METALBANK LIMITED

ABN 51 127 297 170

Metal Bank Limited and its controlled entity

Annual Financial Report

For the year ended 30 June 2012

METAL BANK LIMITED AND ITS CONTROLLED ENTITY
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CORPORATE DIRECTORY

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Anthony Ho (Non-Executive Director)
Guy Robertson (Executive Director)

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Dear Shareholder

On behalf of the directors of Metal Bank Limited ("Metal Bank" or the "Company"), it gives me pleasure to submit to you the annual report of the Company for the year ended 30 June 2012.

REVIEW OF OPERATIONS

The operations of the consolidated entity during the year are as described below:

SPINIFEX RIDGE EAST PROJECT (80%)

Metal Bank's Spinifex Ridge East Project consists of 2 granted exploration leases (45/2596, E45/3099) – adjacent to Moly Mines Ltd (ASX: MOL) Spinifex Ridge Iron Ore Mine and world class Molybdenum project. Metal Bank has an 80% interest in the Project. The Project is located some 50 km north-east of Marble Bar in the East Pilbara region of Western Australia. The tenement borders the existing Spinifex Ridge Iron Ore Mine & Moly Mines' Molybdenum- Copper Resource.

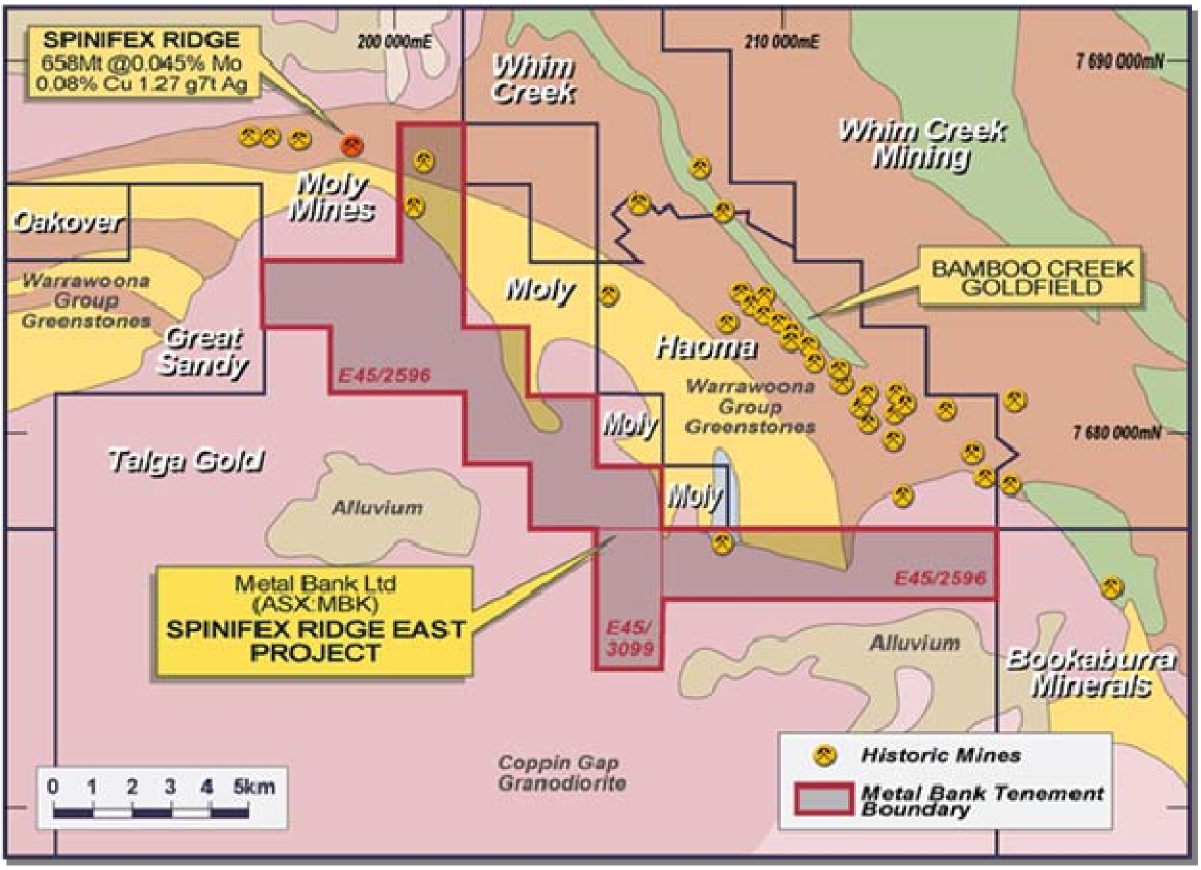

Figure 1: Prospect Locations E45/2596, E45/3099

The Project has demonstrated iron and base metal mineralisation from previous exploration work including rock chip samples.

During the year the Company completed a reconnaissance sampling programme to test a number of targets identified by previous geophysical interpretation. A total of 72 samples were sent for analysis from sites throughout the Company's two Exploration Licences (Figure 2).

Two samples in the far north of EL 2596 returned grades of 0.31g/tAu and 0.12%Cu, and 30.8g/tAu, 154g/tAg and 6.54%Cu respectively. These sample sites occur along strike from the Bamboo Creek gold operations.

Four samples from a target designated BC7 from the geophysical interpretation returned 0.21g/tAu and 0.24%Zn; 0.21g/tAu; 1.28g/tAu, 83.5g/tAg and 0.29%Cu; and 0.34%Cu respectively.

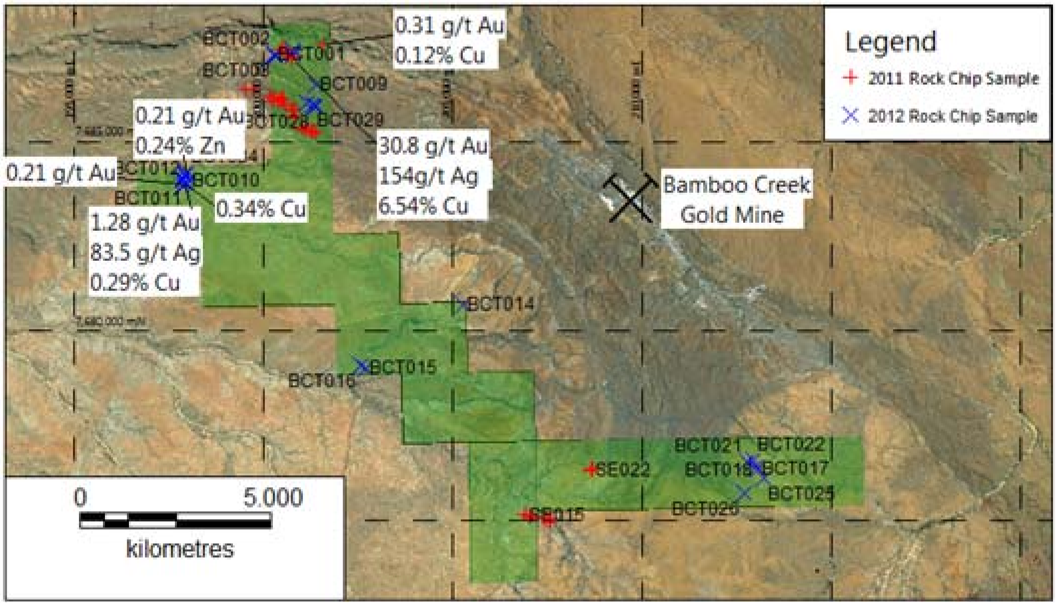

Figure 2 – Sample sites within Metalbank's Bamboo Creek tenements

In addition a review of iron mineralisation in the north of the tenement at Spinifex Ridge East appears highly promising and will be further evaluated in 2013. Metal Bank's Spinifex Ridge project (tenement E45/2596) is directly adjacent to Moly Mines Ltd DSO iron ore mine and world class copper/moly project.

KILLI KILLI SOUTH (100%)

The project is located just south of Orion Metals Limited (ASX Code: ORM) Killi Killi Hills project area, in the Kimberley region of Western Australia.

In 2011 the Company entered into a Joint Venture agreement to sell 50% of the project to ORM. ORM however did not complete in accordance with the agreement and advised the Company in December 2011 of its withdrawal from the project, resulting in the Company having a 100% interest.

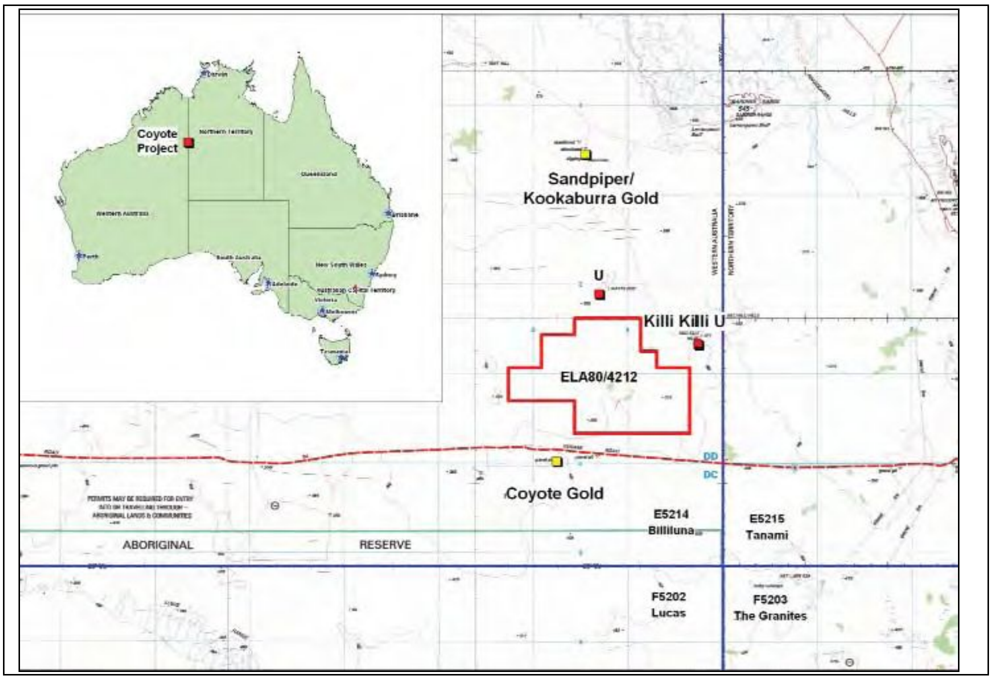

Figure 2 - Coyote Project, E80/4212, Location Plan

The tenement (E80/4212) is considered to be highly prospective for significant REE/gold occurrences due the unconformity acting as a conduit for hydrothermal fluids. These fluids were most likely expelled from a crystallizing igneous complex, and the regional faults may have provided a pathway for fluids

The area is also a proven gold region, with Tanami Gold's (ASX: TAM) 350,000 tonnes per annum capacity Coyote Gold Mine located immediately south of the Killi Killi project area. The Killi Killi prospects and the granite lie in the major north-west trending structural zone, known as the Trans-Tanami Structural Corridor, and appear to be at the intersection of a north-north-east fracture system.

In June 2011 ORM undertook a high resolution airborne geophysical survey. This was followed up in July 2011 with a 21 hole RC drilling programme of 921 metres to test the various zones of the anomaly. No significant economic mineralisation was intersected, although a number of holes, particularly in the north eastern corner returned anomalous rare earth values. The drilling programme also identified highly anomalous barium levels in 19 of the 21 holes.

The Company considers that the project warrants further evaluation and the next phase of exploration is under review.

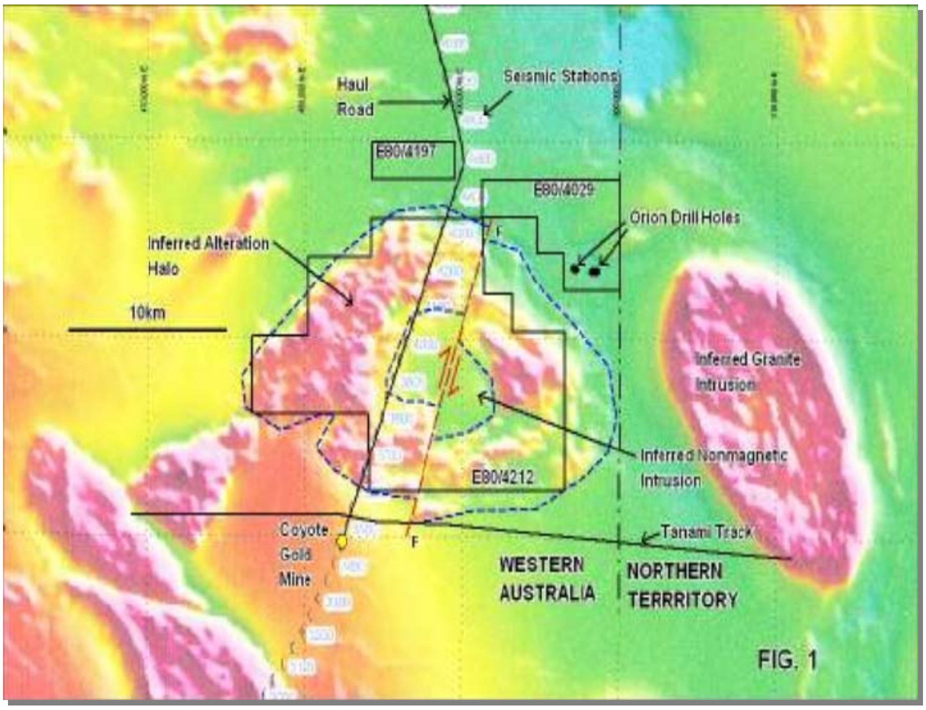

Figure 4: Killi Killi South Residual Gravity Image

ORM's regional studies have shown that the project area hosts a concealed granite intrusion surrounded by an extensive alteration halo that could be the hydrothermal engine driving REE/U/gold mineralisation in the Killi Killi district. (See figure 4).

BOWEN BASIN

Mount MacKenzie

EPM 15668 was granted to King Eagle Resources Pty Limited (KER), a subsidiary of Golden Cross Resources Ltd (GCR) on 28th Of September 2007 for a period of 5 years. Metal Bank Ltd now owns the tenements outright after the sale from GCR in March 2011. The tenement is in the Bowen-Collinsville district of North Queensland, and approximately 30 km west - southwest of the township of Bowen.

Principal exploration targets are high tonnage low-grade porphyry-related Cu-Mo±Au systems and high-grade mesothermal precious and/or base metal mineralisation.

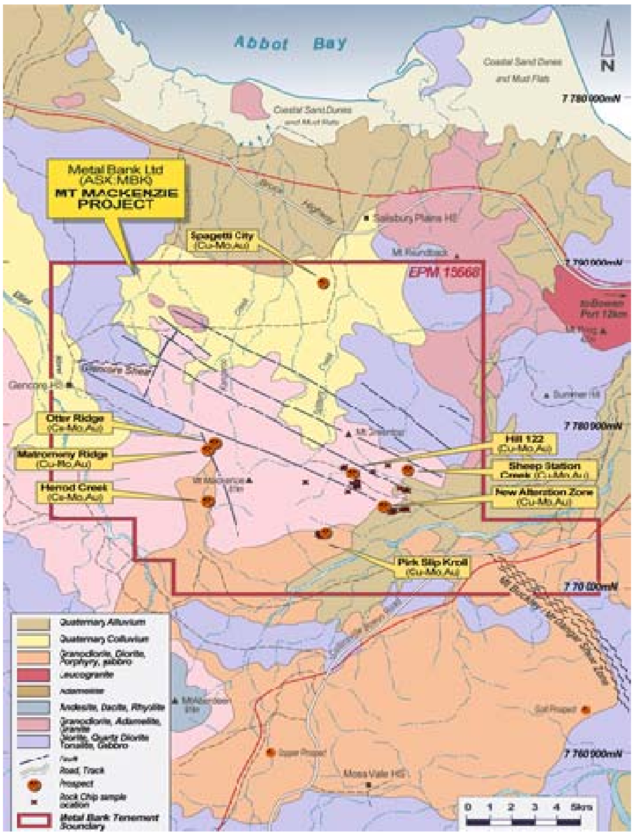

Figure 5: Regional geology map of Mt McKenzie project

Ten Mile Creek

The Company has received a notice to make application to renew this tenement. The Company has determined not to file a renewal application for this tenement, given the costs and limited prospectivity. Accordingly, this tenement is to lapse on 31 October 2012.

Review of Projects

The Company announced to the ASX on 28 May 2012 an acquisition of 100% of the issued share capital of Scott Creek Coal (SCCA). Since announcing the acquisition, a number of adverse factors, such as the deterioration in the resources equity markets, decline in coal prices and imposition of increased royalty taxes on coal by the Queensland Government, took place and the Company and SCCA resolved not to proceed with this acquisition. In arriving at its decision the board had regard to a number of factors, including the effort and cost that had been invested in the SCCA transaction, but ultimately, it was concluded that proceeding with the acquisition was not in all shareholders best interests.

Future Plans

Metal Bank will continue to review opportunities to expand its project base in base and precious metals and minerals, which will create shareholder value. In addition the Company will review its existing projects with a view to extracting maximum value through exploration, joint venture or sale.

We thank our shareholders for their ongoing support .

Guy Robertson
Executive Director

Schedule of Tenements

Mining Tenements	***Location***	***Percentage Interest***
E45/3099	Spinifex Ridge East	80%
E45/2596	Spinifex Ridge East	80%
E80/4212	Coyote	100%
EPM15668	Mount McKenzie	100%

E – Exploration Licence; EPM – Exploration Permit

Competent Persons Statement

The information in this report which relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("AIG"), a Corporate Member of the Australasian Institute of Mining & Metallurgy ("AusIMM") and independent consultant to the Company. Mr Maynard is the Director and principal geologist of Al Maynard & Associates Pty Ltd and has over 30 years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves".(JORC Code). Mr Maynard consents to inclusion in the report of the matters based on this information in the form and context in which it appears.

The Metal Bank Limited group ("**Metal Bank**"), through its Board and executives, recognises the need to establish and maintain corporate governance policies and practices that reflect the requirements of the market regulators and participants, and the expectations of members and others who deal with Metal Bank. These policies and practices remain under constant review as the corporate governance environment and good practices evolve.

ASX Corporate Governance Principles and Recommendations

It should be noted that Metal Bank is currently a small cap listed company and that where its processes do not fit the model of the 8 principles, the Board believes that there are good reasons for the different approach being adopted.

Reporting against the 8 Principles, we advise as follows:

Principle 1: Lay solid foundations for management and oversight

1.1 Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.

The primary responsibilities of Metal Bank's Board include:

(i) the establishment of long term goals of the company and strategic plans to achieve those goals;
(ii) the review and adoption of the annual business plan for the financial performance of the company and monitoring the results on a monthly basis;
(iii) the appointment of a General Manager;
(iv) ensuring that the company has implemented adequate systems of internal control together with appropriate monitoring of compliance activities; and
(v) the approval of the annual and half-yearly statutory accounts and reports.

The Board meets on a regular basis, normally every two months, to review the performance of the company against its goals both financial and non-financial. In normal circumstances, prior to the scheduled monthly Board meetings, each Board member is provided with a formal board package containing appropriate management and financial reports.

The responsibilities of senior management are contained in letters of appointment and job descriptions given to each appointee on appointment and updated at least annually or as required.

The primary responsibilities of senior management are:

(i) achieve Metal Bank's objectives as established by the Board from time to time;
(ii) operate the business within the cost budget set by the Board;
(iii) ensure that Metal Bank's appointees work with an appropriate Code of Conduct and Ethics.
(iv) ensure that Metal Bank appointees are supported, developed and rewarded to the appropriate professional standards

1.2 Companies should disclose the process for evaluating the performance of senior executives and appointees.

The performance of all senior executives and appointees is reviewed at least once a year. The performance of the General Manager (when appointed) and other senior executives will be reviewed by the Chairman on an annual basis in conjunction with the Board's Remuneration and Nominations Committee. They are assessed against personal and Company Key Performance Indicators established from time to time as appropriate for Metal Bank.

1.3 Companies should provide the information indicated in the Guide to reporting on Principle 1.

A performance evaluation for each senior executive has taken place in the reporting period in line with the process disclosed.

A statement covering the primary responsibilities of the Board is set out in 1.1 above.

A statement covering the primary responsibilities of the senior executives is set out in 1.1 above.

The Metal Bank Corporate Governance Charter is available on the Metal Bank web site, and includes sections that provide a Board charter. The Metal Bank Board reviews its charter when it considers changes are required.

Principle 2: Structure the board to add value

2.1 A majority of the Board should be independent directors.

During the reporting period, the Metal Bank Board consisted of three directors, the majority of which were non-executive and independent.

2.2 The Chairperson should be independent.

Vincent Fayad, the non-executive chairman is independent.

2.3 Chief Executive Officer should not be the same as Chairman.

Following the resignation of Mr Benjamin Cooper on 12 October 2011, the Company did not operate with a Chief Executive Officer, and a further appointment to this position has yet to be made.

2.4 A nomination committee should be established.

The Board has established a nominations committee which meets twice per annum.

2.5 Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.

The Metal Bank Board has three board members, who are in regular contact with each other as they deal with matters relating to Metal Bank's business. The Board uses a personal evaluation process to review the performance of directors, and at appropriate times the Chairman takes the opportunity to discuss Board performance with individual directors and to give them his own personal assessment. The Chairman also welcomes advice from Directors relating to his own personal performance. The Remuneration Committee determines whether any external advice or training is required. The Board believes that this approach is most appropriate for a company of the size and market cap of Metal Bank.

2.6 *Companies should provide the information indicated in the Guide to reporting on Principle 2*

A description of the skills and experience of each director is contained in the 2012 Directors Report.

Vincent Fayad and Anthony Ho are considered to be independent non executive directors. Mr Guy Robertson is also the Group's Chief Financial Officer and Company Secretary and is not considered independent.

Directors are able to take independent professional advice at the expense of the company, with the prior agreement of the Chairman.

The nomination responsibilities are handled by the nomination committee.

An evaluation of the Board of directors took place during the reporting period and was in accordance with the process described in 2.5 above.

New directors are selected after consultation of all Board members and their appointment voted on by the Board. Each year, in addition to any Board members appointed to fill casual vacancies during the year, one third of directors retire by rotation and are subject to re-election by shareholders at the Annual General Meeting.

There is no current Board charter for nominations.

Principle 3: Promote ethical and responsible decision-making

3.1 *Companies should establish a code of conduct and disclose the code or a summary of the code as to:*

- *the practices necessary to maintain confidence in the company's integrity;*
- *the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and*
- *the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.*

Metal Bank's policies contain a formal code of conduct that applies to all directors and employees, who are expected to maintain a high standard of conduct and work performance, and observe standards of equity and fairness in dealing with others. The detailed policies and procedures encapsulate the company's ethical standards. The code of conduct is contained in the Metal Bank Corporate Governance Charter.

3.2 Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.

As a company with a small market capitalisation, the company has a small Board. The company has no established policy at present but is aware of the principle and will be alert for opportunities when Board changes are contemplated.

3.3 Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.

The company has, as yet, no established policy in relation to gender diversity. The company has no employees at present and as a consequence the opportunity for creating a meaningful gender diversity policy are limited.

3.4 Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.

Given the small size of the company and the fact that it has no employees this is not a meaningful statistic at this time.

Principle 4: Safeguard integrity in financial reporting

4.1 Establish an Audit Committee.

The company has an Audit Committee.

4.2 Audit Committee composition.

The Audit committee is comprised of Anthony Ho (Audit Committee Chairman) and Vincent Fayad. As Metal Bank is a company with a small market capitalisation, the Board considers that two members rather than three are appropriate for the Audit Committee.

4.3 A formal charter should be established for the audit committee.

The company has adopted an Audit Committee charter. It is publicly available on the Metal Bank web-site.

4.4 *Companies should provide the information indicated in the Guide to reporting on Principle 4.*

The Audit Committee met once during the course of the year.

The Audit Committee provides a forum for the effective communication between the Board and external auditors. The committee reviews:

- the annual and half-year financial reports and accounts prior to their approval by the Board;
- the effectiveness of management information systems and systems of internal control; and
- the efficiency and effectiveness of the external audit functions.

The committee meets with and receives regular reports from the external auditors concerning any matters that arise in connection with the performance of their role, including the adequacy of internal controls.

In conjunction with the auditors the Audit Committee monitors the term of the external audit engagement partner and ensures that the regulatory limit for such term is not exceeded. At the completion of the term, or earlier in some circumstances, the auditor nominates a replacement engagement partner.

The committee interviews the nominee to assess relevant prior experience, potential conflicts of interest and general suitability for the role. If the nominee is deemed suitable, the committee reports to the Board on its recommendation.

The Audit Committee also reviews the Metal Bank Corporate Governance and Risk Management processes to ensure that they are effective enough for a listed public company that is currently small cap.

Principle 5: Make timely and balanced disclosure

5.1 Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.

The Metal Bank Board and senior management are conscious of the ASX Listing Rule Continuous Disclosure requirements, which are supported by the law, and take steps to ensure compliance. The company has a policy, which can be summarised as follows:

- the Board, with appropriate advice, is to determine whether an announcement is required under the Continuous Disclosure principles;
- all announcements are monitored by the Company Secretary; and
- all media comment is managed by the Non-Executive Chairman.

Metal Bank believes that the internet is the best way to communicate with shareholders, so Metal Bank provides detailed announcements to the Australian Securities Exchange on a regular basis to ensure that shareholders are kept well informed on Metal Bank's activities.

5.2 *Companies should provide the information indicated in the Guide to reporting on Principle 5.*

Metal Bank's disclosure policy to shareholders is set out as part of the Metal Bank Corporate Governance charter, which is publicly available on the Metal Bank web-site, as are Metal Bank's recent announcements.

Principle 6: Respect the rights of shareholders

6.1 Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.

Metal Bank provides information to its shareholders through the formal communications processes (e.g. ASX releases, general meetings, annual report, and occasional shareholder letters). This material is also available on the Metal Bank website (www.metalbank.com.au).

Shareholders are encouraged to participate in general meetings and time is set aside for formal and informal questioning of the Board, senior management and the auditors. The external audit partner attends the annual general meeting to be available to answer any shareholder questions about the conduct of the audit and the preparation and content of the audit report.

6.2 Companies should provide the information indicated in the Guide to reporting on Principle 6.

The company's communications policy is described in 6.1 above.

Principle 7: Recognise and manage risk

7.1 Companies should establish a sound system for the oversight and management of material business risks.

The company has established policies for the oversight and management of material business risks.

The Board monitors the risks and internal controls of Metal Bank through the Audit Committee. That committee looks to the executive management to ensure that an adequate system is in place to identify and, where possible, on a cost effective basis appropriate for a small cap company, to manage risks inherent in the business, and to have appropriate internal controls.

As part of the process, Metal Bank's management formally identifies and assesses the risks to the business, and these assessments are noted by the Audit Committee and the Board.

7.2 *The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.*

The Board has required management to design and implement the risk management and internal control system appropriate to a small market capitalised company of the size of Metal Bank to manage the company's material business risks and report to it on whether those risks are being managed effectively. Management has reported to the Board as to the effectiveness of the company's management of its material business risks.

7.3 *The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.*

The Board has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or its equivalent) that the declaration provided in accordance with section 295A of the *Corporations Act 2001* is founded on a sound system of risk management and internal control appropriate for a company with a small market capitalisation the size of Metal Bank, and that the system is operating effectively in all material respects in relation to financial reporting risks.

7.4 *Companies should provide information in the Guide to reporting on Principle 7.*

The Board has received the report from management under Recommendation 7.2; and the Board has received the assurances referred to under Recommendation 7.3. The company's policies on risk oversight and management of material business risks for a small cap company the size of Metal Bank are not publicly available.

Principle 8: Remunerate fairly and responsibly

8.1 Establish a remuneration committee.

Metal Bank has established a remuneration committee of two directors being Vincent Fayad and Anthony Ho (previously Michael Sutherland).

8.2 The remuneration committee should be structured so that it:
- *consists of a majority of independent directors*
- *is chaired by an independent chair*
- *has at least three members*

As it is a small cap company, Metal Bank believes that a remuneration committee of two board members is appropriate at present.

8.3 Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.

The remuneration details of non executive directors, executive directors and senior management are set out in the Remuneration Report that forms part of the Directors' report.

Senior executives remuneration packages are reviewed by reference to Metal Bank's performance, the executive director's or senior executive's performance, as well as comparable information from industry sectors and other listed companies in similar industries, which is obtained from external remuneration sources. This ensures that base remuneration is set to reflect the market for a comparable role.

The performance of the executive director and senior executives is measured against criteria agreed annually and bonuses and incentives are linked to predetermined performance criteria and may, with shareholder approval, include the issue of shares and / or options.

There are no schemes for retirement benefits, other than statutory superannuation for non-executive directors. A copy of the Remuneration committee charter is publicly available on the Metal Bank web site www.metalbank.com.au

8.4 Companies should provide the information indicated in the Guide to reporting on Principle 8.

The information is as outlined above.

Your directors present their report on Metal Bank Limited and its subsidiary (**Consolidated Entity** or the **Group**) for the year ended 30 June 2012.

DIRECTORS

The names of directors in office at any time during or since the end of the year are:

Current Directors

VINCENT JOHN PAUL FAYAD
NON-EXECUTIVE CHAIRMAN

Mr Fayad is a Chartered Accountant with some 30 years of experience in the areas of accounting, auditing and corporate advisory. Mr Fayad was a senior partner of mid tier accounting firm, PKF Chartered Accountants & Business Advisers (East Coast) Partnership, now a member of the BDO Network where the last 15 years, prior to his leaving the firm were spent as the head of the corporate advisory division. Mr Fayad has advised a number of transactions, including a number of mining and exploration transactions both in Australia and around the world. He also has significant experience in advising companies on funding and strategy as well as corporate secretarial matters. Mr Fayad is also a registered tax agent and auditor.

Appointed as a Non-Executive Director on 20 May 2011.

Directorships of listed companies held in the last three years: Global Strategic Metals NL.

ANTHONY HO
NON-EXECUTIVE DIRECTOR
B Com, CA, FAICD, FCIS

Mr Ho was previously an executive director at Arthur Yates & Co Ltd, retiring from this position in April 2002. He was a past non-executive director of Brazin Limited and DoloMatrix International Limited and the past non-executive Chairman of Esperance Minerals Limited and St George Community Housing Limited.

Mr Ho's current non-executive directorships of listed and unlisted public companies are:

- Apollo Minerals Limited, Chairman and chair of the audit committee.
- Greenland Minerals and Energy Limited where he also chairs the Audit and Risk Committee.
- Hastings Rare Metals Limited where he also chairs the Audit Committee; and
- Deputy Chairman of Quality Improvements Council Limited.
- Mariposa Health Limited

Mr Ho was previously a partner of Cox Johnston & Co, Chartered Accountants (since merged with Ernst & Young). His extensive executive experience included being Finance Director/Chief Financial Officer of the listed M. S. McLeod Limited group, Galore Group Limited, the Edward H. O'Brien group of companies and Volante Group Limited.

Appointed as a Non-Executive Director on 12 October 2011 and chairs the audit committee.

GUY ROBERTSON
EXECUTIVE DIRECTOR
B Com (Hons), CA.

Mr Robertson has more that 30 years experience as Chief Financial Officer, Company Secretary and Director of both public and private companies in Australia and Hong Kong.

Previous roles included Chief Financial Officer/GM Finance of Jardine Lloyd Thompson, Colliers International Limited and Franklins Limited.

Mr Robertson has over 5 years experience in ASX listed mineral exploration companies and is currently a director of Artemis Resources Limited. He was previously a Director of Healthzone Limited.

Mr Robertson was appointed as an Executive Director on 17 September 2012.

Former Directors

MICHAEL SUTHERLAND	Appointed 20 May 2011, resigned 17 August 2012.
BEN COOPER	Resigned 12 October 2011
NOEL HALGREEN	Appointed 17 August 2012, resigned 17 September 2012

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Secretary

GUY ROBERTSON
(Company Secretary)
B Com (Hons.) CA

Guy Robertson was appointed Company Secretary on 2 June 2011.

Interest in the shares and options of the Company
As at the date of this report, the interests of the directors in the shares and options of Metal Bank Limited were:

	Ordinary Shares	Options
Vincent John Paul Fayad	62,500	-
Anthony Ho	-	-
Guy Robertson	-	250,000

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than as outlined in the Chairman's report, there were no significant changes in the state of affairs of the Company during the year.

PRINCIPAL ACTIVITIES

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

SIGNIFICANT AFTER BALANCE SHEET DATE EVENTS

The following significant matters have occurred after balance date:

At a meeting held on 17 August 2012, shareholders approved the acquisition of Scott Creek Coal Pty Limited (SCCA). However on 17 September 2012 the Company and the major shareholder of SCCA resolved not to proceed with the acquisition.

Shareholders also approved the allotment and issue of 11,400,000 shares, in settlement of outstanding debts, to the vendors and advisors of the Spinifex Ridge East acquisition. As at the date of this report none of these shares have been allotted.

Other than as outlined above, there are currently no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

LIKELY FUTURE DEVELOPMENTS AND EXPECTED RESULTS

The primary objective of Metal Bank is to explore its current tenements in Australia and the Company continues to look to invest in mineral resources projects which have the potential to become mines.

PERFORMANCE IN RELATION TO ENVIRONMENTAL REGULATION

The consolidated entity will comply with its obligations in relation to environmental regulation on its Western Australia projects when it undertakes exploration in the future. The Directors are not aware of any breaches of any environmental regulations during the period covered by this report.

OPERATING RESULTS

The loss of the consolidated entity after providing for income tax amounted to $1,199,678 (2011: loss of $3,048,725). The result for the year was impacted by the following:

- share based payments to the vendors advisor to the Spinifex Ridge acquisition and advisors to assist in capital raising $244,973; and
- legal and consulting fees associated with the terminated SCCA acquisition- $103,043.

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.

REMUNERATION REPORT

Remuneration Policy

The remuneration policy of Metal Bank has been designed to align director objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates. The Board of Metal Bank believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the company, as well as create goal congruence between directors and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members is as follows:

- the remuneration policy, setting the terms and conditions (where appropriate) for the executive directors and other senior staff members, was developed by the Chairman and Company Secretary and approved by the Board;
- in determining competitive remuneration rates, the Board may seek independent advice on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices;
- the Company is a mineral exploration company, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, directors and senior executives, such personnel are paid market rates associated with individuals in similar positions within the same industry. Options and performance incentives may be issued particularly if the Company moves from exploration to a producing entity and key performance indicators such as profit and production can be used as measurements for assessing executive performance.
- all remuneration paid to directors is valued at the cost to the Company and expensed. Where appropriate, 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 methodology. Given the early stages in the Company's development no options or long term incentives have been issued and no key performance indicators have yet been developed for executives.
- the Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Chairman in consultation with independent advisors determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability.

DIRECTORS' AND EXECUTIVE OFFICERS' EMOLUMENTS

(a) Details of Directors and Key Management Personnel

(i) *Current Directors*
Vincent John Paul Fayad – Non-Executive Chairman (appointed 20 May 2011)
Anthony Ho – Non-Executive Director (appointed 12 October 2011)
Guy Robertson – Executive Director (appointed 17 September 2012)

Former Directors
Benjamin Heath Cooper – Executive Director (resigned 12 October 2011)
Michael Sutherland – Non - Executive Director (resigned 17 August 2012)
Noel Halgreen – Non – Executive Director (resigned 17 September 2012)

(ii) *Company Secretary*
Guy Robertson (appointed 2 June 2011)

(iii) *Key Management Personnel*

Nil

Other than the directors and the company secretary, the Company had no Key Management Personnel for the financial year ended 30 June 2012.

Directors' remuneration and other terms of employment are reviewed annually by the Board having regard to performance against goals set at the start of the year, relative comparative information and independent expert advice.

Except as detailed in Notes (a) – (c) to the Remuneration Report, no director or officer has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in Notes (a) – (c) to the Remuneration Report, prepared in accordance with the Corporations Regulations, or the fixed salary of a full time employee of the Company.

(b) Remuneration of Directors and Key Management Personnel

Remuneration Policy

The Board of Directors is responsible for determining and reviewing compensation arrangements. The Board will assess the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team. Remuneration of Directors of the Group is set out below.

Given the early stages in the Company's development no performance remuneration has been granted.

Parent & Group Key Management Personnel

	2012			2011		
	Base Salary and Fees	**Superannuation**	**Total**	**Base Salary and Fees**	**Superannuation**	**Total**
V. Fayad	53,080	-	53,080	3,333	-	3,333
A. Ho	22,500	-	22,500	-	-	-
M. Sutherland	27,084[1]	-	27,084	3,333	-	3,333
B. Cooper	170,000[2]	-	170,000	88,333	6,750	95,083
G. Robertson	60,000[3]	-	60,000	5,000	-	5,000
K. Hunter	-	-	-	13,333	1,200	14,533
A. Hood	-	-	-	10,000	900	10,900
E. Hunt	-	-	-	53,500	-	53,500
Totals	**332,664**	**-**	**332,664**	**176,832**	**8,850**	**185,682**

[1] Portion of fees for geological services have been capitalised as exploration costs.

[2] Of this amount $110,000 was paid as a termination payment to Cooper Corporate and Consulting Pty Limited.

[3] Fees paid to Alexander Cable Pty Limited, including company secretarial and accounting fees, which engaged the company secretary as an employee/consultant.

There are no other employment benefits, either short term, post employment or long term, non monetary or otherwise other than those outlined above.

(c) Employee Related Share-based compensation

To ensure that the Company has appropriate mechanisms to continue to attract and retain the services of Directors and Employees of a high calibre, the Company has a policy of issuing options that are exercisable in future at a certain fixed price.

No options were issued to Directors and Employees during the year and there are no options outstanding to Directors and Employees as at 30 June 2012.

OPTIONS ISSUED AS PART OF REMUNERATION FOR THE PERIOD ENDED 30 JUNE 2012

No options have been issued to directors and executives as part of their remuneration for the year ended 30 June 2012.

OPTIONS

The following are details of options issued during the year:

Date Granted	Number	Price	Expiry Date	% Vested	Fair Value charged to Profit and loss
12 Dec 2011	15,000,000	20 cents	30 June 2014	100%	$188,236
21 Feb 2012	6,000,000	10 cents	30 November 2014	100%	$ 56,737

MEETINGS OF DIRECTORS

The number of directors' meetings (including committees) held during the financial period each director held office during the financial period and the number of meetings attended by each director are:

	Directors Meetings		Audit Committee Meetings	
Director	**Meetings Attended**	**Number Eligible to Attend**	**Meetings Attended**	**Number Eligible to Attend**
V. Fayad*	6	6	2	2
A. Ho	4	4	1	1
M. Sutherland*	6	6	-	-
B. Cooper	1	3	1	1

* One meeting held and attended by the remuneration and nomination committee.

In addition to the board meetings there were 5 circular resolutions by the board.

INDEMNIFYING OFFICERS

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every officer or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him or her in his or her capacity as officer 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.

The Company paid insurance premiums of $12,677 in August 2012 in respect of directors' and officers' liability. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending legal proceedings, whether civil or criminal and whatever their outcome;
- other liabilities that may arise from their position, with the exception of conduct involving wilful breach of duty or improper use of information to gain a personal advantage.

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 proceeding to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under Section 307C in relation to auditor's independence for the year ended 30 June 2012 has been received and can be found on the following page.

NON-AUDIT SERVICES

The Board of Directors advises that no non-audit services were provided by the Company's auditors during the year.

This report is made in accordance with a resolution of the directors.

Vince Fayad
Sydney, 25 September 2012

RSM Bird Cameron Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Metal Bank Limited for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

C J HUME
Partner

Sydney, NSW
Dated: 25th September 2012

METAL BANK LIMITED AND ITS CONTROLLED ENTITY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 $	2011 $
Revenue	2	**35,229**	25,253
Administration expenses		**(72,564)**	(62,452)
Personnel costs		**(36,562)**	(115,721)
Compliance and regulatory expenses		**(79,055)**	(23,317)
Legal fees		**(126,149)**	(90,604)
Occupancy costs		**(33,752)**	(57,899)
Marketing		**(29,142)**	(107,920)
Directors fees		**(258,080)**	(127,183)
Management and exploration consulting fees		**(218,721)**	(609,370)
Travel expenses		**(17,894)**	(59,785)
Provision for diminution of investment		**-**	(98,654)
Exploration expenditure written off		**(97,609)**	(460,345)
Impairment of exploration asset		**-**	(1,247,998)
Loss on sale of investments		**(14,083)**	(9,593)
Depreciation		**(6,323)**	(3,137)
Share based payments		**(244,973)**	-
(LOSS) BEFORE INCOME TAX	3	**(1,199,678)**	(3,048,725)
Income tax expense	4	**-**	-
(LOSS) FOR THE YEAR		**(1,199,678)**	(3,048,725)
(LOSS) ATTRIBUTABLE TO MEMBERS OF METAL BANK LIMITED		**(1,199,678)**	(3,048,725)
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE INCOME		**(1,199,678)**	(3,048,725)
Loss for the year is attributable to:			
Owners of Metal Bank Limited		**(1,199,678)**	(3,048,725)
Non controlling interest		**-**	-
		(1,199,678)	(3,048,725)
Total Comprehensive income for the year is attributable to:			
Owners of Metal Bank Limited		**(1,199,678)**	(3,048,725)
Non controlling interest		**-**	-
		(1,199,678)	(3,048,725)
Earnings per share			
Basic and diluted loss per share (cents per share)	21	**(2.72)**	(15.7)

The Consolidated Statement of Comprehensive Income are to be read in conjunction with the attached notes

METAL BANK LIMITED AND ITS CONTROLLED ENTITY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Note	**2012**	2011
		$	$
CURRENT ASSETS			
Cash and cash equivalents	5	**1,117,989**	1,442,289
Trade and other receivables	6	**200,477**	141,029
Financial assets	7	**52,500**	295,234
TOTAL CURRENT ASSETS		**1,370,966**	1,878,552
NON-CURRENT ASSETS			
Plant and equipment	8	**-**	6,323
Exploration and evaluation expenditure	10	**523,958**	403,264
TOTAL NON-CURRENT ASSETS		**523,958**	409,587
TOTAL ASSETS		**1,894,924**	2,288,139
CURRENT LIABILITIES			
Trade and other payables	11	**815,905**	775,627
Liability for deferred consideration	12	**270,000**	828,000
Financial liabilities	13	**-**	20,000
TOTAL CURRENT LIABILITIES		**1,085,905**	1,623,627
TOTAL LIABILITIES		**1,085,905**	1,623,627
NET ASSETS		**809,019**	664,512
EQUITY			
Issued Capital	14	**5,022,303**	3,931,591
Reserves	15	**253,473**	-
Accumulated losses		**(4,466,767)**	(3,267,079)
		809,019	664,512
Non controlling interest		**-**	-
TOTAL EQUITY		**809,019**	664,512

The Consolidated Statement of Financial Position are to be read in conjunction with the attached notes.

METAL BANK LIMITED AND ITS CONTROLLED ENTITY
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

	Issued Capital $	Reserves	Accumulated Losses $	Non-controlling interest	Total $
Balance as at 1 July 2011	**3,931,591**	**-**	**(3,267,079)**	-	**664,512**
Loss for the year	**-**	**-**	**(1,199,678)**	-	**(1,199,678)**
Other comprehensive income for the year	**-**	**-**	**-**	-	**-**
Total comprehensive income for the year	**-**	**-**	**(1,199,678)**	-	**(1,199,678)**
Transfer to options based payments reserve	**-**	**250,973**	**-**	-	**250,973**
Transfer to asset revaluation reserve	**-**	**2,500**	**-**	-	**2,500**
Transactions with owners, in their capacity as owners					
Issue of share capital	**1,123,000**	**-**	**-**	-	**1,123,000**
Cost of share capital issued	**(32,288)**	**-**	**-**	-	**(32,288)**
Balance as at 30 June 2012	**5,022,303**	**253,473**	**(4,466,757)**	-	**809,019**
Balance as at 1 July 2010	1	-	(218,354)	-	(218,353)
Loss for the year	-	-	(3,048,725)	-	(3,048,725)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year			(3,048,725)	-	(3,048,725)
Transactions with owners, in their capacity as owners					
Issue of share capital	4,342,175	-	-	-	4,342,175
Cost of share capital issued	(410,585)	-	-	-	(410,585)
Balance as at 30 June 2011	**3,931,591**	**-**	**(3,267,079)**	-	**664,512**

The Consolidated Statement of Changes in Equity are to be read in conjunction with the attached notes.

METAL BANK LIMITED AND ITS CONTROLLED ENTITY
CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 $	2011 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees general		**(686,450)**	(897,864)
Payment for exploration and evaluation		**(288,945)**	(343,609)
Interest received		**29,944**	24,053
NET CASH USED IN OPERATING ACTIVITIES	23	**(945,451)**	(1,217,420)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Plant and equipment		**-**	(9,460)
Payment for acquisition of subsidiary, net of cash acquired		**-**	(140,000)
Purchase of financial assets		**-**	(393,888)
Proceeds from sale of financial assets		**281,151**	-
Loan to unrelated entity		**-**	(500,000)
Loan repaid by unrelated entity		**-**	500,000
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		**281,151**	(543,348)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and options		**340,000**	3,602,175
Costs of issue of shares		**-**	(410,585)
NET CASH PROVIDED BY FINANCING ACTIVITIES		**340,000**	3,191,590
NET (DECREASE)/INCREASE IN CASH HELD		**(324,300)**	1,430,822
Cash at the beginning of the financial year		**1,442,289**	11,467
CASH AT THE END OF THE FINANCIAL YEAR		**1,117,989**	1,442,289

The Consolidated Statement of Cash Flow are to be read in conjunction with the attached notes

This financial report includes the consolidated financial statements and notes of Metal Bank Limited and its controlled entity (**Consolidated Group** or **Group**), and a separate note on the accounts of Metal Bank Limited as the parent entity ('Parent').

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

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

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. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

This financial report is presented in Australian Dollars.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial report covers the Group of Metal Bank Limited and controlled entity. Metal Bank Limited is a public listed company, incorporated and domiciled in Australia.

a. Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Metal Bank Limited at the end of the reporting period. A controlled entity is any entity over which Metal Bank Limited has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 9 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

b. Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and liabilities in the normal course of business.

As disclosed in the financial statements, the company and consolidated entity recorded operating losses of $1,199,678, and had net cash outflows from operating activities of $945,451 for the year ended 30 June 2012.

These factors indicate significant uncertainty as to whether the company and consolidated entity will continue as going concerns and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors acknowledge that to continue the exploration and development of the company and consolidated entity's mineral exploration projects, the budgeted cash outflows from operating and investing activities for the 30 June 2013 financial year, will necessitate further capital raisings.

The Directors believe after consideration of the following matters, there are reasonable grounds to believe that the company and consolidated entity will be able to continue as going concerns because of the following factors:

- the ability of the Company and consolidated entity to further scale back certain parts of their activities that are non essential so as to conserve cash;
- the ability of the Company to raise additional funds; and
- the Company and consolidated entity retain the ability, if required, to wholly or in part dispose of interests in mineral exploration and development assets.

Accordingly, the Directors believe that the company and consolidated entity will be able to continue as going concerns and that it is appropriate to adopt that basis of accounting in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the company and consolidated entity do not continue as going concerns.

c. Adoption of New and Revised Accounting Standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2012, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2012. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

The following Australian Accounting Standards have been issued or amended and are applicable to the Company but are not yet effective.

The Group does not anticipate the early adoption of any of the following Australian Accounting Standards:

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 9	Financial Instruments	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2013 (likely to be extended to 2015 by ED 215)	Unlikely to have significant impact
2010-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127 for amendments to AASB 9 in December 2010	1 January 2013	Unlikely to have significant impact
2009-11	Amendments to Australian Accounting Standards arising from AASB 9	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12 as a result of the issuance of AASB 9.	1 January 2013	Unlikely to have significant impact
2011-4	Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	This Standard makes amendments to Australian Accounting Standard AASB 124 Related Party Disclosures.	1 July 2013	Disclosure only
AASB 13	Fair Value Measurement	Provides a clear definition of fair value, a framework for measuring fair value and requires enhanced disclosures about fair value measurement.	1 January 2013	Unlikely to have significant impact
2011-8	Amendments to Australian Accounting Standards arising from AASB 13	Amends AASB 1, 2, 3, 4, 5, 7, 9, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132 as a result of issuance of AASB 13 Fair Value Measurement.	1 January 2013	Unlikely to have significant impact
2012-1	Amendments to Australian Accounting Standards – Fair Value Measurement – Reduced Disclosure Requirements	This Standard makes amendments to AASB 3, 7, 13, 140 and 141 to establish reduced disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13.	1 July 2013	Disclosure only

AASB 119	Employee Benefits	Prescribes the accounting and disclosure for employee benefits. This Standard prescribes the recognition criteria when in exchange for employee benefits.	1 January 2013	Unlikely to have significant impact
2011-10	Amendments to Australian Accounting Standards arising from AASB 119	Amends AASB 1, 8, 101, 124, 134, 1049, 2011-8 & Interpretation 14 as a result of the issuance of AASB 119 Employee Benefits.	1 January 2013	Unlikely to have significant impact
IFRIC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	This Interpretation clarifies the requirements for accounting for stripping costs in the production phase of a surface mine, such as when such costs can be recognised as an asset and how that asset should be measured, both initially and subsequently.	1 January 2013	Unlikely to have significant impact
2011-12	Amendments to Australian Accounting Standards arising from Interpretation 20	This Standard makes amendments to Australian Accounting Standard AASB 1 First-time Adoption of Australian Accounting Standards. These amendments arise from the issuance of IFRIC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine.	1 January 2013	Unlikely to have significant impact
2012-2	Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities	This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the (potential) effect of netting arrangements. It also amends AASB 132 to refer to the additional disclosures added to AASB 7 by this Standard.	1 January 2013	Disclosure only
2012-3	Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities	This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132.	1 January 2014	Unlikely to have significant impact

d. Income Taxes

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity. Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

e. Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.
Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:
Plant and equipment – over 5 years
The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Impairment
The carrying values of plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use.

An impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of comprehensive income.
An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the re-valued carrying amounts of the assets and depreciation based on the assets' original costs. Additionally, any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the re-valued amounts of the assets.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.
Independent valuations are performed with sufficient regularity to ensure that the carrying amounts do not differ materially from the assets' fair values at the balance date.

(ii) Derecognition and disposal
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognised.

f. Exploration and Evaluation Costs

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. 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. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

g. Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative recognized of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(ii) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are included in non-current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognized in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is recognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in non-current assets where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as current assets.

(v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Derivative instruments

The Group designates certain derivatives as either:

i. hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or

ii.hedges of highly probable forecast transactions (cash flow hedges).

At the inception of the transaction the relationship between hedging instruments and hedged items, as well as the Group's risk management objective and strategy for undertaking various hedge transactions, is documented.

Assessments, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items, are also documented.

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the statement of comprehensive income, together with any changes in the fair value of hedged assets or liabilities that are attributable to the hedged risk.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is deferred to a hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of comprehensive income.

Amounts accumulated in the hedge reserve in equity are transferred to the statement of comprehensive income in the periods when the hedged item will affect profit or loss.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Financial guarantees

Where material, financial guarantees issued that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due are recognised as a financial liability at fair value on initial recognition.

The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

The fair value of financial guarantee contracts has been assessed using a probability-weighted discounted cash flow approach. The probability has been based on:

(iii) the likelihood of the guaranteed party defaulting in a year period;

(iv) the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and

(v) the maximum loss exposed if the guaranteed party were to default.

Derecognition

Financial assets are recognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are recognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

h. Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the consolidated statement of comprehensive income. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

i. 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 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial performance.

j. Revenue Recognition

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

k. 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

l. Comparative Figures

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

m. Significant judgements and key assumptions

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

n. Key judgements and estimates

Key Judgment Exploration Expenditure

The Company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at reporting date at $544,756.

Key Judgment Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the company’s development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

Key Estimate Taxation

Balances disclosed in the financial statements and the notes thereto, relating to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors’ best estimate, pending an assessment by the Australian Taxation Office.

Key Estimates Share based payment transactions

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by reference to the market price. Refer note 26.

2. REVENUE AND OTHER INCOME

	2012 $	2011 $
Interest received	**35,229**	**25,253**
	35,229	**25,253**

3. LOSS FOR THE YEAR

Loss for the year is after charging:

	2012 $	2011 $
Interest expense	**-**	14
Superannuation	**2,534**	10,717

4. INCOME TAX EXPENSE

(a) No income tax is payable by the parent or consolidated entity as they recorded losses for income tax purposes for the period.

(b) Reconciliation between income tax expense and prima facie tax on accounting profit (loss)

	2012 $	2011 $
Accounting profit (loss)	**(1,198,678)**	(3,048,725)
Tax at 30%	**(359,903)**	(914,618)
Tax effect of non-deductible expenses	**73,492**	377,679
Deferred tax asset not recognised	**286,411**	536,939
Income tax expense	**-**	-

(c) Deferred tax assets

Revenue tax losses	**347,351**	584,822
Provisions	**-**	55,200
Deferred tax assets not recognised	**(286,411)**	(536,939)
Set off deferred tax liabilities	**(60,940)**	(103,083)
Income tax expense	**-**	-

(d) Deferred tax liabilities

Exploration expenditure	**60,940**	103,083
Set off deferred tax assets	**(60,940)**	(103,083)
	-	-

(e) Tax losses

Unused tax losses for which no deferred tax asset has been recognised	**2,560,933**	1,789,797

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2012 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;

- the Company continues to comply with conditions for deductibility imposed by law; and

- no changes in tax legislation adversely affect the company in realising the benefit from the deductions for the loss and exploration expenditure.

The applicable tax rate is the national tax rate in Australia for companies, which is 30% at the reporting date.

5. CASH AND CASH EQUIVALENTS

	2012 $	2011 $
Cash and cash equivalents	**1,117,989**	1,442,289

6. TRADE AND OTHER RECEIVABLES

	2012 $	2011 $
CURRENT		
Other receivables	**8,380**	98,389
Related party receivable	**-**	42,640
Loan to Scott Creek Coal Pty Ltd[1]	**192,097**	-
	200,477	141,029

[1] The loan to Scott Creek Coal Pty Ltd (SCCA) bears interest at the rate of 10% per annum and is unsecured and was due for repayment on 31 August 2012.

Metal Bank can at its election convert the loan into shares in SCCA in accordance with a pre determined formula.

7. FINANCIAL ASSETS

	2012	2011
Level 1 (see note 16)	**$**	$
CURRENT		
ASX Listed Shares		
Financial assets at fair value through profit and loss	**-**	393,888
Financial assets available for sale[1]	**52,500**	-
Less provision for diminution in value	**-**	(98,654)
	52,500	295,234

[1] 250,000 shares in Stratum Metals Limited at 21 cents per shares as at 30 June 2012.

8. PLANT AND EQUIPMENT

	2012 $	2011 $
Office equipment		
At Cost	-	9,460
Accumulated depreciation	-	(3,137)
	-	6,323
Office equipment		
Opening balance	**6,323**	-
Purchases	-	9,460
Depreciation	**(6,323)**	(3,137)
Closing balance	-	6,323

9. CONTROLLED ENTITY

	Country of Incorporation	Ownership % 2012	Ownership % 2011
Parent Entity:			
Metal Bank Limited	Australia	-	-
Subsidiary:			
Spinifex Ridge East Pty Limited	Australia	80	80

10. EXPLORATION AND EVALUATION EXPENDITURE

	2012 $	2011 $
Exploration and evaluation expenditure	**523,958**	403,264
Reconciliation of carrying amount		
Balance at beginning of financial year	**403,264**	60,000
Acquisition of tenements	-	460,000
Expenditure in current year	**218,303**	343,609
Exploration expenditure written off	**(97,609)**	(460,345)
Balance at end of financial period	**523,958**	403,264

11. TRADE AND OTHER PAYABLES

	2012 $	2011 $
CURRENT		
Unsecured liabilities:		
Trade payables	**421,311**	150,427
Sundry payables and accrued expenses[1]	**394,594**	625,200
	815,905	775,627

[1]Sundry payables and accrued expenses include an amount of $300,000 in 2011 and 2012 owing the vendor of Spinifex Ridge's advisor. Shareholders have approved the issue of 6,000,000 shares in settlement of this debt, however these shares have not been issued as at the date of this report.

12. LIABILITY FOR DEFERRED CONSIDERATION

	2012 **$**	2011 $
6,200,000 shares at 9 cents per share	-	558,000
5,400,000 shares at 5 cents per share	270,000	270,000
	270,000	828,000

The liability for deferred consideration arose on the acquisition of Spinifex Ridge East Pty Limited in 2011, in which the Company has an 80% interest. Subsequent to the 2011 year end the Company has issued 6,200,000 ordinary shares in accordance with shareholder approvals on 13 September 2011, in partial settlement of this liability.

13. FINANCIAL LIABILITIES

	2012 **$**	2011 $
CURRENT		
Unsecured loans payable to unrelated party[1]	-	20,000
	-	20,000

[1] The loan is interest free and has no fixed term.

14. SHARE CAPITAL

	2012 **$**	2011 $
52,485,001 (2011 – 36,985,001) fully paid ordinary shares	**5,022,303**	3,931,591

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Reconciliation of movements in share capital during the year:

	2012 No. Shares	2011 No. Shares	**2012 $**	2011 $
Opening balance – start of reporting period	**36,985,001**	**1**	3,931,591	1
Share Issue – 2 September 2010	**-**	**10,250,000**	-	10,250
Share Issue – 7 September 2010	**-**	**300,000**	-	30,000
Share Issue – 24 September 2010	**-**	**2,150,000**	-	215,000
Share Issue – 26 October 2010	**-**	**1,835,000**	-	183,500
Share Issue – 29 October 2010	**-**	**925,000**	-	925
Share issue – 3 November 2010	**-**	**1,600,000**	-	160,000
Share Issue – 8 November 2010	**-**	**25,000**	-	2,500
Share Issue – 8 February 2011	**-**	**1,600,000**	-	320,000
Share Issue – 9 February 2011	**-**	**13,500,000**	-	2,700,000
Share Issue – 9 June 2011	**-**	**2,800,000**	-	420,000
Share Issue – 9 June 2011	**-**	**2,000,000**	-	300,000
Share Issue – 21 September 2011*	**6,200,000**	**-**	558,000	-
Share Issue – 21 September 2011*	**2,500,000**	**-**	225,000	-
Share Issue – 12 June 2012	**6,800,000**	**-**	340,000	-
Cost of raising capital	**-**	**-**	(32,288)	(410,585)
	52,485,001	**36,985,001**	5,022,303	3,931,591

Of the issued shares 11,350,000 are subject to escrow until 1 March 2013.

* On 13 September 2011 shareholders ratified the purchase of an 80 % interest in Spinifex Ridge East. The resolutions relating to Spinifex Ridge East were as follows:

- that the shareholders approve the issue of a further 6,200,000 shares to the vendors.
- that the shareholders approve the issue of 15,000,000 options to the vendors, which have an exercise price of 20 cents per share and an expiry date of 30 June 2014.
- that the shareholders approve the issue of 2,500,000 shares to the vendor's advisor.

Capital 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.

The Company's capital includes ordinary share capital and financial liabilities, supported by financial assets.

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 corporate overheads. This is achieved by maintaining appropriate liquidity to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

	2012	**2011**
	$	**$**
Cash and cash equivalents	**1,117,989**	1,442,289
Trade and other receivables	**200,477**	141,029
Financial assets	**52,500**	295,234
Trade and other payables	**(815,905)**	(775,627)
Liability for deferred consideration	**(270,000)**	(270,000)
Other financial liabilities	**-**	(20,000)
Working capital position	**285,061**	812,925

15. RESERVES

	2012	**2011**
	$	**$**
Option issue reserve	**250,973**	-
Unrealised gains reserve	**2,500**	-
	253,473	-

(a) Movements in options issue reserve

	2012	**2011**	**2012**	**2011**
	Options	**Options**	**$**	**$**
Options issued 12/12/11	**15,000,000**	-	188,236	-
Options issued 21/02/12	**6,000,000**	-	62,737	-
	21,000,000	-	250,973	-

(b) Movements in unrealised gains reserve

	2012	2011
	$	**$**
Opening balance	**-**	-
Increase in value of financial assets	**2,500**	
Closing balance	**2,500**	-

16. FINANCIAL RISK MANAGEMENT

The group's principal financial instruments comprise mainly of deposits with banks and shares in listed companies shown as financial assets at fair value through profit and loss. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the group. The group also has other financial instruments such as trade debtors and creditors which arise directly from its operations.

The consolidated entity holds the following financial instruments at the end of the reporting period:

	2012	2011
	$	$
Financial assets		
Cash and cash equivalents	**1,117,989**	1,442,289
Trade and other receivables	**200,477**	141,029
Financial assets at fair value through profit and loss	**52,500**	295,234
	1,370,966	1,878,552
Financial liabilities		
Trade and other payables	**815,905**	775,627
Liability for deferred consideration	**270,000**	828,000
Financial liabilities	**-**	20,000
	1,085,905	1,623,627

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

a. Market risk

Cash flow and fair value interest rate risk

The group's main interest rate risk arises from cash deposits to be applied to exploration and development areas of interest. It is the group's policy to invest cash in short term deposits to minimise the group's exposure to interest rate fluctuations. The group's deposits were denominated in Australian dollars throughout the year. The group did not enter into any interest rate swap contracts during the year ended 30 June 2012. Neither the group nor the parent has any short or long term debt, and therefore this risk is minimal.

b. Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the group. The group 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 cash transactions of the group are limited to high credit quality financial institutions.

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

All cash holdings within the Group are currently held with AA rated financial institutions.

c. Liquidity Risk

The group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds when available are generally only invested in high credit quality financial institutions in highly liquid markets.

Financial Instrument composition and maturity analysis

The tables below reflect 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 may not reconcile to the statement of financial position.

Consolidated Group	Within 1 year		1 to 5 years		Over 5 years		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
Financial liabilities - due for payment:								
Trade and other payables	815,905	775,627	-	-	-	-	815,905	775,627
Liability for deferred consideration	270,000	828,000	-	-	-	-	270,000	828,000
Financial liabilities	-	20,000					-	20,000
Total contractual outflows	1,085,905	1,643,627	-	-	-	-	1,085,905	1,643,627
Financial assets – cash flows realisable								
Cash and cash equivalents	1,117,989	1,442,289	-	-	-	-	1,117,989	1,442,289
Trade and other receivables	200,477	141,029	-	-	-	-	200,477	141,029
Financial assets	52,500	295,234	-	-	-	-	52,500	295,234
Total anticipated inflows	1,370,966	1,878,552	-	-	-	-	1,370,966	1,878,552
Net inflow on financial instruments	285,061	234,925	-	-	-	-	285,061	234,425

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below.

		Change in profit		Change in equity	
	Carrying Value	100bp Increase	100bp decrease	100bp increase	100bp decrease
30 June 2012	$	$	$	$	$
Cash and cash equivalents	1,117,989	11,180	(11,180)	11,180	(11,180)
30 June 2011					
Cash and cash equivalents	1,442,289	14,308	(14,308)	14,308	(14,308)

Maturity of financial assets and liabilities

The note below summarises the maturity of the group's financial assets and liabilities as per the director's expectations. The amounts disclosed are the contractual undiscounted cash flows. There are no derivatives.

	< 6 months	6 – 12 months	1- 5 years	>5 years	Total
30 June 2012	**$**	**$**	**$**	**$**	**$**
Trade and other receivables	200,477	-	-	-	200,477
Trade and other payables	815,905	-	-	-	815,905
Liability for deferred consideration	270,000	-	-	-	270,000
30 June 2011					
Trade and other receivables	141,029	-	-	-	141,029
Trade and other payables	775,627	-	-	-	775,627
Liability for deferred consideration	828,000	-	-	-	828,000

Fair value of financial assets and financial liabilities

There is no difference between the fair values and the carrying amounts of the group's financial instruments. The Group has no unrecognised financial instruments at balance date.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Sensitivity analysis on changes in market rates

A change of 20% in equity prices at the reporting date would increase/(decrease) equity and profit or loss as shown below:

		Change in profit		Change in equity	
30 June 2012	**Carrying Value**	**20% increase**	**20% decrease**	**20% increase**	**20% decrease**
	$	$	$	$	$
Financial assets available for sale					
ASX listed investments	52,500	10,500	(10,500)	10,500	(10,500)
30 June 2011					
Financial assets at fair value through the profit and loss:					
ASX listed investments	295,234	59,047	(59,047)	59,047	(59,047)

17. COMMITMENTS

	2012 $	2011 $
Not later than 12 months	**373,000**	410,000
Between 12 months and 5 years	**40,500**	317,734
Greater than 5 years	**-**	-
	413,500	727,734

The group has a further commitment to pay a retainer fee under outsourced consultancy and management agreements for the provision of geological and service personnel. These agreements can be cancelled with varying notice periods up to 12 months.

	2012 $	2011 $
Not later than 12 months	**200,000**	144,000
Between 12 months and 5 years	**-**	-
Greater than 5 years	**-**	-
	200,000	144,000

18. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or assets in existence at balance sheet date.

19. RELATED PARTY DISCLOSURES

Refer to the Remuneration Report contained in the Directors Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2012. Other than the Directors and secretary, the Company had no key management personnel for the financial period ended 30 June 2012.

The total remuneration paid to key management personnel of the company and the group during the year are as follows:

	2012 $	2011 $
Short term employee benefits	**332,664**	176,832
Post employment benefits	**-**	8,850
	332,664	185,682

DIRECTORS' AND EXECUTIVE OFFICERS' EMOLUMENTS

(a) Details of Directors and Key Management Personnel

(i) Directors

Vincent John Paul Fayad – Non-Executive Chairman
Anthony Ho – Non-Executive Director
Guy Robertson – Executive Director

(ii) Company secretary

Guy Robertson – Company Secretary

(iii) Directors' remuneration

Directors' remuneration and other terms of employment are reviewed annually by the Board having regard to performance against goals set at the start of the year, relative comparative information and, where applicable, independent expert advice.

Except as detailed in Notes (a) – (c) to the Remuneration Report in the Director's Report, no director has received or become entitled to receive, during or since the financial period, a benefit because of a contract made by the Company or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in Notes (a) – (c) to the Remuneration Report, prepared in accordance with the Corporations regulations, or the fixed salary of a full time employee of the Company.

(b) Key Management Personnel

Other than the Directors and secretary, the Company had no key management personnel for the financial period ended 30 June 2012.

(c) Remuneration Options: Granted and vested during the financial year ended 30 June 2012

There were no remuneration options granted during the financial year ended 30 June 2012.

(d) Share and Option holdings

All equity dealings with directors have been entered into with terms and conditions no more favourable than those that the entity would have adopted if dealing at arm's length.

Shares held by Directors and Officers

Period from 1 July 2011 to 30 June 2012

	Balance at beginning of period	Received as Remuneration	Purchased	Net Change Other	Balance at end of year
V. Fayad	62,500	-	-	-	62,500
A. Ho	-	-	-	-	-
B.Cooper[1]	600,001	-	-	(600,001)	-
M. Sutherland	-	-	-	-	-
	662,501	-	-	(600,001)	62,500

[1] Resigned as a director on 12 October 2011

Period from 1 July 2010 to 30 June 2011

	Balance at beginning of period	Received as Remuneration	Purchased	Net Change Other	Balance at end of year
B.Cooper[1]	1	-	600,000	-	600,001
V. Fayad[2]	-	-	62,500	-	62,500
M. Sutherland	-	-	-	-	-
K. Hunter[3]	-	-	1,020,000	(1,020,000)	-
A. Hood[3]	-	-	250,000	(250,000)	-
S. Hong Koh[4]	-	-	-	-	-
	1		1,932,500	(1,270,000)	662,501

[1] 600,000 shares held indirectly by Cooper Corporate and Consulting Pty Limited.

[2] Held indirectly by Kafta Enterprises Pty Ltd a company in which the director has an interest.

[3] Resigned as a director on 20 May 2011

[4] Resigned as a director on 16 August 2010

(e) Related Party Transactions

	2012 **$**	2011 $
Advance to Cooper Corporate and Consulting Pty Ltd	**-**	42,640
Payments to:		
Lawler Corporate Finance Pty Limited[1]	**27,562**	-
Keystone Minerals Australia Pty Limited	**-**	45,560
SeeSees Pty Limited	**-**	13,333
Mining Corporate Pty Limited	**-**	53,500

[1] Fees paid in the normal course of business for service rendered. Mr Vincent Fayad, a director of the Company is a director of Lawler Corporate Finance Pty Ltd.

20. SEGMENT INFORMATION

The group's operations are in one business segment being the resources sector. The group operates in one geographical segment being Australia. All subsidiaries in the group operate within the same segment.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Company.

Inter-segment transactions
Inter-segment loans payable and receivable are initially recognised at the consideration received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements

Segment assets
Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities
Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Company as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items
Administration and other operating expenses are not allocated to operating segments as they are not considered part of the core operations of any segment.

21. EARNINGS PER SHARE

	2012 Cents	2011 Cents
Reconciliation of earnings per share		
Basic and diluted earnings per share	**(2.72)**	(15.7)
Profit/(loss) used in the calculation of the basic earnings per share	**(1,199,678)**	(3,048,725)

	No. of shares	No. of shares
Weighted average number of ordinary shares:		
Used in calculating basic earnings per ordinary share	**44,065,823**	19,376,974
Dilutive potential ordinary shares	**-**	-
Used in calculating diluted earnings per share	**44,065,823**	19,376,974

22. AUDITORS REMUNERATION

	2012 **$**	2011 $
Auditor of parent entity		
Audit or review of financial reports, parent entity and Group	**21,000**	**16,900**
Non-audit services	**-**	**8,250**
	21,000	**25,150**

23. CASH FLOW INFORMATION

Reconciliation of net cash used in operating activities with profit after income tax

	2012 $	2011 $
Loss after income tax	**(1,198,678)**	(3,048,725)
Non-cash flows in profit:		
Impairment of investments	**-**	98,654
Share based payments	**244,973**	-
Exploration written off	**41,956**	460,345
Exploration asset impaired	**-**	1,247,998
Loss on sale of shares	**14,083**	-
Depreciation	**6,323**	3,137
Changes in assets and liabilities during the financial period:		
(Increase) in trade and other receivables	**(59,450)**	(133,074)
Increase in trade and other payables	**295,287**	497,854
Increase in exploration	**(288,945)**	(343,609)
Net cash (outflow) from operating activities	**(945,451)**	(1,217,420)

Non-cash Financing and Investing Activities

Share issue

During the year 6,200,000 ordinary shares and 2,500,000 ordinary shares were issued respectively as consideration for the acquisition of Spinifex Ridge East Pty Limited in 2011.

24. PARENT ENTITY DISCLOSURES

Financial Position

	2012	2011
	$	$
Current Assets		
Cash and cash equivalents	**1,117,989**	1,442,289
Trade and other receivables	**345,106**	141,027
Financial assets	**52,500**	295,234
Total Current Assets	**1,515,595**	1,878,550
Non-current Assets		
Financial assets	**140,002**	140,002
Plant and equipment	**-**	6,323
Evaluation and exploration expenditure	**239,327**	263,264
Total Non-current assets	**379,329**	409,589
Total Assets	**1,894,924**	2,288,139
Current Liabilities		
Trade and other payables	**815,905**	775,629
Liability for deferred consideration	**270,000**	828,000
Financial liabilities	**-**	20,000
Total Current Liabilities	**1,085,905**	1,623,629
TOTAL LIABILITIES	**1,085,905**	1,623,629
NET ASSETS	**809,019**	664,510
EQUITY		
Issued Capital	**5,022,303**	3,931,591
Reserves	**253,473**	-
Accumulated losses	**(4,466,757)**	(3,267,081)
TOTAL EQUITY	**809,019**	664,510

i. Financial Performance

The subsidiary acquired did not trade from the date of acquisition with the result that the result of the Group equates to the result of the parent for the year.

ii. Contingent liabilities and contingent assets

The parent entity is responsible for the contingent liabilities and contingent assets outlined in note 18.

iii. Commitments

The parent entity is responsible for the commitments outlined in note 17.

iv. Related parties

An interest in subsidiary is set out in note 9.

Disclosures relating to key management personnel are set out in note 19.

25. SIGNIFICANT AFTER BALANCE DATE EVENTS

The following significant matters have occurred after balance date:

At a meeting held on 17 August 2012, shareholders approved the acquisition of Scott Creek Coal Pty Limited (SCCA). However on 17 September 2012 the Company and the major shareholder of SCCA resolved not to proceed with the acquisition.

Shareholders also approved the allotment and issue of 11,400,000 shares, in settlement of outstanding debts, to the vendors and advisors of the Spinifex Ridge East acquisition. As at the date of this report none of these shares have been allotted.

Other than as outlined above, there are currently no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

26. SHARE BASED PAYMENTS

Goods or services received or acquired in a share-based payment transaction are recognised as an increase in equity if the goods or services were received in an equity-settled share-based payment transaction or as a liability if the goods and services were acquired in a cash settled share-based payment transaction.

For equity-settled share-based transactions, goods or services received are measured directly at the fair value of the goods or services received provided this can be estimated reliably. If a reliable estimate cannot be made the value of the goods or services is determined indirectly by reference to the fair value of the equity instrument granted.

Transactions with employees and others providing similar services are measured by reference to the fair value at grant date of the equity instrument granted.

The following share based payments were made during the year:

	Price per share*	**2012 $**	2011 $
Ordinary shares			
(a) On 8 February 2011, 1,600,000 ordinary shares were issued to vendors as consideration for exploration assets acquired.	20 cents	-	**320,000**
(b) On 9 June 2011, 2,800,000 ordinary shares were issued to vendors as part consideration for acquisition of Spinifex Ridge East Pty Limited.	15 cents	-	**420,000**
(c) On 21 September 2011, 6,200,000 ordinary shares were issued to vendors as part consideration for acquisition of Spinifex Ridge East Pty Limited.	9 cents	**558,000**	-
(d) On 21 September 2011, 2,500,000 ordinary shares were issued to vendors advisors as part consideration for acquisition of Spinifex Ridge East Pty Limited.	9 cents	**225,000**	-

*The fair value of shares issued during the year was determined by reference to market price.

		2012	2011
		$	$
Share options	Series		
(a) 0n 12 December 2011, 15,000,000 options were issued to the vendor and advisors associated with the Spinifex Ridge East acquisition, with an exercise price of 20 cents and an expiry date of 30 June 2014	1	**188,236**	**-**
(b) On 21 February 2012, 6,000,000 options were issued to advisors and consultants, with an exercise price of 10 cents and an expiry date of 30 November 2014	2	**62,737**	**-**
		250,973	**-**

The fair value of equity – settled unlisted share options granted is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted.

	Cents	Cents
Weighted average exercise price of options issued during the year	**17.1**	-

	Series 1	**Series 2**
Expected volatility (%)	**80%**	**80%**
Risk –free interest rate (1%)	**3.65%**	**3.65%**
Expected life of option (years)	**2.55**	**2.78**
Exercise price ($)	**$0.20**	**$0.10**
Grant date share price ($)	**$0.06**	**$0.04**

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 20 to 48, are in accordance with the *Corporations Act 2001* and:

    a. comply with Accounting Standards which stated in accounting policy note 1 to the financial statements; constitutes explicit and unreserved compliance with International Financial Reporting (IFRS); and

    b. give a true and fair view of the financial position as at 30 June 2012 and of the performance for the year ended on that date of the company and consolidated group;

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.

Vincent J P Fayad
Non-Executive Chairman

Sydney, 25 September 2012

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GPO Box 5138 Sydney NSW 2001
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Report on the Financial Report

We have audited the accompanying financial report of Metal Bank Limited, which comprises the consolidated statement of financial position as at June 2012 , and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Metal Bank Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Metal Bank Limited is in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the consolidated entity's financial position as at June 2012 and of its performance for the year ended on that date; and

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

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1(b) in the financial report, which indicates that the consolidated entity incurred losses of $1,199,678 and had net cash outflows from operating activities of $945,451 during the year ended 30 June 2012. These conditions, along with other matters as set forth in Note 1(b), indicate the existence of a material uncertainty which may cast significant doubt about the company's and consolidated entity's ability to continue as going concerns and, therefore, the company and consolidated entity may be unable to realise their assets and discharge their liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in 16 to 18 of the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Metal Bank Limited for the year ended 30 June 2012 complies with section 300A of the *Corporations Act 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

C J Hume
Partner

Sydney, NSW
Dated: 25 September 2012

METAL BANK LIMITED AND ITS CONTROLLED ENTITY
ADDITIONAL INFORMATION FOR LISTED COMPANIES
AS AT 18 SEPTEMBER 2012

The following additional information is required by the Australian Securities Exchange pursuant to Listing Rule 4.10.

a. Distribution of Shareholders

Number held	Number of share holders	Number of shares	% of number of shares
1 – 1,000	4	10	0.00%
1,001 - 5,000	9	33,400	0.06%
5,001 - 10,000	67	661,571	1.26%
10,001 - 100,000	115	4,995,205	9.52%
100,001+	78	46,794,815	89.16%
Total	**273**	**52,485,001**	**100.00%**

b. The number of shareholders who hold less than a marketable parcel is 84.

c. Substantial shareholders

The names of the substantial shareholders in the Company, the number of equity securities to which each substantial shareholder and substantial holder's associates have a relevant interest, as disclosed in substantial holding notices given to the Company are:

	No of shares	%
Australian Royalties Corporation Pty Limited	10,201,666	19.44%
Gurney Capital Pty Limited	4,761,081	9.07%

d. Twenty largest holders of each class of quoted equity security

	Name	No of Ordinary Shares	%
1.	Australian Royalties Corporation Pty Limited	10,201,666	19.44
2.	Gurney Capital Nominees Pty Limited	4,761,081	9.07
3.	M Sridhar	2,500,000	4.76
4.	MFCM Nominee Services Pty Limited	2,000,000	3.81
5.	Wilman Investments Pty Ltd <Wilkins Family A/C>	1,025,000	1.95
6.	Kouta Bay Pty Limited <Houndy Family Account>	1,020,000	2.76
7.	John Nolan	1,000,000	1.91
8.	Esperanza Resources	1,000,000	1.91
9.	Joluk Investments	960,000	1.83
10.	Simon William Tritton	925,000	1.76
11.	Mundaweira Pty Ltd	900,000	1.71
12.	BFJ Capital Pty Ltd	759,401	1.45
13.	Black Swan Global Pty Ltd	750,000	1.43
14.	Belloc Pty Ltd	750,000	1.43
15.	Sphere Investments Pty Limited	750,000	1.43
16.	Tick-Tack-Toe Pty Ltd	732,000	1.39
17.	Pitt Street Absolute Return Fund Pty Limited	666,667	1.27
18.	HSBC Custody Nominees (Australia) Limited	666,667	1.27
19.	Suburban Holdings Pty Limited	610,000	1.16
20.	Amity Pty Limited	600,000	1.14
		32,577,482	**62.88**

e. Restricted Securities

There are 11,350,000 restricted ordinary shares as follows:

Escrow Period	Number	Release Date
24 mths from listing	11,350,000	02/03/13

f. Unquoted equity securities

The Company has no unquoted equity securities, other than those noted under escrow above.

1. Company Secretary

The name of the company secretary is Mr Guy Robertson.

2. Address and telephone details of entity's registered and administrative office

The address and telephone details of the registered and administrative office in Australia is:
Level 9, 50 Margaret Street
Sydney, New South Wales 2000
Telephone: +(612) 9078 7669
Facsimile: +(612) 9078 7661

3. Address and telephone details of the office at which the register of securities is kept

The address and telephone of the office at which a register of securities is kept:
Advanced Share Registry
150 Stirling Highway
Nedlands WA 6009
Telephone: +(619) 9389 8033
Facsimile: +(619) 9389 7871

4. Stock exchange on which the Company's securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange. Home Exchange – Perth; ASX Code: MBK.

5. Review of Operations

A review of operations is contained in the Review of Operations report.

6. On market buy-back

There is currently no on-market buy-back.