stock market has undergone a significant change in value and consequently the fair value of financial assets as at the date of this report has reduced by approximately \$332,000.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

8. MEETINGS OF DIRECTORS

The number of directors' meetings held during the financial year each director held office during the financial year and the number of meetings attended by each director are:

Director	Directors Meetings	
	Number Eligible to Attend	Meetings Attended
Xing Yan	8	8
George Lazarou	8	8
Eric Kong (Appointed 15 May 2008)	2	2
Michael Vaughan	6	6
Mark Fogarty	6	6

The Company does not have a formally constituted audit committee as the board considers that the company's size and type of operation do not warrant such a committee.

9. FUTURE DEVELOPMENTS

The Company will continue its mineral exploration activity at and around its exploration projects with the object of identifying commercial resources.

10. ENVIRONMENTAL ISSUES

The Company is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work. The directors of the Company are not aware of any breach of environmental regulations for the year under review.

DIRECTORS' REPORT (Continued)**11. REMUNERATION REPORT****Remuneration Policy**

The remuneration policy of the Company has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors and executives to run and manage the Company.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the Company is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The board reviews executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The board may exercise discretion in relation to approving incentives, bonuses and options. The policy is to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share and option arrangements.

The executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits.

All remuneration paid to directors and executives is valued at the cost to the company and expensed. Shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes method.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently \$250,000). Fees for non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the company and are able to participate in the employee option plan.

DIRECTORS' REPORT (Continued)**11. REMUNERATION REPORT (Continued)****Performance based remuneration**

The company has no performance based remuneration component built into director and executive remuneration packages.

Company performance, shareholder wealth and director's and executive's remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders and directors and executives. Currently, this is facilitated through the issue of options to the majority of directors and executives to encourage the alignment of personal and shareholder interests. The company believes the policy will be effective in increasing shareholder wealth. For details of directors and executives interests in options at year end, refer note 15 (f) of the financial statements.

Employment contracts of key management personnel

For details of service agreements between key management personnel and the Company, refer note 15 of the financial statements.

Compensation of key management personnel for the year ended 30 June 2008

	SHORT-TERM BENEFITS			POST EMPLOYMENT		SHARE-BASED PAYMENT		TOTAL
	Salary & Fees	Cash Bonus	Non-Monetary	Superannuation	Retirement Benefits	Equity	Options	\$
Directors								
(Simon) Xing Yan – Non-Executive Chairman								
2008	50,000	-	-	4,500	-	-	-	54,500
2007	4,167	-	-	375	-	-	-	4,542
George Lazarou – Executive Director								
2008	53,333	-	-	4,800	-	-	-	58,133
2007	4,167	-	-	375	-	-	-	4,542
Eric Kong – Non-Executive Director (Appointed 15 May 2008)								
2008	5,000	-	-	450	-	-	-	5,450
2007	-	-	-	-	-	-	-	-
Michael Vaughan – Non-Executive Director (Resigned 15 May 2008)								
2008	40,000	-	-	3,600	-	-	-	43,600
2007	3,333	-	-	300	-	-	-	3,633
Mark Fogarty – Non-Executive Director (Resigned 15 May 2008)								
2008	22,917	-	-	2,062	-	-	-	24,979
2007	2,083	-	-	187	-	-	-	2,270
Total Remuneration								
2008	171,250	-	-	15,412	-	-	-	186,662
2007	13,750	-	-	1,237	-	-	-	14,987

DIRECTORS' REPORT (Continued)**11. REMUNERATION REPORT (Continued)****Compensation options granted during the year ended 30 June 2008**

No compensation options were granted to key management personnel during the financial year.

Performance income as a proportion of total income

No performance based bonuses have been paid to key management personnel during the financial year.

12. OPTIONS

At the date of this report unissued ordinary shares of the Company under option are:

Expiry Date	Exercise Price	Number of Shares
30 June 2010	\$0.40	3,000,000
30 June 2009	\$0.20	18,684,215

15,786 ordinary shares have been issued as a result of the exercise of options during or since the end of the financial year.

13. INDEMNIFYING OFFICERS OR AUDITOR

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer, auditor or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

14. PROCEEDINGS ON BEHALF OF 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 these proceedings.

The Company was not a party to any such proceedings during the year.

15. AUDITORS INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2008 has been received and can be found on page 14 of annual report.

DIRECTORS' REPORT (Continued)**16. NON-AUDIT SERVICES**

The board of directors is satisfied that the provision of non-audit services performed during the year by the Company's auditors is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reason:

- The nature of the services provided do not compromise the general principles relating to auditors independence as set out in the APES 110 (*Code of Ethics for Professional Accountants*)
- No fees were paid or payable to the auditors for non-audit services performed during the year ended 30 June 2008.

The board of directors is satisfied that no non-audit services were performed during the year by the Company's auditors.

Signed in accordance with a resolution of the Board of Directors.



George Lazarou
Executive Director

Dated this 22nd day of September 2008

To The Board of Directors

**Auditor's Independence Declaration
under Section 307C of the Corporations Act 2001**

This declaration is made in connection with our audit of the financial report of United Uranium Limited for the year ended 30 June 2008 and in accordance with the provisions of the Corporations Act 2001.

We declare that, to the best of our knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit;
- no contraventions of the Code of Professional Conduct of the Institute of Chartered Accountants in Australia in relation to the audit.

Yours faithfully



BENTLEYS
Chartered Accountants



CHRIS WATTS
Director

DATED at PERTH this 22nd day of September 2008

INCOME STATEMENT
For the Year Ended 30 June 2008

		Company	Company
		Year ended 30 June 2008	Period ended 30 June 2007
	Note	\$	\$
Revenue		330,451	39,903
Employee benefit expense		(192,980)	(14,081)
Occupancy expense		(28,500)	-
Depreciation expense		(208)	-
Consultancy expense		(57,663)	(12,600)
Legal and compliance		(46,923)	-
Exploration costs expensed		(20,456)	(3,000)
Impairment provision		(48,000)	-
Administration		<u>(12,120)</u>	<u>(7,049)</u>
Profit/(loss) before income tax expense	2	(76,399)	3,173
Income tax expense	4	<u>-</u>	<u>-</u>
Net profit (loss) attributable to members		<u>(76,399)</u>	<u>3,173</u>
Basic earnings per share (cents per share)	18	(0.2)	0.02
Diluted earnings per share (cents per share)	18	(0.2)	0.01

The accompanying notes form part of these financial statements.

BALANCE SHEET
As at 30 June 2008

	Note	Company 2008 \$	Company 2007 \$
CURRENT ASSETS			
Cash and cash equivalents	5	4,686,164	4,986,762
Trade and other receivables	6	44,565	57,209
TOTAL CURRENT ASSETS		4,730,729	5,043,971
NON CURRENT ASSETS			
Exploration and valuation assets	7	317,632	201,375
Financial assets	8	417,000	50,000
Plant and equipment	9	3,883	-
TOTAL NON CURRENT ASSETS		738,515	251,375
TOTAL ASSETS		5,469,244	5,295,346
CURRENT LIABILITIES			
Trade and other payables	10	19,702	22,322
Provision	11	5,410	331
TOTAL CURRENT LIABILITIES		25,112	22,653
TOTAL LIABILITIES		25,112	22,653
NET ASSETS		5,444,132	5,272,693
EQUITY			
Issued Capital	12	5,264,750	5,269,520
Reserves	13	252,608	-
Retained Profit / (Accumulated Losses)	14	(73,226)	3,173
TOTAL EQUITY		5,444,132	5,272,693

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT
For the Year Ended 30 June 2008

	Note	Company Year ended 30 June 2008 \$	Company Period ended 30 June 2007 \$
Cash Flows from Operating Activities			
- Interest received		322,678	18,507
- Payments to suppliers and employees		(315,309)	(28,681)
- Payments for exploration and evaluation		(136,713)	(4,513)
<i>Net cash used in operating activities</i>	19 (ii)	<u>(129,344)</u>	<u>(14,687)</u>
Cash Flows from Investing Activities			
- Purchase of available for sale investment		(349,235)	(50,000)
- Purchase of plant and equipment		(4,091)	-
<i>Net cash used in investing activities</i>		<u>(353,326)</u>	<u>(50,000)</u>
Cash Flows from Financing Activities			
- Proceeds from issue of shares and options		190,157	5,331,884
- Payments for cost of issue of shares		(8,085)	(280,435)
<i>Net cash provided by financing activities</i>		<u>182,072</u>	<u>5,051,449</u>
Net increase in cash held		(300,598)	4,986,762
Cash at beginning of financial period		<u>4,986,762</u>	-
Cash at end of financial period	19 (i)	<u>4,686,164</u>	<u>4,986,762</u>

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2008

Company	Issued Capital	Option Reserve	Financial Asset Reserves	Retained Profits	Total
	\$			\$	\$
At incorporation	3	-	-	-	3
Issue of share capital	5,533,150	-	-	-	5,533,150
Capital raising costs	(263,633)	-	-	-	(263,633)
Profit for the period	-	-	-	3,173	3,173
Balance at 30 June 2007	5,269,520	-	-	3,173	5,272,693

Company	Issued Capital	Option Reserve	Financial Asset Reserves	Retained Profits/ (Accumulated Losses)	Total
	\$	\$	\$	\$	\$
At 1 July 2007	5,269,520	-	-	3,173	5,272,693
Issue of share capital and options	3,315	187,000	-	-	190,315
Options converted	-	(157)	-	-	(157)
Capital raising costs	(8,085)	-	-	-	(8,085)
Asset revaluation reserve	-	-	65,765	-	65,765
(Loss) for the year	-	-	-	(76,399)	(76,399)
Balance at 30 June 2008	5,264,750	186,843	65,765	(73,226)	5,444,132

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretation, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers the Company of United Uranium Limited. United Uranium Limited is a listed public company, incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

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

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, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(a) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

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

(b) Critical Accounting Judgements, Estimates and Assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using Black-Scholes option pricing model.

Exploration and evaluation costs

Acquisition, exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward in respect of an area that has not at balance sheet date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or relating to, the area of interest are continuing.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Earnings Per Share

Basic earnings per share ("EPS") is calculated by dividing the net profit attributable to members for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated as net loss attributable to members, adjusted for, costs of servicing equity (other than dividends) and preference share dividends; the after tax effect of dividends and interest associated with dilutive potential ordinary shares that would have been recognised as expenses; and other non-discretionary changes in revenues or expenses during the year that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(d) Exploration, Evaluation and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

- (i) such costs are expected to be recouped through successful development and exploitation or from sale of the area; or
- (ii) exploration and evaluation activities in the area have not, at balance date, reached a stage which permit a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Accumulated costs in respect of areas of interest which are abandoned are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(e) Goods and Services Tax (GST)

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

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Impairments

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

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(g) Income Tax

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

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

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither that accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences will not reverse in the foreseeable future.

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

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

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Income Tax (Continued)

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

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

Income taxes relating to items recognised directly in equity are recognised in equity are not in the income statement.

(h) Issued Capital

Ordinary shares are classified as equity.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(i) Revenue

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

Interest

Revenue is recognised as the interest accrues.

(j) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of consideration to be paid in the future for goods and services received, whether or not billed to the Company.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

(k) Trade and Other Receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

Receivables from related parties are recognised and carried at the nominal amount due. Interest is taken up as income on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Investments

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

After initial recognition, investments, which are classified as held for trading and available-for-sale, are measured at fair value. Gains or losses on investments held for trading are recognised in the income statement.

Gains or losses on available-for-sale investments are recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

For investments that are actively traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the balance sheet date.

(m) Plant and Equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of plant and equipment is depreciated on a diminishing value basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	11.25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Comparatives

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

(o) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within 1 year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than 1 year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

The financial report was authorised for issue on 18th September 2008 by the board of directors.

	Company 2008	Company 2007
2. PROFIT/(LOSS) FOR THE YEAR	\$	\$
Profit/(loss) before income tax has been determined after following specific expenses:		
Employee benefits expense		
-Salary	192,980	14,081
- Exploration costs expensed	20,456	3,000
3. AUDITORS' REMUNERATION		
Remuneration of the auditor for:		
- Auditing or reviewing the financial report	18,000	7,000
- Other services	-	7,000
	18,000	14,000

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

	Company 2008 \$	Company 2007 \$
4. INCOME TAX		
a. The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
b. The prima facie tax expense/(benefit) on profit/(loss) before income tax is reconciled to the income tax as follows:		
Prima facie tax expense/(benefit) on profit/(loss) before income tax at 30%	(22,920)	952
Add:		
Tax effect of:		
- Revenue losses not recognised	52,600	78,656
- Foreign losses not recognised	3,248	-
- Other deferred tax balances not recognised	1,949	-
	34,877	79,608
Less:		
Tax effect of:		
- Exploration and evaluation expenditure deductible for income tax purposes not recognised	34,877	60,413
- Other deferred tax balances not recognised	-	19,195
Income tax attributable to entity	-	-
	0%	0%
The applicable weighted average effective tax rates are as follows:		
c. The following deferred tax balances at 30% have not been recognised:		
Deferred Tax Assets:		
Carry forward revenue losses	131,256	78,656
Carry forward foreign losses	3,248	-
Capital raising costs	52,428	63,560
Provisions and accruals	5,883	2,199
Other	343	554
	193,158	144,969

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

4. INCOME TAX (Continued)

The tax benefits of the above Deferred Tax Assets will only be obtained if:

- (a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- (b) the company continues to comply with the conditions for deductibility imposed by law; and
- (c) no changes in income tax legislation adversely affect the company in utilising benefits.

Deferred Tax Liabilities: At 30%:	Company 2008	Company 2007
	\$	\$
Exploration expenditure	95,290	60,413
Financial assets	5,329	-
Other	8,785	6,418
	<u>109,404</u>	<u>66,831</u>

The above Deferred Tax Liabilities have not been recognised as they have given rise to the carry forward losses for which the Deferred Tax Asset has not been recognised.

5. CASH AND CASH EQUIVALENTS

Current

Cash at Bank	<u>4,686,164</u>	<u>4,986,762</u>
--------------	------------------	------------------

6. TRADE AND OTHER RECEIVABLES

Current

GST Receivable	6,897	18,261
Other Debtors	29,170	38,948
Prepayments	8,498	-
	<u>44,565</u>	<u>57,209</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

7. EXPLORATION AND EVALUATION ASSETS

	Company 2008 \$	Company 2007 \$
Costs carried forward in respect of areas of interest in:		
Exploration and evaluation phases – at cost	<u>317,632</u>	<u>201,375</u>
Brought forward	201,375	-
Consideration for the exploration assets acquired during the period	-	200,000
Exploration expenditure capitalised during the period	136,713	4,375
Exploration expenditure expensed/written off	<u>(20,456)</u>	<u>(3,000)</u>
At reporting date	<u><u>317,632</u></u>	<u><u>201,375</u></u>

8. FINANCIAL ASSETS

Non Current

Available for sale investments	<u>417,000</u>	<u>50,000</u>
--------------------------------	----------------	---------------

Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

The fair value of unlisted available-for-sale financial assets cannot be reliably measured as variability in the range of reasonable fair value estimates is significant. As a result, all unlisted investments are reflected at recoverable amounts. The fair value of unlisted available-for-sale financial assets cannot be reliably measured as variability in the range of reasonable fair value estimates is significant. Management has determined that the estimate of total consolidated fair values for unlisted investments would be \$2,000 at 30 June 2008. No intention to dispose of any unlisted available-for-sale financial assets existed at 30 June 2008.

Unlisted Shares, at recoverable amount

At costs	50,000	50,000
Provision for impairment	<u>(48,000)</u>	<u>-</u>
	<u>2,000</u>	<u>50,000</u>

Listed Shares, at fair value

Total Available-for-sale Investments	<u>415,000</u>	<u>-</u>
	<u><u>417,000</u></u>	<u><u>50,000</u></u>

9. PLANT AND EQUIPMENT

Plant and equipment at cost	4,091	-
Accumulated depreciation	<u>(208)</u>	<u>-</u>
	<u>3,883</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

9. PLANT AND EQUIPMENT (Continued)

(a) Movements in carrying amounts

<i>Plant and Equipment</i>	Company 2008 \$	Company 2007 \$
At beginning of reporting period	-	-
Additions	4,091	-
Depreciation expense	(208)	-
At end of reporting period	<u>3,883</u>	<u>-</u>

10. TRADE AND OTHER PAYABLES

Current

Trade creditors	621	1,571
Other creditors and accruals	19,081	20,751
	<u>19,702</u>	<u>22,322</u>

11. PROVISIONS

Current

Employee benefits	<u>5,410</u>	<u>331</u>
-------------------	--------------	------------

12. ISSUED CAPITAL

37,415,789 (2007: 37,400,003) fully paid ordinary shares	<u>5,264,750</u>	<u>5,269,520</u>
--	------------------	------------------

(a) Movements in fully paid ordinary shares on issue:

<i>Ordinary Shares</i>	Company 2008		Company 2007	
	\$	Number	\$	Number
At the beginning of the reporting period	5,269,520	37,400,003	-	-
Shares issued during the period:				
At incorporation at \$1.00 each	-	-	3	3
Promoter shares issued on 16 February 2007 at \$0.001 each	-	-	8,150	8,150,000
Seed capital shares issued on 15 March 2007 at \$0.10 each	-	-	325,000	3,250,000
Vendor shares issued on 15 March 2007 as consideration of tenement acquisition	-	-	200,000	1,000,000
Initial Public Offering at \$0.20 each	-	-	5,000,000	25,000,000
Option conversions	3,315	15,786	-	-
Capital raising costs	(8,085)	-	(263,633)	-
At reporting date	<u>5,264,750</u>	<u>37,415,789</u>	<u>5,269,520</u>	<u>37,400,003</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

12. ISSUED CAPITAL (Continued)

(b) Terms of Ordinary Shares

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held.

At shareholders meetings each ordinary share is entitled to one vote in proportion to the paid up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

(c) Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Company's activities, being mineral exploration, it does not have ready access to credit facilities, with the primary source of funding being equity raisings. Accordingly, the objective of the Company's capital risk management is to balance the current working capital position against the requirements of the company to meet exploration programmes and overheads. This is achieved by maintaining appropriate liquidity to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

13. RESERVES	2008	2007
	\$	\$
(a) Option reserve	186,842	-
(b) Financial assets reserve	65,766	-
	<u>252,608</u>	<u>-</u>

(a) Options reserve

Movements in options on issue:

	Company 2008		Company 2007	
	\$	Number	\$	Number
At the beginning of the reporting period	-	3,000,000	-	-
Options issued during the period:				
Options exercisable at 40 cents on or before 30 June 2010 for nil consideration	-	-	-	3,000,000
Options exercisable at 20 cents on or before 30 June 2009 at \$0.01 each	187,000	18,700,001	-	-
Options converted	(158)	(15,786)	-	-
At reporting date	<u>186,842</u>	<u>21,684,215</u>	<u>-</u>	<u>3,000,000</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

13. RESERVES (Continued.)

Terms of Options

At the end of reporting year, there are 21,684,215 options over unissued shares as follows:

- 3,000,000 unlisted options exercisable at 40 cents on or before 30 June 2010
- 18,684,215 listed options exercisable at 20 cents on or before 30 June 2009

	2008	2007
	\$	\$
(b) Financial assets reserve	65,765	-

The financial asset reserve records revaluations of non-current financial assets.

14. RETAINED PROFITS

Retained earnings at the beginning of the reporting period

	3,173	-
Net profit/(loss) attributable to members	(76,399)	3,173
Retained earnings / (Accumulated losses) at the end of the reporting period	(73,226)	3,173

15. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Details of key management personnel

The following persons were directors of the Company during the financial year:-

Xing Yan (Simon)	Non-Executive Chairman
George Lazarou	Executive Director
Eric Kong	Non-Executive Director (Appointed 14 May 2008)
Michael Vaughan	Non-Executive Director (Resigned 14 May 2008)
Mark Fogarty	Non-Executive Director (Resigned 14 May 2008)

(b) Remuneration policy of key management personnel

The objective of the Company's executive reward framework is set to attract and retain the most qualified and experienced directors and senior executives. The board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness
- Acceptability to shareholders
- Performance linkage
- Capital management

Directors' fees

A director may be paid fees or other amounts as the directors determine where a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director. A director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

15. KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

Service agreements

Pursuant to an agreement executed on 21 March 2007, George Lazarou will be paid \$120,000 per annum plus superannuation on a pro-rata basis, for providing services to the company as an Executive Director. The agreement may be terminated by either party by providing 3 months written notice and upon payment of any outstanding fees for services rendered.

Pursuant to an agreement executed on 21 March 2007, Xing Yan (Simon) will be paid \$50,000 per annum plus superannuation, for providing services to the company as a Non-Executive Chairman. The agreement may be terminated by either party by providing 3 months written notice and upon payment of any outstanding fees for services rendered.

Pursuant to an agreement executed on 15 May 2008, Eric Kong will be paid \$40,000 per annum plus superannuation, for providing services to the company as a Non-executive Director. The agreement may be terminated by either party by providing 3 months written notice and upon payment of any outstanding fees for services rendered.

(c) Compensation of key management personnel by individual

	SHORT-TERM BENEFITS			POST EMPLOYMENT		SHARE-BASED PAYMENT		TOTAL
	Salary & Fees	Cash Bonus	Non-Monetary	Superannuation	Retirement Benefits	Equity	Options	\$
Directors								
<i>(Simon) Xing Yan – Non-Executive Chairman</i>								
2008	50,000	-	-	4,500	-	-	-	54,500
2007	4,167	-	-	375	-	-	-	4,542
<i>George Lazarou – Executive Director</i>								
2008	53,333	-	-	4,800	-	-	-	58,133
2007	4,167	-	-	375	-	-	-	4,542
<i>Eric Kong – Non-Executive Director (Appointed 15 May 2008)</i>								
2008	5,000	-	-	450	-	-	-	5,450
2007	-	-	-	-	-	-	-	-
<i>Michael Vaughan – Non-Executive Director (Resigned 15 May 2008)</i>								
2008	40,000	-	-	3,600	-	-	-	43,600
2007	3,333	-	-	300	-	-	-	3,633
<i>Mark Fogarty – Non-Executive Director (Resigned 15 May 2008)</i>								
2008	22,917	-	-	2,062	-	-	-	24,979
2007	2,083	-	-	187	-	-	-	2,270
Total Remuneration								
2008	171,250	-	-	15,412	-	-	-	186,662
2007	13,750	-	-	1,237	-	-	-	14,987

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

15. KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

(d) Compensation options: Granted and vested during the year

There were no compensation options granted to key management personnel of the Company during the year.

(e) Shares issued on exercise of compensation options

There were no shares issued on exercise of compensation options during the year.

(f) Option holdings of key management personnel

2008	Balance at 01.07.07	Granted as Remuneration	Exercised	Bought & (Sold) (i)	Balance at 30.06.08	Total Vested at 30.06.08	Total Exercisable at 30.06.08	Totals Unexercisable at 30.06.08 (ii)
Xing Yan (Simon)	1,000,000	-	-	1,825,000	2,825,000	2,825,000	1,825,000	1,000,000
George Lazarou	1,000,000	-	-	175,000	1,175,000	1,175,000	175,000	1,000,000
Eric Kong*	-	-	-	39,750	39,750	39,750	39,750	-
Michael Vaughan**	1,000,000	-	-	175,000	1,175,000	1,175,000	175,000	1,000,000
Mark Fogarty**	-	-	-	75,000	75,000	75,000	75,000	-
	3,000,000	-	-	2,289,750	5,289,750	5,289,750	2,289,750	3,000,000

(i) These options were subscribed to as part of a non-renounceable issue.

*Appointed 15 May 2008

** Resigned 15 May 2008

2007	Balance at beginning period	Granted as Remuneration	Exercised	Bought & (Sold) (ii)	Balance at 30.06.07	Total Vested at 30.06.07	Total Exercisable at 30.06.07	Total Unexercisable at 30.06.07 (ii)
Xing Yan (Simon)	-	-	-	1,000,000	1,000,000	1,000,000	-	1,000,000
George Lazarou	-	-	-	1,000,000	1,000,000	1,000,000	-	1,000,000
Michael Vaughan	-	-	-	1,000,000	1,000,000	1,000,000	-	1,000,000
Mark Fogarty	-	-	-	-	-	-	-	-
	-	-	-	3,000,000	3,000,000	3,000,000	-	3,000,000

(ii) These options were issued to directors as promoters of the Company. Promoter options are escrowed for 24 months from date of listing of the Company on the ASX.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

15. KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

(g) Shareholdings of key management personnel

2008	Balance at 01.07.07	Granted as Remuneration	On Exercise of Options	Bought & (Sold)	Balance at 30.06.08
Xing Yan (Simon)	3,650,000	-	-	-	3,650,000
George Lazarou	350,000	-	-	-	350,000
Eric Kong*	79,500	-	-	-	79,500
Michael Vaughan**	350,000	-	-	-	350,000
Mark Fogarty**	150,000	-	-	-	150,000
	4,579,500	-	-	-	4,579,500

*Appointed 15 May 2008

** Resigned 15 May 2008

2007	Balance at beginning period	Granted as Remuneration	On Exercise of Options	Bought & (Sold)	Balance at 30.06.07
Xing Yan (Simon)	-	-	-	3,650,000	3,650,000
George Lazarou	-	-	-	350,000	350,000
Michael Vaughan	-	-	-	350,000	350,000
Mark Fogarty	-	-	-	150,000	150,000
	-	-	-	4,500,000	4,500,000

(h) Loans to key management personnel

No loans were made to key management personnel of the company during the financial year.

(i) Other transactions and balances with key management personnel

During the year, Swanzone Canning Vale, a business associated with Mr Xing Yan received \$4,500 as consideration for the Company acquiring office furniture.

Mr George Lazarou was a director of Mining Corporate Pty Ltd until 30 September 2007. During this period Mining Corporate Pty Ltd received \$17,133.18 (2007:\$4,400) for the provision of company secretarial services and \$4,950 (2007: \$1,650) for the provision of office premises and administrative services to the company.

These costs have not been included in directors' remuneration as these fees were not paid to individual directors in relation to the management of the affairs of the Company. All transactions were entered into on normal commercial terms.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

16. RELATED PARTY DISCLOSURES

Key management personnel

Disclosures relating to key management personnel are set out in note 15 and the Directors' Report.

17. FINANCIAL INSTRUMENTS

(i) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments comprise cash and short term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Company. The Company also has other financial instruments such as trade debtors and creditors which arise directly from its operations. For the year under review, it has been the Company's policy not to trade in financial instruments

The directors' overall risk management strategy seeks to assist the Company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements

Financial Risk Exposures and Management

The main risks arising from the Company's financial instruments are interest rate risk and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

(a) Foreign Currency Risk

The company is not exposed to fluctuations in foreign currencies.

(b) Interest Rate Risk

The Company is exposed to movements in market interest rates on short term deposits. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The Company does not have short or long term debt, and therefore this risk is minimal.

(c) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company does not have any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Company's maximum exposure to credit risk.

(d) Liquidity Risk

The Company manages liquidity risk by monitoring forecast cash flows. The Company does not have any significant liquidity risk as the Company does not have any collateral debts.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2008

17. FINANCIAL INSTRUMENTS (Continued)**(ii) FINANCIAL INSTRUMENT COMPOSITION AND MATURITY ANALYSIS**

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts might not reconcile to the balance sheet.

2008	Floating interest rate \$	Fixed interest maturing in			Non-Interest bearing \$	Total \$
		1 year or less \$	over 1 year less than 5 \$	more than 5 years \$		
Financial Assets						
Cash at bank	119,605	4,566,559	-	-	-	4,686,164
Trade & other receivables	-	-	-	-	44,565	44,565
Available for sale investment	-	-	-	-	417,000	417,000
	119,605	4,566,559	-	-	461,565	5,147,729
Weighted Average Interest Rate	6.59%	7.56%	-	-		
Financial Liabilities						
Trade & other creditors	-	-	-	-	19,702	19,702
	-	-	-	-	19,702	19,702
Weighted Average Interest Rate	-	-	-	-		
2007						
2007	Floating interest rate \$	Fixed interest maturing in			Non-Interest bearing \$	Total \$
		1 year or less \$	over 1 year less than 5 \$	more than 5 years \$		
Financial Assets						
Cash at bank	12,438	4,974,324	-	-	-	4,986,762
Trade & other receivables	-	-	-	-	57,209	57,209
Available for sale investment	-	-	-	-	50,000	50,000
	12,438	4,974,324	-	-	107,209	5,093,971
Weighted Average Interest Rate	-	6.27%	-	-		
Financial Liabilities						
Trade & other creditors	-	-	-	-	22,322	22,322
	-	-	-	-	22,322	22,322
Weighted Average Interest Rate	-	-	-	-		

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

17. FINANCIAL INSTRUMENTS (Continued)

	Company 2008	Company 2007
Trade and sundry payables are expected to be paid as follows:		
	\$	\$
Less than 6 months	19,702	22,322
6 months to 1 year	-	-
1-5 years	-	-
Over 5 years	-	-
	19,702	22,322

(iii) NET FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying amount of cash and cash equivalents approximates fair value because of their short-term maturity.

Listed investments have been valued at the quoted market bid price at balance date, adjusted for transaction costs expected to be incurred. For unlisted investments where there is no organised financial market, the net fair value has been based on a reasonable estimation of the underlying net assets or discounted cash flows of the investment.

(iv) INTEREST RATE SENSITIVITY ANALYSIS

At 30 June 2008, the effect on loss and equity as a result of changes in the interest rate, with all other variable remaining constant would be as follows:

	2008 \$	2007 \$
CHANGE IN PROFIT/(LOSS)		
Increase in interest rate by 2%	18,105	102,659
Decrease in interest rate by 2%	(164,557)	(96,313)
CHANGE IN EQUITY		
Increase in interest rate by 2%	5,535,463	5,372,179
Decrease in interest rate by 2%	5,352,801	5,173,206

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

	Company 2008 \$	Company 2007 \$
18. EARNINGS PER SHARE		
(a) Profit/(Loss) used in the calculation of basic earnings per share	<u>(76,399)</u>	<u>3,173</u>
	<i>Number of shares</i>	<i>Number of shares</i>
(b) Weighted average number of ordinary shares outstanding during the reporting period used in calculation of basic earnings per share:	<u>37,412,523</u>	<u>19,239,784</u>
(c) Weighted average number of ordinary shares outstanding during the reporting period used in calculation of diluted earnings per share:	<u>37,412,523</u>	<u>22,174,091</u>
19. CASH FLOW INFORMATION		
(i) Reconciliation of cash and cash equivalent:-		
Cash on Bank	<u>4,686,164</u>	<u>4,986,762</u>
(ii) Reconciliation of cash flows from operating activities with profit/(loss) after income tax		
Profit/(Loss) after income tax	(76,399)	3,173
Exploration expenditure written off	20,456	3,000
Depreciation expense	208	-
Impairment write down	48,000	-
Cash flows not included in Profit/(Loss)		
- Payments for exploration and evaluation	(136,713)	(4,513)
Changes in assets and liabilities		
- (Increase)/ Decrease in trade and other receivables	12,643	(39,000)
- Increase/(Decrease) in trade and other payables	(2,619)	22,322
- Increase in provisions	<u>5,080</u>	<u>331</u>
Net cash (outflows) from Operating Activities	<u>(129,344)</u>	<u>(14,687)</u>

(iii) Non-cash financing and investing activities

No non-cash financing and investing activities have occurred during the year ended 30 June 2008

20. SEGMENT INFORMATION

The Company operates predominantly in one geographical segment, being Australia and in one industry, mineral exploration.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

21. EVENTS SUBSEQUENT TO REPORTING DATE

Since the reporting date, the Australian stock market has undergone a significant change in value and consequently the fair value of financial assets as at the date of this report has reduced by approximately \$332,000.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

22. CONTINGENT LIABILITIES

In the opinion of the directors there were no contingent liabilities at 30 June 2008, and the interval between 30 June 2008 and the date of this report

23. COMMITMENTS

(a) Exploration commitments

The Company will have minimum obligations pursuant to the terms and conditions of prospective tenement licenses in the forthcoming year of \$389,500 for exploration commitments and \$6,470 for rental commitments. These obligations are capable of being varied from time to time, in order to maintain current rights to tenure to mining tenements.

(b) Lease expenditure commitments

There is one operating lease being a rental lease on the Company's premises. The rental lease expires on 30 November 2008. The minimum obligations for the forthcoming year are \$15,000.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

24. CHANGE IN ACCOUNTING POLICY

The following Australian Accounting Standards have been issued or amended and are applicable to the Company but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	Standards Affected	Outline of Amendment	Application Date of Standard	Application Date for Group	
AASB 2007–3 Amendments to Australian Accounting Standards	AASB 5	Non-current Assets Held for Sale and Discontinued Operations	The disclosure requirements of AASB 114: Segment Reporting have been replaced due to the issuing of AASB 8: Operating Segments in February 2007. These amendments will involve changes to segment reporting disclosures within the financial report. However, it is anticipated there will be no direct impact on recognition and measurement criteria amounts included in the financial report	1.1.2009	1.7.2009
	AASB 6	Exploration for and Evaluation of Mineral			
	AASB 107	Cash Flow Statements			
	AASB 119	Employee Benefits			
	AASB 127	Consolidated and Separate Financial Statements			
	AASB 134	Interim Financial Reporting			
AASB 8 Operating Segments	AASB 114	Segment Reporting	As above	1.1.2009	1.7.2009
AASB 2007–6 Amendments to Australian Accounting Standards	AASB 1	First time adoption of AIFRS	The revised AASB 123: Borrowing Costs issued in June 2007 has removed the option to expense all borrowing costs. This amendment will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. However, there will be no direct impact to the amounts included in the financial group as they already capitalise borrowing costs related to qualifying assets.	1.1.2009	1.7.2009
	AASB 101	Presentation of Financial Statements			
	AASB 107	Cash Flow Statements			
	AASB 116	Property, Plant and Equipment			
	AASB 138	Intangible Assets			

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2008

24. CHANGE IN ACCOUNTING POLICY (Continued)

AASB Amendment	Standards Affected	Outline of Amendment	Application Date of Standard	Application Date for Group
AASB 2007-8 Amendments to Australian Accounting Standards	AASB 101	Presentation of Financial Statements	1.1.2009	1.7.2009
AASB 101	AASB 101	Presentation of Financial Statements	1.1.2009	1.7.2009

DIRECTORS' DECLARATION

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 15 to 40, 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 2008 and of the performance for the year ended on that date of the Company; and
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 and is signed for and on behalf of the directors by:



George Lazarou
Executive Director

Dated this 22nd day of September 2008

Independent Audit Report

To the Members of United Uranium Limited

We have audited the accompanying financial report of United Uranium Limited (the company), which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended 30 June 2008, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the company.

**RLF Bentleys
Audit & Corporate Pty Ltd**
ABN 33 121 222 802

Level 1
12 Kings Park Road
West Perth WA 6005

PO Box 44
West Perth WA 6872

T +61 8 9226 4500
F +61 8 9226 4300

www.bentleys.com.au

Directors Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

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

Auditor's Opinion

In our opinion:

- a. The financial report of United Uranium Limited is in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the company's financial position as at 30 June 2008 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- b. The financial report also complies with International Financial Reporting Standards as disclosed in Note 1;

Bentleys

BENTLEYS
Chartered Accountants



CHRIS WATTS
Director

DATED at PERTH this 22nd day of September 2008

CORPORATE GOVERNANCE

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*. The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines. As consistency with the guidelines has been a gradual process, where the Company did not have certain policies or committees recommended by the ASX Corporate Governance Council (the Council) in place during the reporting year, we have identified such policies or committees.

Where the Company's corporate governance practices do not correlate with the practices recommended by the Council, the Company is working towards compliance however it does not consider that all the practices are appropriate for the Company due to the size and scale of Company operations.

To illustrate where the Company has addressed each of the Council's recommendations, the following table cross-references each recommendation with sections of this report. The table does not provide the full text of each recommendation but rather the topic covered. Details of all of the recommendations can be found on the ASX Corporate Governance Council's website at <http://www.asx.com.au/supervision/governance/index.htm>.

Recommendation	Section
Recommendation 1.1 Functions of the Board and Management	1.1
Recommendation 1.2 Evaluating the Performance of Senior Executives	1.4.5, 1.4.10
Recommendation 1.3 Reporting on Principle 1	1.1
Recommendation 2.1 Independent Directors	1.2
Recommendation 2.2 Independent Chairman	1.2
Recommendation 2.3 Role of the Chairman and CEO	1.2
Recommendation 2.4 Establishment of Nomination Committee	2.3
Recommendation 2.5 Evaluation of Board, Directors and Committees	1.4.10
Recommendation 2.6 Reporting on Principle 2	1.2, 1.4.6, 2.3.2
Recommendation 3.1 Code of Conduct	1.1
Recommendation 3.2 Company Security Trading Policy	1.4.9
Recommendation 3.3 Reporting on Principle 3	1.1 and 1.4.9
Recommendation 4.1 Establishment of Audit Committee	2.1
Recommendation 4.2 Structure of Audit Committee	2.1
Recommendation 4.3 Audit Committee Charter	2.1
Recommendation 4.4 Reporting on Principle 4	2.1
Recommendation 5.1 Policy for Compliance with Continuous Disclosure	1.4.4
Recommendation 5.2 Reporting on Principle 5	1.4.4
Recommendation 6.1 Communications Strategy	1.4.8
Recommendation 6.2 Reporting on Principle 6	1.4.8
Recommendation 7.1 Policies on Risk Oversight and Management	2.1.3
Recommendation 7.2 Risk Management and Internal Control System	2.1.3
Recommendation 7.3 Attestations by CEO and CFO	1.4.11
Recommendation 7.4 Reporting on Principle 7	1.4.11, 2.1.3
Recommendation 8.1 Establishment of Remuneration Committee	2.2
Recommendation 8.2 Executive and Non-Executive Director Remuneration	2.2.3.1 and 2.2.3.2
Recommendation 8.3 Reporting on Principle 8	2.2, 2.2.3

1. Board of Directors

1.1 Role of the Board

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. The Board has the final responsibility for the successful operations of the Company.

To assist the Board carry out its functions, it has developed a Code of Conduct to guide the Directors, the Chief Executive Officer, the Chief Financial Officer and other key executives in the performance of their roles.

1.2 Composition of the Board

To add value to the Company the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given its current size and scale of operations. Directors are appointed based on the specific skills required by the Company and on their decision-making and judgment skills.

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. Mr Eric Kong is a Non-Executive Director and is independent director as he meets the following criteria for independence adopted by the Company:

An Independent Director is a Non-Executive Director and:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;
- within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member. Or an employee materially associated with the service provided;
- is not a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has no material contractual relationship with the Company or other group member other than as a Director of the Company;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

1.3 Responsibilities of the Board

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company.

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following.

- Leadership of the Organisation: overseeing the Company and establishing codes that reflect the values of the Company and guide the conduct of the Board.
- Strategy Formulation: to set and review the overall strategy and goals for the Company and ensuring that there are policies in place to govern the operation of the Company.
- Overseeing Planning Activities: the development of the Company's strategic plan.
- Shareholder Liaison: ensuring effective communications with shareholders through an appropriate communications policy and promoting participation at general meetings of the Company.
- Monitoring, Compliance and Risk Management: the development of the Company's risk management, compliance, control and accountability systems and monitoring and directing the financial and operational performance of the Company.

- **Company Finances:** approving expenses and approving and monitoring acquisitions, divestitures and financial and other reporting.
- **Human Resources:** appointing, and, where appropriate, removing the Chief Executive Officer or Managing Director (CEO / MD) and Chief Financial Officer (CFO) as well as reviewing the performance of the CEO and monitoring the performance of senior management in their implementation of the Company's strategy.
- **Ensuring the Health, Safety and Well-Being of Employees:** in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to ensure the well-being of all employees.
- **Delegation of Authority:** delegating appropriate powers to the CEO to ensure the effective day-to-day management of the Company and establishing and determining the powers and functions of the Committees of the Board.

Full details of the Board's role and responsibilities are contained in the Board Charter, a copy of which is available for inspection at the Company's registered office.

1.4 Board Policies

1.4.1 Conflicts of Interest

Directors must:

- disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Company; and
- if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot or is unwilling to remove a conflict of interest then the Director must, as per the *Corporations Act*, absent himself or herself from the room when discussion and/or voting occurs on matters about which the conflict relates.

1.4.2 Commitments

Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company.

1.4.3 Confidentiality

In accordance with legal requirements and agreed ethical standards, Directors and key executives of the Company have agreed to keep confidential, information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

1.4.4 Continuous Disclosure

The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with the *ASX Listing Rules* the Company immediately notifies the ASX of information:

- concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and
- that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

1.4.5 Education and Induction

It is the policy of the Company that new Directors undergo an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an induction package and presentations. Information conveyed to new Directors include:

- details of the roles and responsibilities of a Director;
- formal policies on Director appointment as well as conduct and contribution expectations;
- access to a copy of the Board Charter;
- guidelines on how the Board processes function;
- details of past, recent and likely future developments relating to the Board;
- background information on and contact information for key people in the organisation;
- an analysis of the Company;
- a synopsis of the current strategic direction of the Company; and
- a copy of the Constitution of the Company.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skills gaps where they are identified.

1.4.6 Independent Professional Advice

The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities.

1.4.7 Related Party Transactions

Related party transactions include any financial transaction between a Director and the Company. Unless there is an exemption under the *Corporations Act* from the requirement to obtain shareholder approval for the related party transaction, the Board cannot approve the transaction.

1.4.8 Shareholder Communication

The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to:

- communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders and the general meetings of the Company;
- giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;
- making it easy for shareholders to participate in general meetings of the Company; and
- requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company.

1.4.9 Trading in Company Shares

Due to the size of the Company, the Board does not consider it appropriate to implement a Share Trading Policy. Rather, it reminds directors, officers and employees of the prohibition in the *Corporations Act 2001* concerning trading in the Company's securities when in possession of "inside information".

1.4.10 Performance Review/Evaluation

It is the policy of the Board to conduct evaluation of its performance. The evaluation process was introduced via the Board Charter adopted on 1 March 2007 and will be implemented for the financial year ended 30 June 2008. The objective of this evaluation will be to provide best practice corporate governance to the Company.

1.4.11 Attestations by CEO and CFO

It is the Board's policy, that the CEO and the CFO make the attestations recommended by the ASX Corporate Governance Council as to the Company's financial condition prior to the Board signing the Annual Report. However, as at the date of this report the Company does not have a designated CEO or CFO. These roles are performed by the Managing Director and Company Secretary.

2. Board Committees

2.1 Audit Committee

Due to the size and scale of operations of the Company the full Board undertakes the role of the Audit Committee. Below is a summary of the role and responsibilities of an Audit Committee.

2.1.1 Role

The Audit Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors.

As the whole Board only consists of three (3) members, the Company does not have an audit committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues and an audit committee cannot be justified based on a cost-benefit analysis. However, in accordance with the ASX Listing Rules, the Company is moving towards establishing an audit committee consisting primarily of Independent Directors.

In the absence of an audit committee, the Board sets aside time to deal with issues and responsibilities usually delegated to the audit committee to ensure the integrity of the financial statements of the Company and the independence of the external auditor.

2.1.2 Responsibilities

The Audit Committee or as at the date of this report the full Board of the Company reviews the audited annual and half-yearly financial statements and any reports which accompany published financial statements and recommends their approval to the members.

The Audit Committee or as at the date of this report the full Board of the Company each year reviews the appointment of the external auditor, their independence, the audit fee, and any questions of resignation or dismissal.

The Audit Committee or as at the date of this report the full Board of the Company is also responsible for establishing policies on risk oversight and management.

2.1.3 Risk Management Policies

The Board's Charter clearly establishes that it is responsible for ensuring there is a sound system for overseeing and managing risk. As the whole Board only consists of three (3) members, the Company does not have a Risk Management Committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

2.2 Remuneration Committee

2.2.1 Role

The role of a Remuneration Committee is to assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and incentive policies for employees.

As the whole Board only consists of three (3) members, the Company does not have a remuneration committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

2.2.2 Responsibilities

The responsibilities of a Remuneration Committee, or the full Board include setting policies for senior officers' remuneration, setting the terms and conditions of employment for the Chief Executive Officer, reviewing and making recommendations to the Board on the Company's incentive schemes and superannuation arrangements, reviewing the remuneration of both Executive and Non-Executive Directors and making recommendations on any proposed changes and undertaking reviews of the Chief Executive Officer's performance, including, setting with the Chief Executive Officer goals and reviewing progress in achieving those goals.

2.2.3 Remuneration Policyⁱ

Directors' Remuneration for the majority of directors was approved at a Board meeting held on 14 June 2007.

2.2.3.1 Senior Executive Remuneration Policy

The Company is committed to remunerating its senior executives in a manner that is market-competitive and consistent with best practice as well as supporting the interests of shareholders. Consequently, under the Senior Executive Remuneration Policy the remuneration of senior executive may be comprised of the following:

- fixed salary that is determined from a review of the market and reflects core performance requirements and expectations;
- a performance bonus designed to reward actual achievement by the individual of performance objectives and for materially improved Company performance;
- participation in any share/option scheme with thresholds approved by shareholders;
- statutory superannuation.

By remunerating senior executives through performance and long-term incentive plans in addition to their fixed remuneration the Company aims to align the interests of senior executives with those of shareholders and increase Company performance.

The value of shares and options were they to be granted to senior executives would be calculated using the Black and Scholes method.

The objective behind using this remuneration structure is to drive improved Company performance and thereby increase shareholder value as well as aligning the interests of executives and shareholders. The Board may use its discretion with respect to the payment of bonuses, stock options and other incentive payments.

2.2.3.2 Non-Executive Director Remuneration Policy

Non-Executive Directors are to be paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of Non-Executive Directors. Non-Executive Directors do not receive performance based bonuses and do not participate in equity schemes of the Company.

Non-Executive Directors are entitled to but not necessarily paid statutory superannuation.

2.2.4 Current Director Remuneration

Full details regarding the remuneration of Directors, is included in the Directors' Report.

2.3 Nomination Committee

2.3.1 Role

The role of a Nomination Committee is to help achieve a structured Board that adds value to the Company by ensuring an appropriate mix of skills are present in Directors on the Board at all times.

As the whole Board only consists of three (3) members, the Company does not have a nomination committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

2.3.2 Responsibilities

The responsibilities of a Nomination Committee would include devising criteria for Board membership, regularly reviewing the need for various skills and experience on the Board and identifying specific individuals for nomination as Directors for review by the Board. The Nomination Committee would also oversee management succession plans including the CEO/ MD and his/her direct reports and evaluate the Board's performance and make recommendations for the appointment and removal of Directors. Currently the Board as a whole performs this role.

2.3.3 Criteria for selection of Directors

Directors are appointed based on the specific governance skills required by the Company. Given the size of the Company and the business that it operates, the Company aims at all times to have at least two Directors with experience appropriate to the Company's target market. In addition, Directors should have the relevant blend of personal experience in accounting and financial management and Director-level business experience.

3. Company Code Of Conduct

The Board has decided against the implementation of a code of conduct as it does not believe that it is in the best interests of its employees or other stakeholders to have what purports to be an exhaustive code of conduct. The Board feels that such a code may be too prescriptive and not allow the employees the discretion they need to best serve the Company's stakeholders.

ADDITIONAL SHAREHOLDER INFORMATION

Shareholding

The distribution of members and their holdings of equity securities in the company as at 17 September 2008 were as follows:

Number Held as at 17 September 2008	Class of Equity Securities Fully Paid Ordinary Shares	Class of Equity Securities \$0.20 30/6/09 Options
1-1,000	10	23
1,001 - 5,000	91	193
5,001 – 10,000	199	55
10,001 - 100,000	197	128
100,001 and over	46	33
Totals	543	432

Holders of less than a marketable parcel:- fully paid shares 101

Substantial Shareholders

The names of the substantial shareholders listed in the Company's register as at 17 September 2008:

Shareholder	Number
Cheng Rong Wang	4,750,000
Xibo Ma	3,340,000
Xing Yan	2,650,000

Unquoted Securities

The Company has issued the following unquoted securities:

Class of Equity Security	Number	Number of Security Holders
40 cents options expiring 30 June 2010	3,000,000	3
Fully paid ordinary shares	9,150,000	11

Restricted Securities

The Company has issued the following restricted securities:

Class of Equity Security	Number	Date Ceasing To Be Restricted Securities
Fully paid ordinary shares	9,150,000	1 June 2009
40 cents options expiring 30 June 2010	3,000,000	1 June 2009

ADDITIONAL SHAREHOLDER INFORMATION (Continued)***Voting Rights*****Ordinary Shares**

In accordance with the Company's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

Twenty Largest Shareholders

The names of the twenty largest ordinary fully paid as at 17 September 2008 are as follows:

Name	Number of Ordinary Fully Paid Shares Held	Held of Issued Ordinary Capital (%)
Cheng Rong Wang	4,750,000	12.695
Xibo Ma	3,340,000	8.927
Xing Yan	2,650,000	7.083
Western Investment Holding Pty Ltd	1,500,000	4.009
Kam Lan Choo	1,450,000	3.875
Jian Hua Han	1,313,800	3.511
Stoneham Holdings Aust. Pty Ltd	1,150,000	3.074
Kelmine Pty Ltd	1,100,000	2.940
Austhong International Group Pty Ltd	1,100,000	2.940
Shriver Nominees Pty Ltd	1,000,000	2.673
United Mining Resources Pty Ltd	1,000,000	2.673
You Lian Zheng	900,000	2.405
FM104.9 Network Pty Ltd	650,000	1.737
Selona Pty Ltd	490,000	1.310
Xiuzhen Liu	416,704	1.114
GW International Pty Ltd & A22 Pty Ltd	410,000	1.096
Stephen Brockhurst	350,003	0.935
Bessarlie Pty Ltd	350,000	0.935
Michael Vaughan	350,000	0.935
Paso Holdings Pty Ltd	345,000	0.922
TOTAL	24,615,507	65.79%

ADDITIONAL SHAREHOLDER INFORMATION (Continued)***Twenty Largest Option Holders***

The names of the twenty largest holders of \$0.20 options expiring 30 June 2009 as at 17 September 2008 are as follows:

Name	Number of Options Held	% Held of Issued Options
Cheng Rong Wang	2,375,000	12.711
Xibo Ma	1,670,000	8.938
Xing Yan	1,325,000	7.091
Kam Lan Choo	775,509	4.150
Western Investment Holding Pty Ltd	750,000	4.014
Stoneham Holdings Aust. Pty Ltd	575,000	3.077
Kelmine Pty Ltd	550,000	2.944
Austhong International Group Pty Ltd	550,000	2.944
Selona Pty Ltd	500,000	2.676
Shriver Nominees Pty Ltd	500,000	2.676
United Mining Resources Pty Ltd	500,000	2.676
You Lian Zheng	450,000	2.408
Xiu Zheng Liu	375,000	2.007
A22 Pty Ltd	330,263	1.768
FM104.9 Network Pty Ltd	325,000	1.739
Stephen Brockhurst	175,001	0.937
Bessarlie Pty Ltd	175,000	0.937
Michael Vaughan	175,000	0.937
Kouta Bay Pty Ltd	168,750	0.903
Lawrence Crowe Consulting Pty Ltd	160,000	0.856
TOTAL	12,354,523	66.12%

SCHEDULE OF MINERAL TENEMENTS

Project	Tenement	Equity
Pine Creek	EL 24815	80%
McArthur	EL 25839	80%
Birrindudu	ELA 25837	80%
Wiso	EL 25835	80%
Wiso	ELA 25836	80%
Wiso	ELA 25840	80%
Dunmarra	EL 25838	80%