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ASX Announcement – 12 October 2010

The Companies Announcement Office
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sirs,

2010 ANNUAL REPORT

Please see attached the following document for immediate release to ASX and lodgement with ASIC:

- The 2010 Annual Report incorporating the Audited Financial Statements for GME Resources Limited and its Controlled Entities for the Year ended 30 June 2010

Yours sincerely

David Varcoe
Managing Director

GME RESOURCES LIMITED

2010 Annual Report



GME Resources Limited ABN 62 009 260 315

CONTENTS

CORPORATE DIRECTORY

DIRECTORS

Chairman
Michael Delaney PERROTT *AM B.Com*

Managing Director
David John VARCOE *B.Mining Engineering (Hons), M.AusIMM*

Executive Director
James Noel SULLIVAN *FAICD*

Director
Peter Ross SULLIVAN *BE, MBA*

Director
Geoffrey Mayfield MOTTERAM *B.MetE(Hons), M.AusIMM*

COMPANY SECRETARY

Mark Pitts *B.Bus CA*

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

467 Canning Highway
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Perth WA 6000

SHARE REGISTRY

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SECURITIES EXCHANGE LISTING

The Company's shares are quoted on the Official List of Australian Securities Exchange Limited Ticker code: GME

STATE OF REGISTRATION

Western Australia

CHAIRMAN'S LETTER

Dear Shareholder

The past 12 months have presented an interesting and at the same time challenging environment. At the end of this period the Company is in good standing and has continued to enhance the value of its key asset, the NiWest nickel laterite project.

Nickel metal prices have remained strong during the year and global nickel stocks have continued to decline. We are of the opinion that the outlook for nickel and hence for the project remain bright as global economies recover.

Your Directors remain strongly supportive of the NiWest project and believe that the significant resource the company has will support a world class project.

During the year we continued to progress various studies into the project. This included geological modelling of 4 key areas based on updated drilling. We now have a very solid resource base that will support the project through the process of a feasibility study. The resource base has a high percentage of material in the Measured and Indicated category.

In the coming year we will focus on adding to the high grade resource and the feasibility study into a world class heap leach facility. We will also continue to review options to add value through ore sales and other exploitive strategies.

The project is very well located in the north eastern goldfields and sits adjacent to the Murrin Murrin Operation being the second largest nickel producer in Australia. We believe that heap leaching of nickel laterites represents a significant improvement over other options and we are encouraged to see other companies progressing this technology. Not all laterite ore types are amenable to heap leaching, the fact that the NiWest project can be processed in this manner presents a significant strategic advantage to GME.

I would like to thank my fellow Board members for their strong involvement in the management of the company and the development of the project. We look forward to seeing you at our Annual General Meeting.

Yours faithfully
MICHAEL PERROTT AM
Chairman

REVIEW OF OPERATIONS

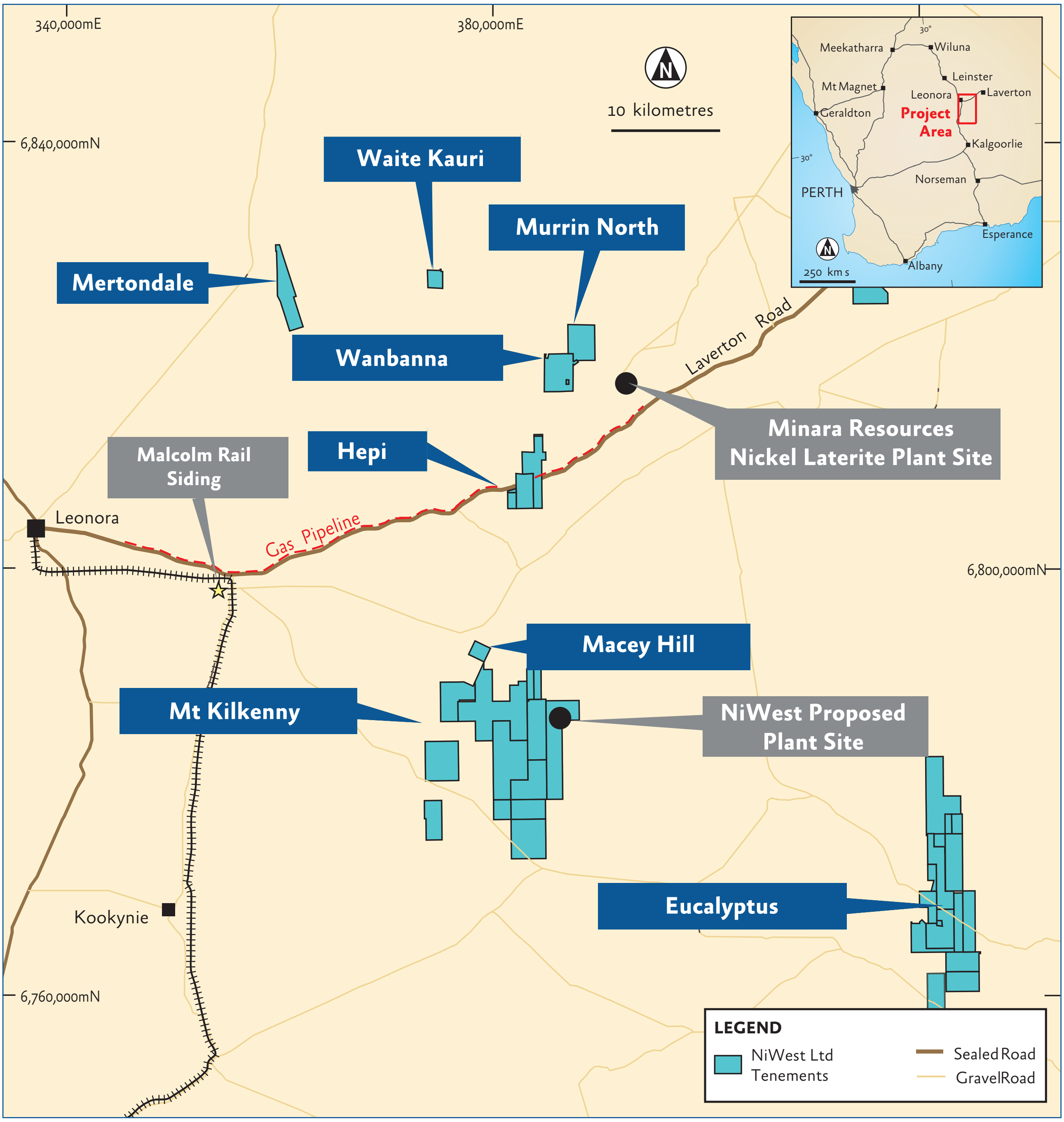


Figure 1. Tenement Location Map.

NiWest Nickel Laterite Heap Leach Project

Over the reporting period the Company continued to develop and investigate options for the NiWest Nickel Laterite Heap Leach Project. This is potentially a world class project due to its size, location and amenability to simple heap leaching.

The company believes that heap leach approach will result in a step change to the capital cost and also significantly simplify the operating conditions when compared to the HPAL alternative. Heap leach of nickel laterite ore has been successfully trialled by Minara Resources and is proposed for use by European Nickel at their Caldag facility. Not all laterite ore types are amenable to heap leach processing, the fact that test work shows the NiWest ores can be heap leached adds significant advantage to the project.

REVIEW OF OPERATIONS

In 2007 the Company completed a pre-feasibility study (PFS), produced by independent Engineering Consultants Aker Kvaerner, which demonstrated the project was technically feasible and economically very attractive. During 2008 the scale of the project was reviewed and as has been previously reported – the optimum size was determined to be 3.5 million tonnes per annum (Mtpa) of ore stacked and leached, producing between 30,000 and 35,000 tonnes of nickel metal per annum. This represents a significant increase on the production capacity envisaged by the PFS.

The Company is now part way through a Feasibility Study (FS). We are pleased to advise that the Company came through the GFC unscathed and is now looking forward to picking up where it left off with the NiWest project.

The NiWest Nickel Laterite Project comprises seven separate project areas in the Murrin Murrin region of the North Eastern Goldfields of Western Australia. Located on granted mining leases, total resources of 110 million tonnes averaging 0.93% nickel and 0.06% Cobalt (0.7%Ni cut off grade) have been defined through extensive systematic drilling programs. The contained nickel metal is over 1 million tonnes. To put this figure in to perspective it is a similar quantity of nickel to the total production from the Kambalda Dome which has been in production since the 1960's.

The area is well suited to Heap Leach processing being located in low rainfall, semi desert environment that is sparsely vegetated and generally flat open country. Our neighbour Minara Resources has shown the applicability of the local ore types to successful treatment by either Heap Leach or the more complex HPAL route.

The area is well serviced with infrastructure such as railway linked to deep water ports, bitumen road, and gas pipeline and is in close proximity to the township of Leonora. The Company has successfully explored for water suitable for large scale processing in the area.

In addition to the nickel project the company has developed a strong gold portfolio.

REVIEW OF OPERATIONS

Previous Studies

> Advanced studies by world class engineers

The Company funded an independent PFS in 2007, the work was undertaken by internationally recognised engineering consultants Aker Kvaerner. This study demonstrated the viability of the heap leach concept.

The Company is undertaking a Feasibility study into a large heap leach facilty with its own acid supply. The work to date has identified an optimised heap leach flowsheet. The flowsheet includes an acid regeneration step likely to have a significant impact on acid consumption. The flowsheet concept is to produce a highly marketable mixed sulphide product containing over 50% nickel and cobalt. The product is readily transportable to international markets.

Metallurgical Test Work

> Positive test results

Metallurgical test work completed at SGS in Perth, includes:

- A total of 10 x 4m columns of ore blends from Mount Kilkenny, Hepi and Eucalyptus drill core samples have been completed. Nickel and Cobalt recovery were very high and column slump was minimal which is an important measure for the success of the Heap process.

Technology

> Strategic advantage developed.

In 2009 GME Resources submitted two Australian and International patent applications related to the GME Nickel Heap Leach and Downstream Processes. These patents are being examined at present.

- Acid Regeneration – This process is designed to reduce acid consumption by regenerating some of the acid and re-using the acid on the heap leach. In the process iron is precipitated from the leach solution and regenerated acid is returned to the heap leach.
- Ore preparation conditioning (pelletising) – This patent describes a method for conditioning the ore to improve the nickel recovery and stability of the heap. Based upon the laboratory column leach tests, percolation and permeability supported by both Golder Associates and SGS tests on the ore from GME tenements.

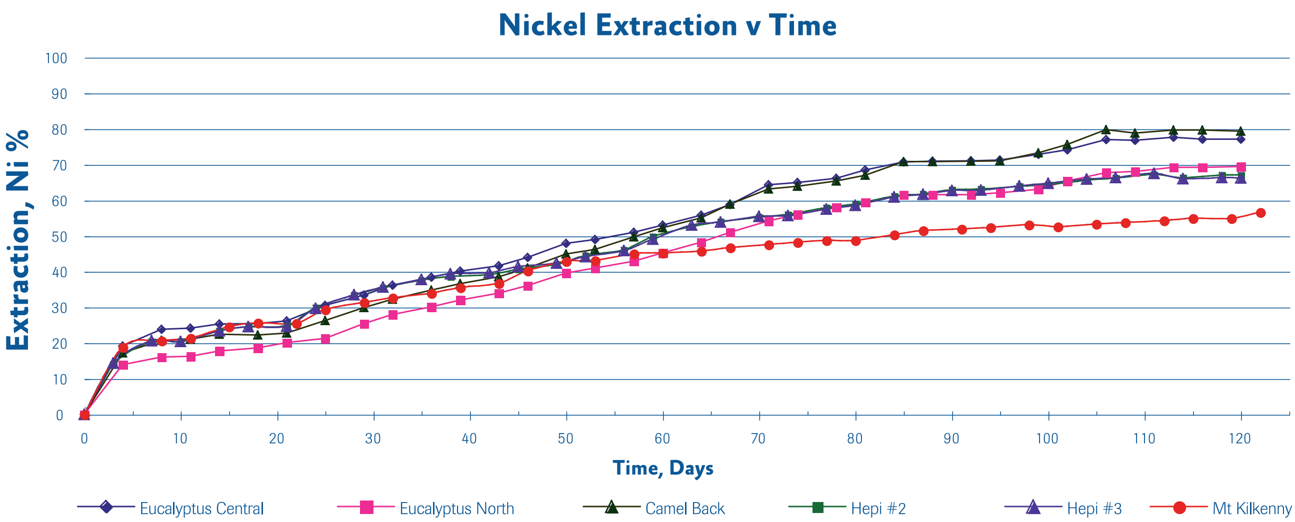


Chart 1. Extraction results for 4 metre column leach tests.

REVIEW OF OPERATIONS

Geological Resource Base

- **Significant global resource**
- **Strong high grade zones**
- **Four new areas modelled, resource is now ready to support the BFS**
- **Independent JORC Resource with high percentage in measured-Indicated category**
- **130,000 metres drilled to date (replacement cost of over $13M)**

Cut off (%Ni)	Tonnes (Millions)	% Nickel	% Cobalt	Ni Metal	Co Metal	Measured and Indicated Resource
0.50%	208.31	0.78	0.05	1,618,903	103,442	72%
0.70%	109.28	0.93	0.06	1,011,484	67,492	68%
0.80%	76.00	1.00	0.07	761,152	49,827	74%
1.00%	32.60	1.16	0.08	379,050	25,307	87%
1.20%	10.45	1.34	0.09	139,475	9,478	88%

Table 1. Global resource estimate.

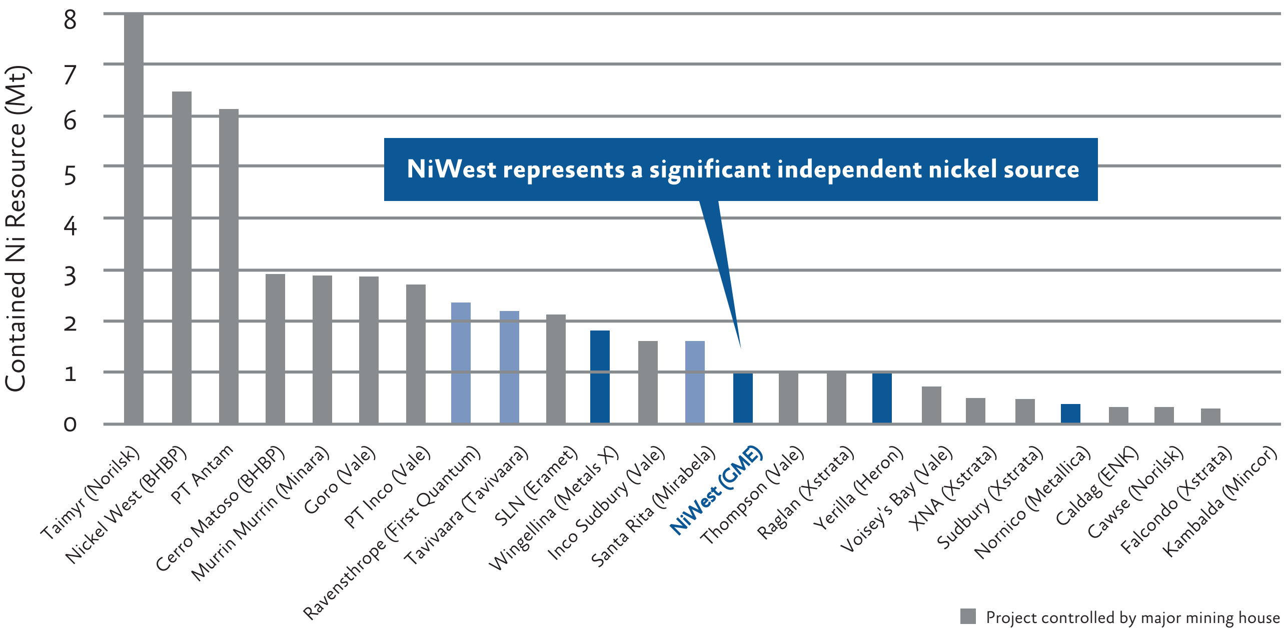


Chart 2. Independent , Pure Nickel Company.

The Company has engaged independent consultants Ravensgate Minerals Industry Consultants (Ravensgate) as its resource managers and geologists. Ravensgate have developed Krigged resource models for the 7 project areas that make up the NiWest resource base. Four of these were developed during the last year and further work has been completed on identifying sources and drivers for additional high grade tonnes. These resource models are the product of industry best practice for geological modelling which provides greater confidence for the project. The work incorporates the most recent drilling and mapping.

At a production rate of 3.5Mtpa the measured and indicated resource in Table 2 supports a long life operation with the added bonus of being able to increase feed grades in early years.

The Chart above demonstrates the strong global position of the project which is still independent of the major mining houses. The Company will continue to develop its 0.8% cut-off resource base to support a long life operation. Further exploration on the very prospective holding of the company would significantly add to this high grade resource.

REVIEW OF OPERATIONS

Ore Sales Options

> Significant value opportunity with 4 processing plants within haulage distance

The GME project is located within a reasonable haulage distance of four nickel processing plants. Although this option is not as favourable as establishing a standalone facility it does demonstrate the potential value of the resource. Nickel ore sales grading 1 to 2% are marketed in many locations at price ranges of 5 to 10% of the contained nickel value. Results of this valuation are presented in Table 2 below:

Total Ore Zone Cut off grade (%Nickel)	Tonnes (millions) ore	Revenue based on 5% Nickel contained value
0.8%	76	$A 738 Million
1.0%	32.6	$A 368 Million

Table 2. Parameters: Nickel price $16500 USD/t, $A/$US 0.85. (Consensus prices) Excludes Cobalt value.

This approach provides an alternative valuation of the resource at NiWest.

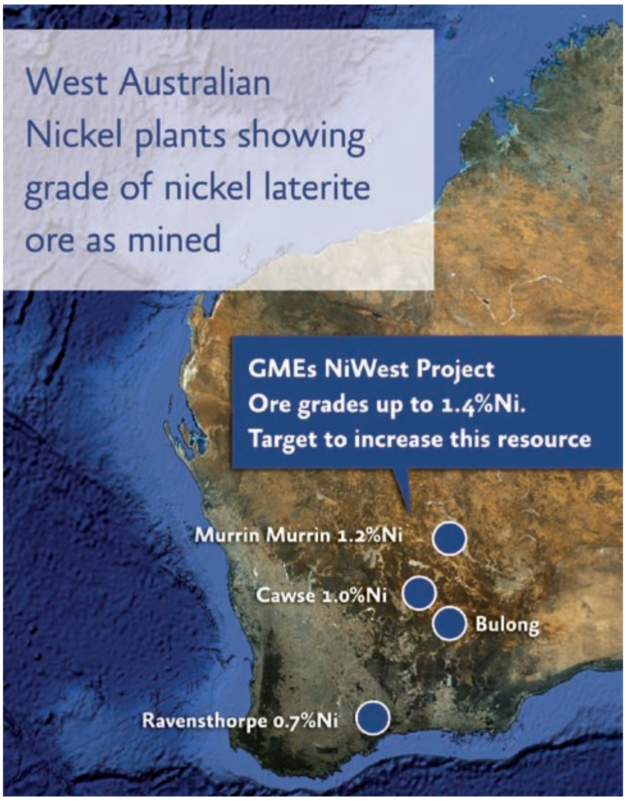


Figure 2. Map showing the location of the 4 nickel processing plants in WA and the respective ore feed grades.

Hepi Starter Pit Identified

> Ready to mine

Close spaced RC Grade control drilling and mine design work have been completed for the Hepi pit. The grade control drilling defined a resource of 289,000 tonnes of high grade ore at 1.53% Ni (0.8 % Ni Cut-off).

The Mining proposal for the starter pit has been approved for either trail mining or possible high grade ore sales.

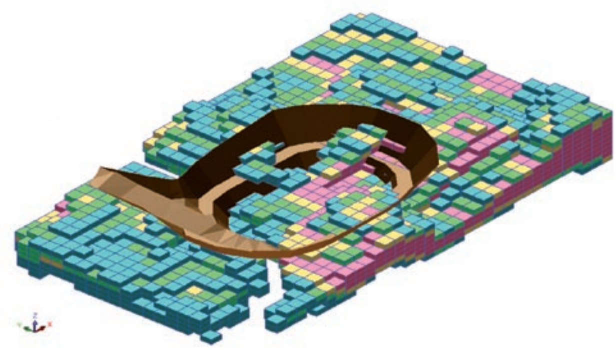


Figure 3. Showing Hepi starter pit with an ore block model- approved and ready to mine.

Pit Optimisation

> Expect a high conversion to reserves

Pit optimisation work completed during the year showed very encouraging results based on the current Resource position. The Company will continue to refine this work in line with more detailed operating cost data and updated Resource categories following further drilling and modelling. Optimum pit shells are shown in the projects section of this report.

Water Exploration

> A valuable asset with a 2.0 GL Licence secured

Four production bores and seven monitoring bores have been drilled on the Mining Tenements. Test pumping on these bores indicated that significant water should be available from this area, with modelling by Coffey Geoscience indicating 2.0GL per year from the Kilkenny mine area.

The Company has been granted a 2.0GL per year water license based on this drilling.

REVIEW OF OPERATIONS

Environmental Studies

> Making progress on the environmental approvals process

Environmental surveys for both Flora and Fauna have been undertaken at Hepi, Mt Kilkenny, Murrin North. Further work is planned in the coming year. The work is well advanced at Hepi with an initial approval to mine having been granted and bonds lodged with the Department of Mines and Petroleum.

Entitlement Issue May 2010

> Strong shareholder support

The Company undertook a Non-renounceable entitlement issue in May 2010. A total of 27,463,842 new shares were offered to shareholders on the basis of 1 new share for every 10 held. The issue closed with a very pleasing level of acceptances at 70%. With the assistance of Azure Capital the balance of the shares were placed.. The issue raised $1.92million. Funds raised net of offer costs will be directed to further high grade ore definition and progressing a number of development options with the assistance of consultants.

Nickel Market Fundamentals

> Nickel market remains strong

Nickel metal prices have shown great resilience over the past year in the face of difficult economic conditions. Prices have generally been above $US8.00 per pound against a low in the previous year of $5.00/lb. Furthermore the Company is pleased to observe a decline in global stocks with a corresponding increase in price in the later part of the year.

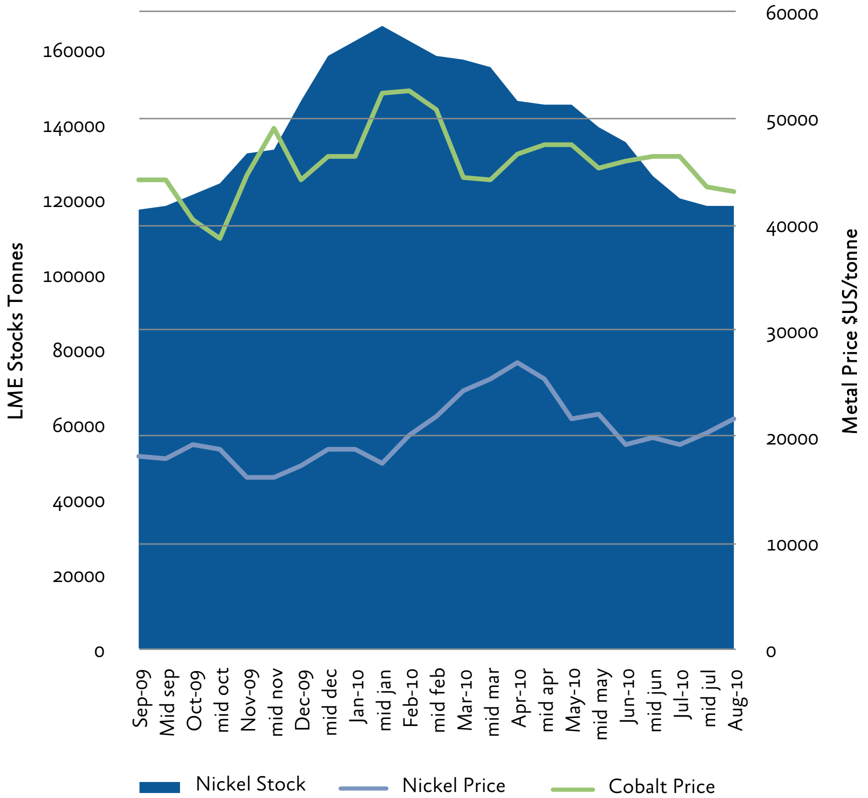


Chart 3. Nickel and Cobalt price information.

REVIEW OF OPERATIONS

Project Location

The Map below shows the Northern project area adjacent to the Murrin Murrin Joint Venture (MMJV) (Minara Resources Limited). This proximity clearly demonstrates that the GME tenements host similar resources to those at the MMJV and gives the company great confidence that the ore types will be amenable to economic recovery via either heap leach or HPAL processing. This fact is supported by our own test work. The MMJV has been in operation for 11 years and is Australia's second largest nickel producer.

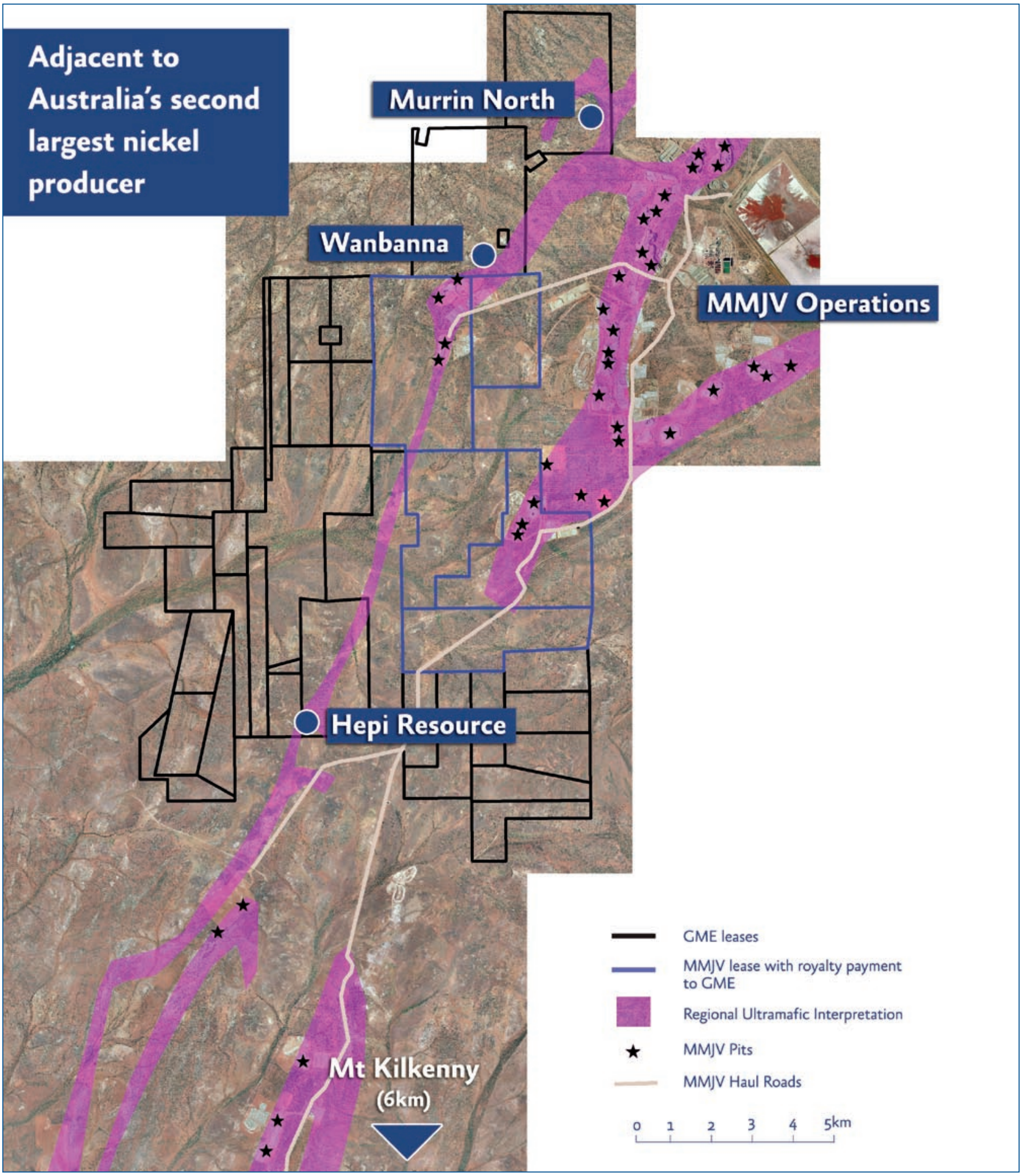


Figure 4.

Mining Project Areas

Hepi

Tenements M39/717, M39/718 and M39/819

Total Area 1434 Hectares
Total metres of drilling 14,500 m in 800 holes

Hepi is located adjacent to the sealed Leonora to Laverton highway.

Geological RESOURCES for HEPI

Cut Off	Tonnes (Millions)	Ni %
0.8	3.08	1.02
1	0.98	1.25
1.2	0.39	1.50

Table 3. Hepi Resource.

Figure 5. Hepi Resource (0.8% Ni Cut-off) within the optimum pit.

Wanbanna

Tenements M39/460

Total Area 945 Hectares
Total metres of drilling 11,000 m in 201 holes

M39/460 is located approximately 11 km north of Hepi and 5 km west of the Murrin Murrin Nickel refinery.

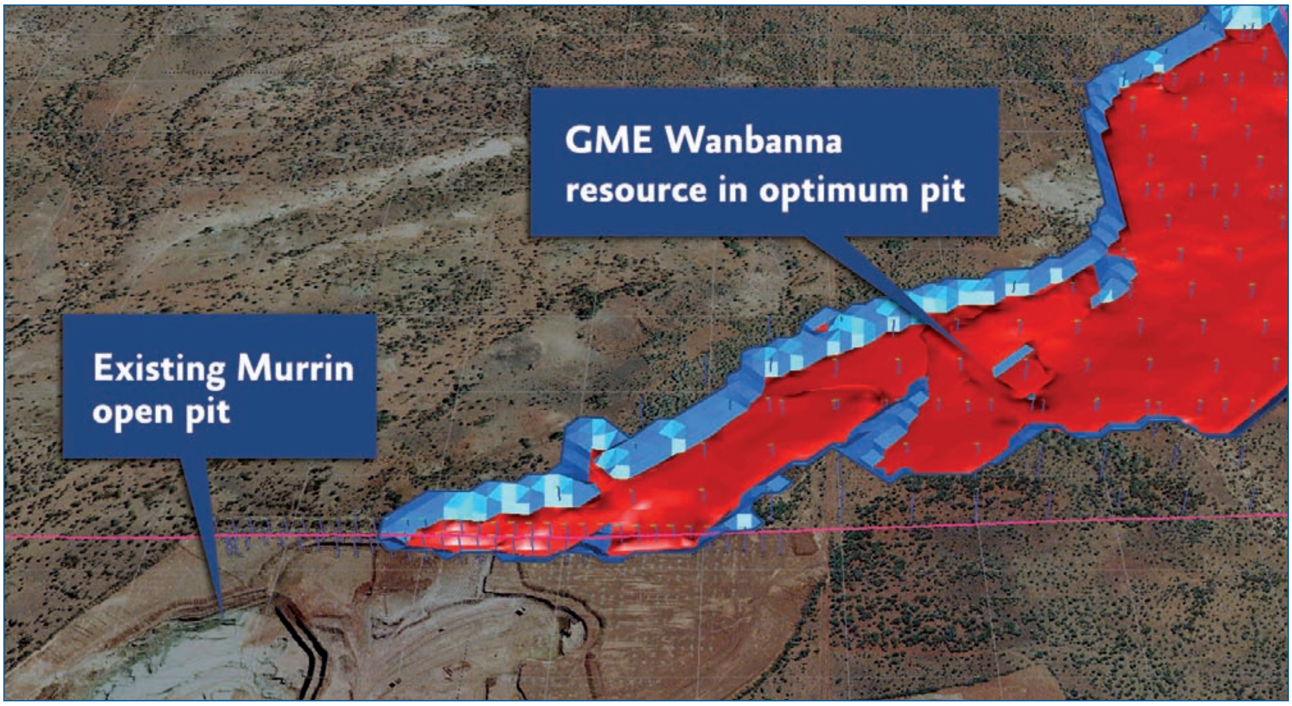
The Wanbanna prospect area contains a significant inferred nickel laterite resource and is considered to be highly strategic as it abuts the Company's Murrin North project and provides a material increase in the overall resources held in the NiWest Nickel Laterite project. The geological resource for this are was updated during the year based on drilling undertaken in the previous year.

Geological RESOURCES for Wanbanna

Cut Off	Tonnes (Millions)	Ni %
0.8	10.68	1.00
1	4.84	1.14
1.2	1.31	1.31

Table 4. Wanbanna Resource The deposits is hosted within the laterite developed from weathered Archaean serpentinised- peridotite rocks.

Figure 6. (Below) Showing the modelled Wanbanna resource adjacent to Minara's recently mined open pit.



REVIEW OF OPERATIONS

Murrin North

Tenements M39/758

Total Area 811 Hectares
Total metres of drilling 9,300 m in 215 holes

M39/758 is located adjacent to the Wanbanna resource. It is 11km north of Hepi and 4 km from the Murrin Murrin Nickel refinery.

The geological resource for this area was updated during the year based on drilling undertaken in the previous year.

Geological RESOURCES for Murrin North

Cut Off	Tonnes (Millions)	Ni %
0.8	3.65	0.97
1	1.25	1.14
1.2	0.30	1.34

Table 5. Murrin North Resource.

Mount Kilkenny

Tenements M39/845, M39/878, M39/879, E39/ 878, E39/1107, E39/1108, E39/1266, E39/1267, E39/688, E39/990, P39/4571, P39/4827

Total Area 16,599 Hectares
Total metres of drilling 34,300 m in 870 holes

The Mount Kilkenny area is located 18 km south of Hepi and 25 km from the Murrin Murrin Nickel Refinery.

Geological RESOURCES for Mt Kilkenny

Cut Off	Tonnes (Millions)	Ni %
0.8	23.61	1.03
1	11.29	1.19
1.2	4.41	1.34

Table 6. Mt Kilkenny Resource.

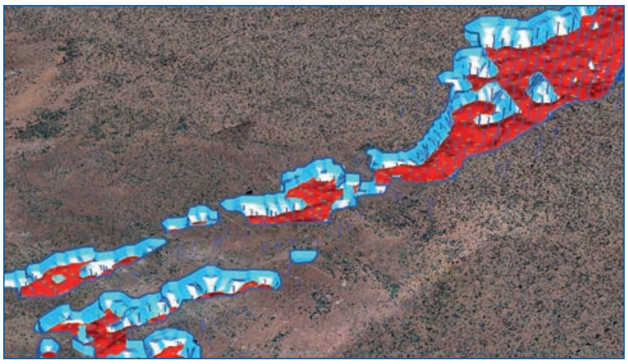


Figure 7. Mt Kilkenny Resource (0.8%Ni cut-off) within the optimum pit.

Eucalyptus

Tenements M39/289 , M39/313 , M39/344 , M39/430, M39/568 , M39/570 , M39/616, M39/665, M39/666, M39/674, M39/744 E39/802, E39/803, E39/804, E39/1419

Total Area 7519 Hectares
Total metres of drilling 34,400 m in 1150 holes

Eucalyptus is located 50 km South East of Hepi.

Geological RESOURCES for Eucalyptus

Cut Off	Tonnes (Millions)	Ni %
0.8	28.12	0.98
1	11.51	1.14
1.2	3.09	1.32

Table 7. Eucalyptus resource.

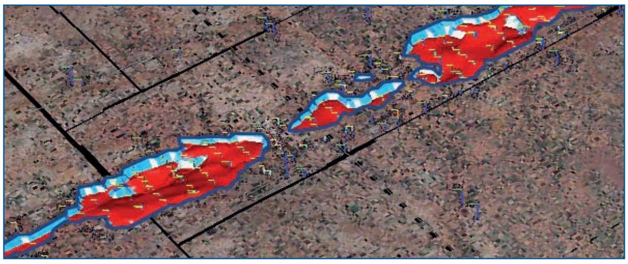


Figure 8. Part of the Eucalyptus Resource (0.8%Ni cut-off) within the optimum pit.

Waite Kauri

Tenements M37/1216

Total Area 234 Hectares
Total metres of drilling 13,400 m on 385 Holes

The geological resource for this area was updated during the year based on drilling undertaken in the previous year.

Geological RESOURCES for Waite Kauri

Cut Off	Tonnes (Millions)	Ni %
0.8	1.88	0.98
1	0.52	1.25
1.2	0.23	1.46

Table 8. Waite Kauri Resource.

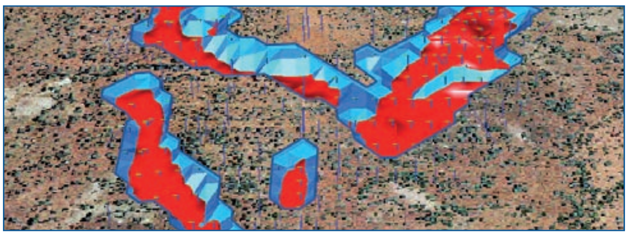


Figure 9. Waite Kauri Resource (0.8%Ni cut-off) within the optimum pit.

REVIEW OF OPERATIONS

Mertondale

Tenements M37/591
Total Area 885 Hectares
Total metres of drilling 6,900 m 359 Holes

M37/591 contains a nickel laterite bearing ultramafic with a strike length of over eight kilometres long.

The geological resource for this area was updated during the year based on drilling undertaken in the previous year.

Geological RESOURCES for Mertondale

Cut Off	Tonnes (Millions)	Ni %
0.8	1.96	0.99
1	0.77	1.16
1.2	0.20	1.41

Table 9. Mertondale Resource.

Duck Hill

Tenements E31/733
Total Area 1793 Hectares
Total metres of drilling 6,200 m in 153 holes

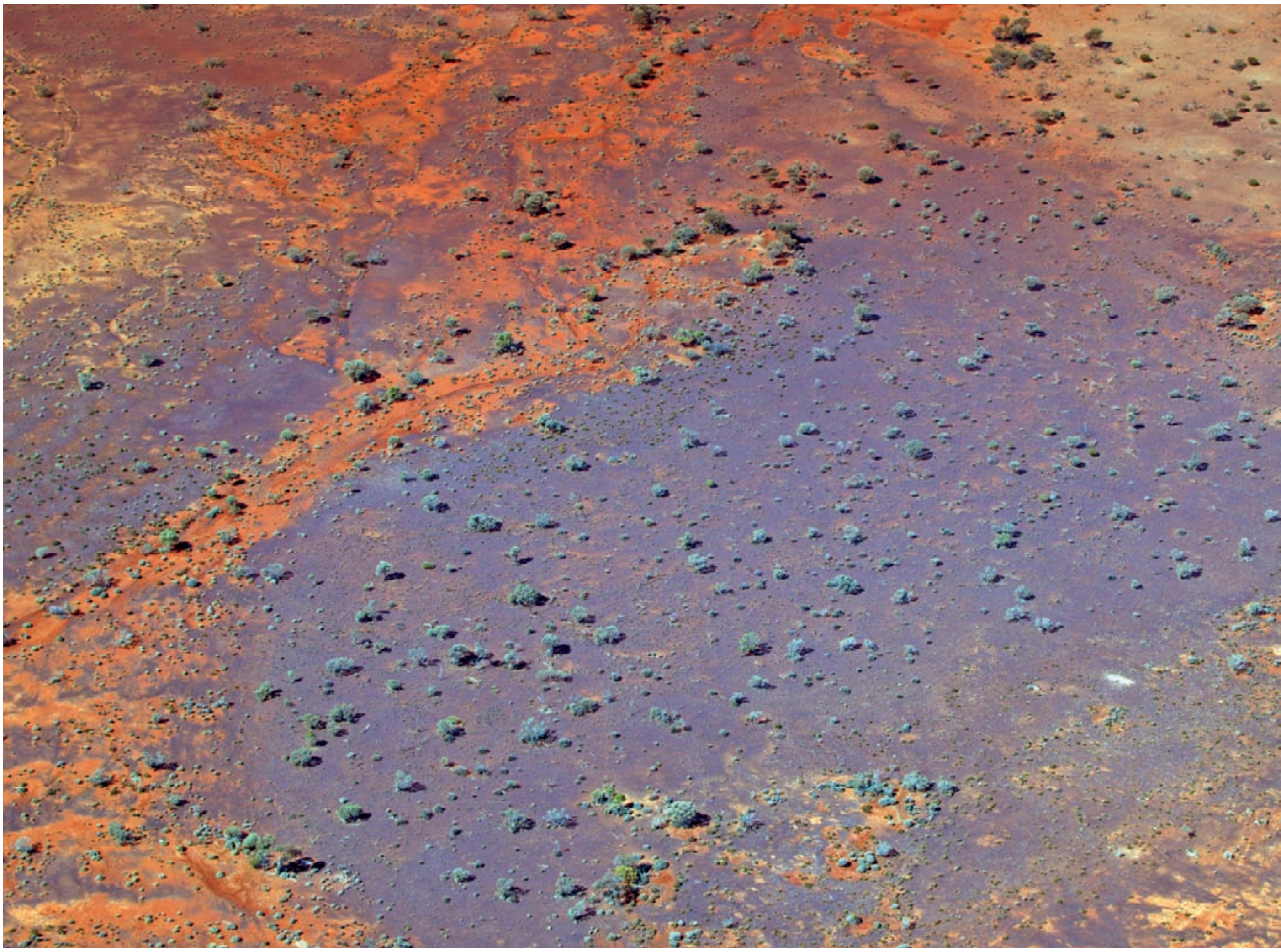
E31/733 was granted on 16th September 2008. This tenement contains a nickel laterite bearing ultramafic over six kilometres of strike length.

Geological RESOURCES for Duck Hill

Cut Off	Tonnes (Millions)	Ni %
0.7	3.94	0.96
1	1.50	1.27

Table 10. Duck Hill Resource.

RC infill drilling will be completed to verify and upgrade this resource in due course.



REVIEW OF OPERATIONS

GOLD

Gold Assets

- **30 Million ounces of Gold produced in the Northern Goldfields region**
- **Hosts world class projects Sunrise Dam, Granny Smith and Sons of Gwalia**
- **Significant drill results**
- **Walk up targets**
- **5 large gold plants in the region**

GME and its subsidiary Golden Cliffs NL own a number of prospective gold projects in the Leonora – Laverton region. The amount of work previously undertaken on the respective areas varies from soil sampling through to diamond drilling and resource definition.

The majority of the tenements that make up the gold assets have undergone reversion to new granted prospecting licenses. Several new tenements were applied for that either adjoined existing holdings or were considered prospective for gold or base metals. The tenements are in an area that has produced significant gold production over the last 100 years – see Figure 10.

The portfolio of tenements prospective for gold is in excess of 150 square kilometres. A number of tenements contain resource calculations that although not JORC compliant may potentially support profitable small scale mining activity for ore sales to third parties. Better drill results are tabulated on page 13.

Drilling is historical, undertaken by GME and other companies. Better results are shown to highlight the potential of the area. Drill methods include RC, diamond and RAB. 1 metre samples were taken. Not all holes have accurate survey data and therefore results are indicative but may require follow-up drilling.

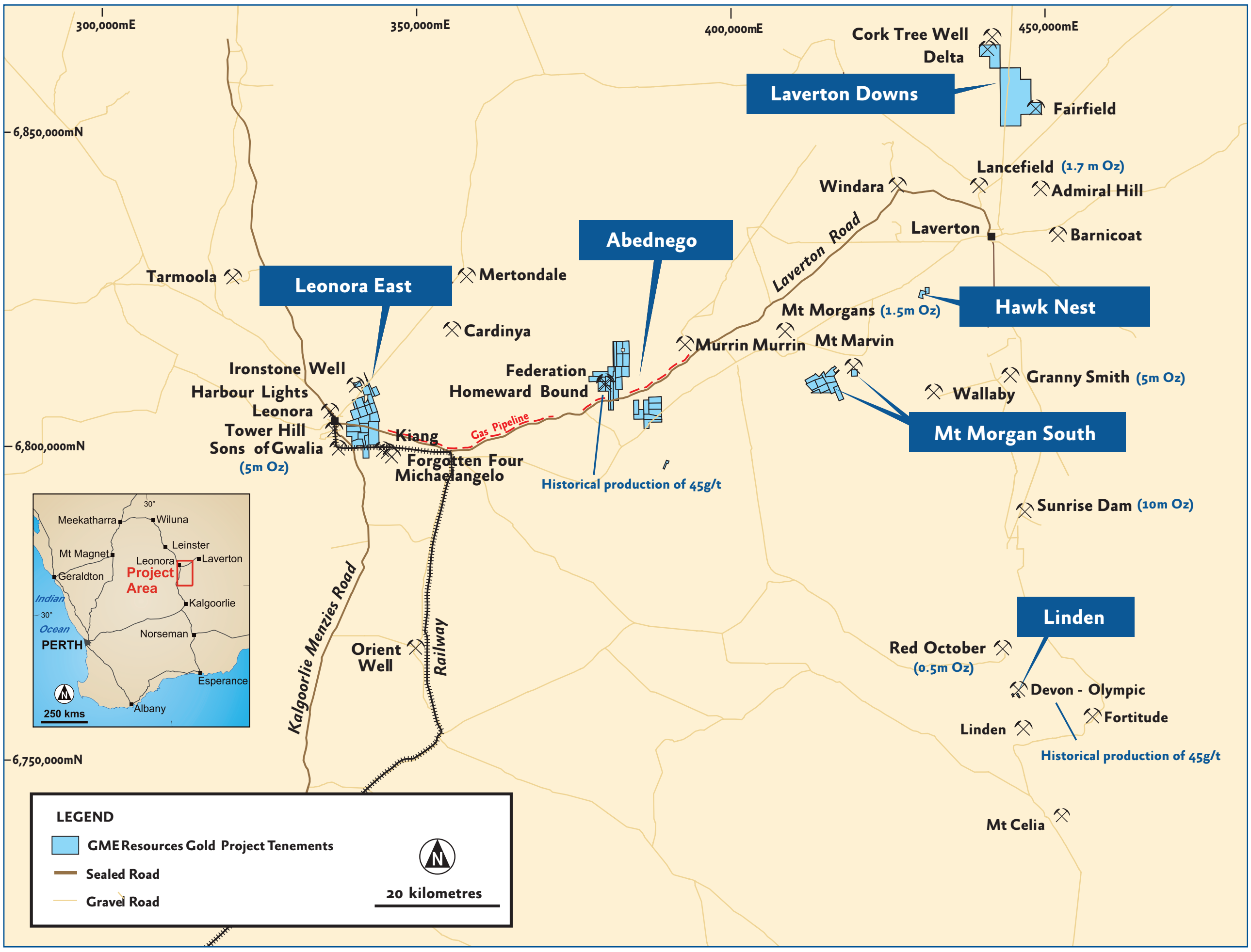


Figure 10. Gold Projects.

REVIEW OF OPERATIONS

Project	Intercept	Grade (g/t)	From depth	Hole ID
Abednego	7	6.08	17	FRC1
Abednego	2	14.75	30	FRC8
Abednego	4	6.45	8	HRB8
Abednego	4	10.2	12	HRB9
Abednego	6	7.1	36	ABR93
Hawk Nest	12	3.1	8	HNC1
Hawk Nest	2	59.7	22	HNC5
Mount Morgans	1	51	23	95MCRC025
Mount Morgans	7	3.14	13	MM150
Laverton Downs	4	9.75	24	FR6
Laverton Downs	4	23.1	49	FRC7
Laverton Downs	3	15	34	FRC12
Leonora East	10	5.1	28	GER079
Leonora East	4	3.2	8	TWAC001
Linden	8	145.3	30	OCP-17
Linden	6	15.26	34	OCP-15

Table 11.

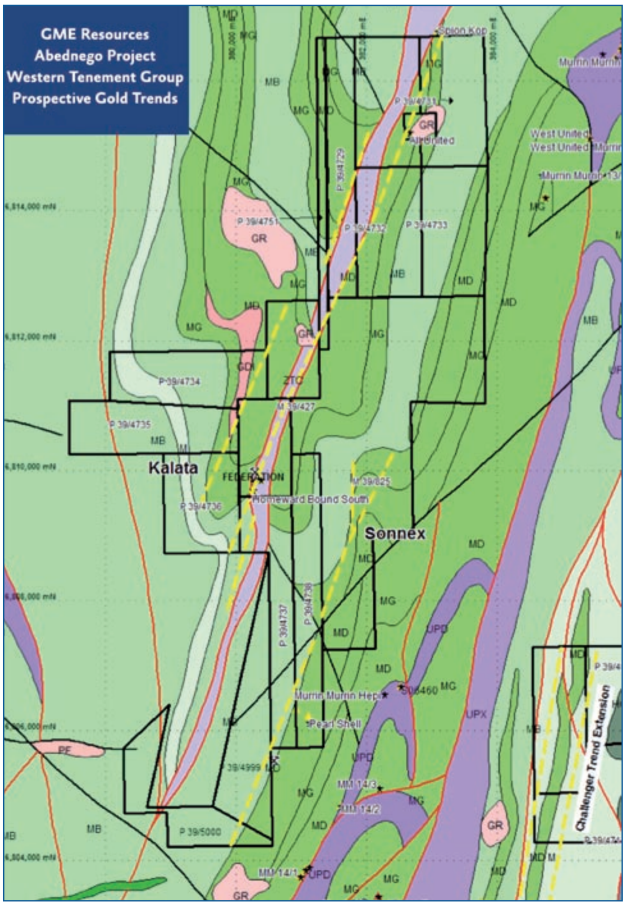


Figure 11. Abednego Project prospective gold trends. (includes Federation and Homeward Bound Projects)

Abednego

The Abednego Project is situated on the western margin of the Murrin Murrin Tectonic Zone (MMTZ) within the Murrin Domain of the Kurnalpi Terrane. Locally the Abednego Project tenements are centred over the Federation Shear, a northeast trending splay off the northwest trending Keith Kilkenny Tectonic Zone located some 15 kilometres to the southwest of the project area. Historical records show that the Federation and Homeward Bound mines produced 1823 ounces from 1240 tonnes of ore (average grade of 45 g/t).

REVIEW OF OPERATIONS

Laverton Downs

The project area consists of a sequence of Archaean Greenstones intruded by granitic rocks, and lies directly on the north-south trending Laverton Tectonic Zone which hosts significant gold deposits including the 1.7 million ounce Lancefield mining centre to the south and the plus Cork Tree Well deposit to the north.

Leonora East

The Leonora East project area lies across a portion of the north west trending Keith-Kilkenny Tectonic Zone, host to the major gold deposits in the Leonora area including the Sons of Gwalia-Gwalia Deeps system (5 million ounces), Tower Hill (1.5Moz) and Harbour Lights, which occur adjacent to the granite greenstone contact along the western margin of the greenstone belt. The Tenements are approximately 2.5 km East of the Sons of Gwalia Mine (St Barbara Mines) .

Linden Project

The Linden Project tenements are situated over the Laverton Greenstone Belt within the Central Laverton Domain of the Laverton Tectonic Zone. The Sunrise Dam (>10 million ounces) and Red October (>0.5 million ounces) deposits occur some 15 km and 5 km respectively north of Linden.

Significant drilling has identified strong mineralisation over a 700m strike length. A non- JORC resource was calculated for the project and follow up drilling is planned to enable a resource to be reported. Past production records indicate that the Devon mine yielded 10,832 tonnes of ore at an average grade of 19.57g/t Au. The Olympic-Danube mining area within P39/4637 has recorded production of nearly 1500 tonnes grading 44g/t. Total recorded historic production from the Linden area is in excess of 44,000 ounces.

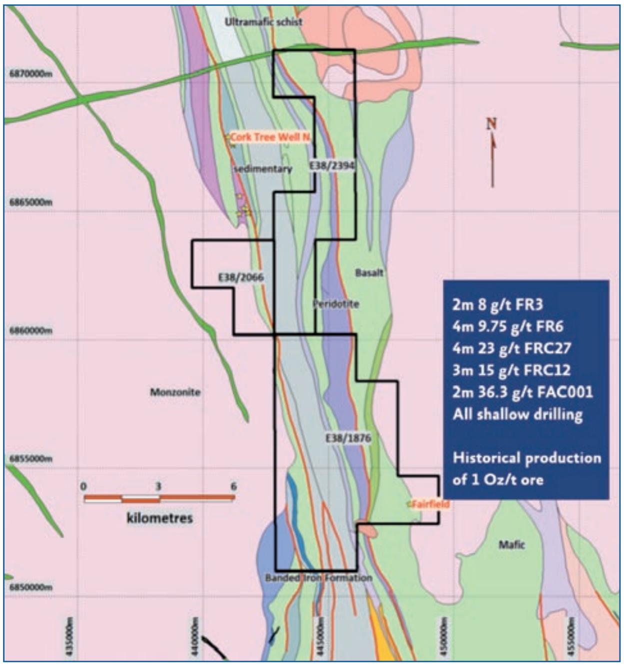


Figure 12. Laverton Downs Project Area.

Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Stephen Hyland, Mr Bill Hill and Mr Steve Goertz who are members of The Australasian Institute of Mining and Metallurgy. Mr Hyland is a Principal Consultant with Ravensgate Minerals Industry Consultants who consults to the Company. Mr Hill is self employed and consults to the Company as and when required, Mr Hill and Mr Hyland have sufficient experience, which is relevant to the style of mineralization 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 Mineral Resources and Ore Reserves. Mr Hill, Mr Goertz and Mr Hyland consent to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

CORPORATE GOVERNANCE STATEMENT

Introduction

The Board of Directors of GME Resources Limited has adopted the following Corporate Governance Principles and is responsible for the adherence to these Principles. These Principles and Practices are reviewed regularly and upgraded or changed to reflect changes in law and what is regarded as best practice. A description of the Company's main Corporate Governance Principles and Practices is set out below.

Role of the Board

The Board has adopted the following Statement of Matters for which the Board will be responsible:

(1) Reviewing and determining the Company's strategic direction and operational policies;
(2) Review and approve business plans, budgets and forecasts and set goals for management;
(3) Appoint and remunerate Chief Executive Officer and Senior Staff;
(4) Review performance of Chief Executive Officer and Senior Staff;
(5) Review financial performance against Key Performance Indicators on a monthly basis;
(6) Approve acquisition and disposal of tenements;
(7) Approve exploration and mining programs;
(8) Approve capital, development and other large expenditures;
(9) Review risk management and compliance;
(10) Oversee the Company's control and accountability systems;
(11) Reporting to shareholders; and
(12) Ensure compliance with environmental, taxation, Corporations Act and other laws and regulations.

Managing Director

GME's most senior employee is the Managing Director who is appointed and subject to annual reviews by the Board. The Managing Director recommends policies, strategic direction and business plans for the Board's approval and is responsible for managing the Company's day-to-day business.

Board Independence

The Board consists of five directors, but up to 10 directors can serve on the board. Mr David Varcoe and Mr James Sullivan are the only executives, the remainder are non executive. Currently the five directors are:

Michael D Perrott	Chairman	64 years	Director since 1996
David J Varcoe	Managing Director	47 years	Director since 2008
James N Sullivan	Executive Director	49 years	Director since 2004
Peter R Sullivan	Director	54 years	Director since 1996
Geoffrey M Motteram	Director	61 years	Director since 1997

Mr Perrott, Mr Motteram and Mr P Sullivan are considered Independent Directors on the Board according to the definitions by the Australian Securities Exchange Corporate Governance Council ("Council").

The Managing Director, Mr D Varcoe is a full time executive, and Mr J Sullivan is also an executive of the Company.

CORPORATE GOVERNANCE STATEMENT

Tenure of the Board

The Directors are expected to review their membership of the Board from time to time taking into account the length of service on the Board, age, qualification and experience. In light of the needs of the Company and direction of the Company together with such other criteria considered desirable for composition of a balanced board and the overall interests of the Company.

A director is expected to resign if the remaining directors recommend that a director should not continue in office, but is not obliged to do so.

Chairman

The current Chairman is Mr Michael D Perrott AM. Mr Perrott brings a wealth of business experience, connections and drive to the Board. The Chairman's role is separated from the role of the Managing Director.

The Chairman's role includes:

- Providing effective leadership on formulating the Board's strategy;
- Representing the views of the Board to the public;
- Ensuring that that the Board meets at regular intervals throughout the year and that minutes of meeting accurately record decisions taken and where appropriate the views of individual directors;
- Guiding the agenda, information flow and conduct of all board meetings;
- Reviewing the performance of the board of directors; and
- Monitoring the performance of the management of the Company.

Committees

Due to the small size of the Company and the number of board members, the Board does not have a formal nomination committee structure. Any new directors will be selected according to the needs of the Company at that particular time, the composition and the balance of experience on the Board as well as the strategic direction of the Company.

Should the need arise to consider a new board member, some or all of the Directors would form the committee to consider the selection process and appointment of a new director.

At each annual general meeting the following directors retire:

- One third of directors (excluding the Managing Director);
- Directors appointed by the Board to fill casual vacancies or otherwise;
- Directors who have held office for more than three years since the last general meeting at which they were elected.

CORPORATE GOVERNANCE STATEMENT

Details on Current Directors

Details on current directors including their skills and experience are included in the Directors' Report.

Ethical and Responsible Decision-making

In making decisions, the Directors of the Company, its officers and employees, take into account the needs of all stakeholders:

- Shareholders;
- Employees;
- Community;
- Creditors;
- Contractors; and
- Government (Federal, State and Local).

The Directors, officers and employees of the Company are expected to:

- Comply with the laws and regulations both by the letter and in spirit;
- Act honestly and with integrity;
- Avoid conflicts of interest by not placing themselves in situations which result in divided loyalties;
- Use the Company's assets responsibly and in the interests of the Company, not take advantage of property, information or position for personal gain or to compete with the Company;
- To keep non-public information confidential except where disclosure is authorised or legally mandated; and
- Responsible and accountable for their actions and report any unethical behaviour.

Trading in Company Securities

The Directors, officers, and employees of the Company must not acquire or dispose of securities in the Company whilst in possession of price sensitive information not yet released to the market. Subject to this condition and the trading prohibition applying to periods prior to major announcements, including announcement of drilling results, announcement of half-yearly and full year results and the holding of a general meeting, trading can occur at any time.

Directors must advise the Company which in turn advises the Australian Securities Exchange of any transactions conducted by them in the Company's securities within five business days after the transaction occurs.

Integrity of Financial Reporting

GME's Managing Director and Chief Financial Officer report in writing to the Board:

- That the Company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the Company and Group; and
- That the above statement is founded on a sound system of internal control and risk management which implements the policies adopted by the Board and that the Company's risk management and internal controls are operating efficiently in all material respects.

CORPORATE GOVERNANCE STATEMENT

Audit Committee

The Company does not have a formal audit committee as, in the opinion of the directors, the scope and size of the Company's operations do not warrant it. As such the Company is not in strict compliance of the Council's Recommendation 4.2 that the Board should establish an audit committee. It should be noted however that when the Council's Recommendation was made it was emphasised that it was more relevant for large companies.

The Board regularly reviews the scope of audits, the level of audit fees and the performance of auditors.

The Board also is continually assessing to ensure the independence of the external auditor is maintained. The company will and does, if necessary, use other consultants to avoid any potential independence issues.

Timely and Balanced Disclosure to Australian Securities Exchange

The Company has procedures in place to identify matters that are likely to have a material effect on the price of the Company's securities and to ensure those matters are notified to the Australian Securities Exchange in accordance with its listing rule disclosure requirements.

Information to the market and media is handled by the Chairman, the Managing Director or the Company Secretary. In particular, the Company Secretary has been nominated as the person responsible for communications with Australian Securities Exchange. This role includes responsibility for compliance with the continuous disclosure requirements of the Australian Securities Exchange Listing Rules and overseeing and coordinating information disclosures to Australian Securities Exchange, analysts, brokers, shareholders the media and the public.

All disclosures to Australian Securities Exchange are posted on the Company's website soon after clearance has been received from Australian Securities Exchange.

The Chairman, the Managing Director and Company Secretary are monitoring information in the marketplace to ensure that a false market does not emerge in the Company's securities.

Communication with Shareholders

It is the Company's communication policy to communicate with shareholders and other stakeholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions on the operations and results of the Company.

The information is communicated to the shareholders through:

- Continuous disclosure announcements made to the Australian Securities Exchange;
- Distribution of the annual report to shareholders together with a notice of meeting;
- Posting of half-yearly results and all Australian Securities Exchange announcements on the Company's website;
- Posting of all major drilling results;
- Posting of all media announcements on the Company's website; and
- Calling of annual general meetings and other meetings of shareholders to obtain approval for board action as considered appropriate.

On the Company's website, information about the Company's projects is shown.

At annual general meetings and other general meetings of shareholders, shareholders are encouraged to ask questions of the Board of Directors relating to the operation of the Company.

CORPORATE GOVERNANCE STATEMENT

Risk Management

Due to its size of operation and size of the board, there is no formal board committee to identify, assess and monitor and manage risk. Responsibility for day to day control and risk management lies with the Managing Director and Company Secretary (financial risk) with reporting responsibility to the Board. The Board participate and monitor risks including but not limited to compliance with development and environmental approvals, tendering, contracting and development, pricing of products, quality, safety, strategic issues, financial risk, joint venture, accounting and insurance. Any changes in the risk profile for the Company are communicated to its stakeholders via an announcement to Australian Securities Exchange.

Performance

The Board has adopted a self-evaluation process to measure its own performance. The Chairman evaluates the performance of each director and the Board evaluates the performance of the Chairman. Performance of senior executives is evaluated by the Managing Director in cooperation with the Chairman. All performance evaluations are measured against budget, goals and objectives set.

All directors of the board have access to the Company Secretary who is appointed by the Board. The Company Secretary reports to the Chairman, in particular to matters relating to corporate governance.

All board members have access to professional independent advice at the Company's expense provided they first have obtained the Chairman's approval which will not be unreasonably withheld.

Remuneration

Managing Director and Non-executive Directors

The directors are remunerated for the services they render the Company and such services are normally carried out under normal commercial terms and conditions. Remuneration is also determined having regard to how directors are remunerated for other similar companies, the time spent on the Company's matters and the performance of the Company. Engagement and payment for such services are approved by the other directors with no interest in the engagement of services.

The Board has no retirement or termination benefits. Payments to all directors are set out in the Director's Report.

Senior Executives

The remuneration of senior executives is discussed and determined by the Board upon receiving advice from the Managing Director. The remuneration packages are set at levels intended to attract and retain the executives capable of managing the Company's operations.

The remuneration of senior executives, where applicable, is set out in the Directors' Report.

General

Due to the staff size and the close involvement of the Board in the operations of the Company, the Company does not operate a formal remuneration committee. All remuneration paid to the Chairman, Non-executive Directors, Executive Directors and Senior Executives are all reviewed and discussed by the Board.

The Company does not operate an employee share option plan and there are no options outstanding issued to directors.

CORPORATE GOVERNANCE STATEMENT

Interests of Stakeholders

It is the Company's objective to create wealth for its shareholders and provide a safe and challenging environment for employees and for the Company to be a valuable member of the community as a whole.

The Company's ethical and responsible behaviour is set out under the heading "Ethical and Responsible Decision-making".

The Company's core values are summarised as follows:

- Provide value to its shareholders through growth in its market capitalisation;
- Act with integrity and fairness;
- Create a safe and challenging workplace;
- Be participative and recognise the needs of the community;
- Protect the environment;
- Be commercially competitive; and
- Strive for high quality performance and development.

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DIRECTORS' REPORT

Your directors present their report of GME Resources Limited and its controlled entities for the financial year ended 30 June 2010.

Directors

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

Michael Delaney Perrott	(Non executive - Chairman)
David John Varcoe	(Managing Director)
James Noel Sullivan	(Executive Director)
Peter Ross Sullivan	(Non executive - Director)
Geoffrey Mayfield Motteram	(Non executive - Director)
Mark Edward Pitts	(Company Secretary)

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

Principal Activities

The principal activities of the consolidated entity are mineral exploration and investment.

No significant change in the nature of these activities occurred during the year.

Operating and Financial Review

Operating Results

The net loss after income tax attributable to members of the Group for the financial year to 30 June 2010 amounted to $635,852 (2009: $628,861).

Overview of operating activity

The Company is developing the NiWest nickel laterite Heap Leach project in the NE Goldfields. The Company has explored and developed a significant resource base containing over 1 million tonnes of nickel metal.

The Company believes that the optimal size of the NiWest Heap leach Project is 3.5 million tonnes per annum (Mtpa) of ore processed, producing between 30,000 and 35,000 tonnes of nickel metal per annum. The Company envisages constructing a world class Nickel and Cobalt processing plant in the Northern Goldfields.

The Company is encouraged by the strong Nickel price over the last year to levels that make the proposed NiWest Heap Leach project an attractive proposition.

The Company has raised funds during the year and is continuing to add value to the project by reviewing the resources and refining process options.

Financial Position

At the end of the financial year the consolidated entity had $1,957,866 (2009: $356,187) in cash and at call deposits.

Carried forward exploration and evaluation expenditure was $30,261,011 (2009: $29,138,670).

During the year issued capital increased from 253,373,931 to 302,352,750 shares at the end of 2010. The movement related to a non-renounceable rights issue as announced on 13 April 2010 .

DIRECTORS' REPORT

Dividends
No dividends have been paid or declared since the start of the financial year. No recommendation is made as to dividends.

Significant Changes in State of Affairs
There were no significant changes in the state of affairs of the consolidated entity during the financial year.

After Balance Date Events
No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial years.

Likely Developments
The consolidated entity's areas of interest are in the exploration stage, and although the results of work carried out to date are encouraging it is not possible to predict the likely developments. The consolidated entity will continue its mineral exploration and investment activities with the object of finding further mineralised resources and exploiting those already discovered.

The Board is following a strategic plan for the growth of the Group, however, further information about likely developments future prospects and business strategies as they pertain to the operations and expected results of those operations have not been included in this report, as the Directors reasonably believe that disclosure of this information would be likely to result in unreasonable prejudice to the Group.

DIRECTORS' REPORT

Information on Directors and Company Secretary

Michael Delaney Perrott AM BCom FAIM
(Chairman) 64 Years
Director since 1996

Mr Perrott has been involved in the construction and contracting industry since 1969. He is currently Chairman and director of various listed and unlisted public and private companies. Mr Perrott is also a member of the Board of Notre Dame University and SANE Australia and a council member for the State Ministerial Council for Suicide prevention.

Mr Perrott has been Chairman of the Company since his appointment as a director in 1996.

Other current directorships of listed companies
Director of Schaffer Corporation Limited since February 2005 and VDM Group Ltd since July 2009.

Former directorships of listed companies in last 3 years
Non executive chairman of Gage Roads Brewing Co Limited from November 2006 to October 2007. Director of Port Bouvard Limited from 1998 until April 2009, and Director of Portman Limited from June 1997 until December 2008.

David John Varcoe B. Mining Engineering (Honours) MAusIMM
(Managing Director) 47 Years
Director since 2008

Mr Varcoe is a mining engineer with over 20 years experience that includes extensive senior managerial and technical positions with Australia and international resource companies. His experience includes positions at Sons of Gwalia, Centaur, WMC, and Goldfields St Ives and for the period prior to joining GME as Principal Consultant for Rio Tinto based in the United Kingdom and Perth WA.

Mr Varcoe has not been a Director of any other public listed entities during the past three years.

James Noel Sullivan FAICD
(Executive Director) 49 Years
Director since 2004

Mr Sullivan has over 20 years experience in commerce providing services to the mining and allied industries.

Mr Sullivan was instrumental in establishing and managing the Golden Cliffs Prospecting Syndicate which acquired and pegged a number of prospective tenements in the Eastern Goldfields. The Golden Cliffs Prospecting Syndicate was subsequently acquired by the company in 1996. Mr Sullivan has extensive knowledge in mining and prospecting in the North Eastern Goldfields and in particular on matters involving tenement administration, native title negotiation and supply and logistics of services. Mr Sullivan's practical knowledge in these areas will be of great benefit to the Company as it seeks to develop its assets for the benefit of its shareholders.

Mr Sullivan has not been a Director of any other public listed entities during the past three years.

DIRECTORS' REPORT

Peter Ross Sullivan BE, MBA
(Non Executive Director) 54 years
Director since 1996

Mr Sullivan is an engineer and has been involved in the management and strategic development of resource companies and projects for more than 20 years.

Mr Sullivan has been a director of the Company since his appointment in 1996.

Other current directorships of listed companies
Mr Sullivan has been a director of Resolute Mining Limited since June 2001.

Geoffrey Mayfield Motteram BMetE (Hons), MAusIMM
(Non Executive Director) 61 years
Director since 1997

Mr Motteram is a metallurgical engineer with over 30 years' experience in the development of projects in the Australian resources industry.

He has extensive experience in gold and base metals having been involved with WMC's Kwinana Nickel Refinery and Kalgoorlie Nickel Smelter. He subsequently joined BHP, and later Metals Exploration, where he was involved in the evaluation of gold and base metal projects. Since 1989 he has acted as a Mining Project and Metallurgical Consultant. He was involved in the formation of Minara Resources Limited (formerly Anaconda Nickel Limited) in 1994 and controlled the technical development of the Murrin Murrin Joint Venture until the end of 1997. He is a former director of Minara Resources Limited.

Mr Motteram has been a non executive director of the Company since 1997, and provides technical support to the Company.

Former directorships of listed companies in last 3 years
Mr Motteram was a director of Mount Magnet South Limited from 31 May 2006 to 14 September 2010.

Mr Mark Edward Pitts B.Bus CA
(Company Secretary) 48 Years

Mr Pitts was appointed to the position of Company Secretary in February 2009. Mr Pitts is a Chartered Accountant with over twenty years experience in statutory reporting and business administration. He has been directly involved with, and consulted to a number of public companies holding senior financial management positions. He is a partner in the corporate advisory firm Endeavour Corporate. Endeavour offers professional services focused on Company Secretarial support, corporate advice, supervision of ASIC and ASX reporting and compliance requirements, and commercial and financial support.

DIRECTORS' REPORT

Remuneration Report (Audited)

The remuneration report is set out in the following manner:

- Policies used to determine the nature and amount of remuneration.
- Details of remuneration
- Service agreements
- Share based compensation

Remuneration Policy

The Board of Directors is responsible for remuneration policies and the packages applicable to the Directors of the Company. The broad remuneration policy is to ensure that packages offered properly reflect a person's duties and responsibilities and that remuneration is competitive and attracts, retains, and motivates people of the highest quality.

The Managing Director, Executive and Non-executive Directors are remunerated for the services they render to the Company and such services are carried out under normal commercial terms and conditions. Engagement and payment for such services are approved by the other directors who have no interest in the engagement of services.

At the date of this report the Company had not entered into any packages with Directors or senior executives which include performance based components.

Details of Remuneration for Directors

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced Directors and senior executives. The Board of Directors obtains independent advice as appropriate when reviewing remuneration packages.

Details of nature and amount of each element of the emoluments of directors and executives of the Company (and each of the officers of the Company and the consolidated entity receiving the highest remuneration) are:

2010	Short Term Benefits	Post Employment Benefits	Long Term Benefits	Total
	Salary & Fees	Superannuation	Options	
	$	$	$	$
Executive Directors				
David J Varcoe	218,091	-	-	218,091
James N Sullivan	24,000	-	-	24,000
Non-Executive Directors				
Michael D Perrott	32,500	-	-	32,500
Geoffrey M Motteram	24,000	-	-	24,000
Peter R Sullivan	24,000	-	-	24,000
Executives				
Mr Mark Pitts	32,244	-	-	32,244
	354,835	**-**	**-**	**354,835**

DIRECTORS' REPORT

2009	Short Term Benefits Salary & Fees $	Post Employment Benefits Superannuation $	Long Term Benefits Options $	Total $
Executive Directors				
David J Varcoe	174,818	12,755	-	187,573
James N Sullivan	24,000	-	-	24,000
Non-Executive Directors				
Michael D Perrott	30,000	-	-	30,000
Geoffrey M Motteram	27,600	-	-	27,600
Peter R Sullivan	24,000	-	-	24,000
Executives				
Bradley J Wynne (ceased 11 Feb 2009)	91,017	8,192	-	99,209
John R Harris (ceased 30 Nov 2008)	82,275	7,405	-	89,680
Mr Mark Pitts (appointed 11 Feb 2009)	23,750	-	-	23,750
	477,460	**28,352**	**-**	**505,812**

The Company and its subsidiaries had one employee as at 30 June 2010.

Service Agreements

There are no service agreements with any of the Company's Directors.

Share Based Compensation

There is currently no provision in the policies of the consolidated entity for the provision of share based compensation to directors. The interest of Directors in shares and options is set out elsewhere in this report.

Directors and Executives Interests

The relevant interests of directors either directly or through entities controlled by the directors in the share capital of the company as at the date of this report are:

Director	Ordinary Shares Opening Balance	Net Change	Ordinary Shares Closing Balance
Michael D Perrott	12,317,182	1,026,431	13,343,613
David J Varcoe	75,000	179,375	254,375
James N Sullivan	12,154,676	2,174,894	14,329,570
Peter R Sullivan	11,737,481	2,249,677	13,987,158
Geoffrey M Motteram	4,862,356	405,196	5,267,552

DIRECTORS' REPORT

Meetings of Directors

During the year, 4 meetings of directors were held. Attendances were:

Name	Number Eligible to Attend	Number Attended
Michael D Perrott	4	4
David J Varcoe	4	4
James N Sullivan	4	4
Peter R Sullivan	4	4
Geoffrey M Motteram	4	3

Loans to Directors and Executives

There were no loans entered into with Directors or executives during the financial year under review.

Related party transactions with directors and executives are set out in Note 19 to the Financial Report.

Unlisted Options

At the date of this report the number of unlisted Options on issue were as follows:

- 2,000,000 Options exercisable at $0.70 each, expiring 30 Sept 2010;
- 5,000,000 Options exercisable at $0.13 each, expiring 28 Feb 2012;
- 5,000,000 Options exercisable at $0.18 each, expiring 28 Feb 2012

There were no shares issued during the year or since the end of the year upon exercise of options.

Audit Committee

The Board reviews the performance of the external auditors on an annual basis and meets with them during the year to review findings and assist with Board recommendations.

The Board does not have a separate Audit Committee with a composition as suggested in the best practice recommendations. The full Board carries out the function of an audit committee.

The Board believes that the Company is not of a sufficient size to warrant a separate committee and that the full board is able to meet objectives of the best practice recommendations and discharge its duties in this area.

Indemnifying Officers or Auditors

The company has not, during or since the financial year, in respect of any person who is or has been an officer or the auditor of the Company or of a related body corporate indemnified or made any relative agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in defending legal proceedings.

DIRECTORS' REPORT

Environmental Regulation

The consolidated entity's exploration and mining tenements are located in Western Australia. There are significant regulations under the Western Australian Mining Act 1978 and the Environmental Protection Acts that apply. Licence requirements relating to ground disturbance, rehabilitation and waste disposal exist for all tenements held.

The directors are not aware of any significant breaches during the period covered by this report.

Proceedings on Behalf of Company

No person has applied for leave of Court, pursuant to section 237 of the Corporations Act 2001, to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

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

Non-audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditors' expertise and experience with the Company or consolidated entity are important.

During the year HLB Mann Judd, performed no other services in addition to their statutory audit duties.

Auditors' Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

This report is signed in accordance with a Resolution of Directors.

David J Varcoe
Managing Director
Perth, Western Australia
28 September 2010

AUDITOR'S INDEPENDENCE DECLARATION

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of GME Resources Limited for the year ended 30 June 2010, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

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

This declaration is in respect of GME Resources Limited.

Perth, Western Australia	**W M Clark**
28 September 2010	**Partner, HLB Mann Judd**

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2010

	Note	Consolidated 2010 $	Consolidated 2009 $
Other income	2	123,891	248,037
Depreciation expense		230,712	234,302
Exploration written down		59,111	-
Management and consulting fees		300,637	488,035
Administration expenses		169,283	320,977
Loss before income tax benefit		635,852	795,277
Income tax benefit	3	-	(166,416)
Net loss for the year		635,852	628,861
Other comprehensive income		-	-
Income tax relating to components of other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive result for the year		635,852	628,861
Basic loss per share (cents per share)	15	(0.23)	(0.25)
Diluted loss per share (cents per share)		(0.23)	(0.25)

The accompanying notes form part of this financial statement.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010

	Note	Consolidated	
		2010	2009
		$	$
CURRENT ASSETS			
Cash and cash equivalents	11(b)	1,957,866	356,187
Trade and other receivables	4	48,670	7,291
Other financial assets	5	8,250	8,250
TOTAL CURRENT ASSETS		2,014,876	371,728
NON CURRENT ASSETS			
Plant and equipment	6	263,283	493,995
Deferred exploration and evaluation expenditure	7	30,261,011	29,138,670
TOTAL NON CURRENT ASSETS		30,524,294	29,632,665
TOTAL ASSETS		32,539,170	30,004,393
CURRENT LIABILITIES			
Trade and other payables	8	79,450	102,756
TOTAL CURRENT LIABILITIES		79,450	102,756
TOTAL LIABILITIES		79,450	102,756
NET ASSETS		32,459,720	29,901,637
EQUITY			
Issued capital	9	47,487,575	44,526,381
Financial assets reserve	9	(1,125)	(1,125)
Option reserve	9	973,537	740,796
Accumulated losses		(16,000,267)	(15,364,415)
TOTAL EQUITY		32,459,720	29,901,637

The accompanying notes form part of this financial statement.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010

CONSOLIDATED	Note	Ordinary Shares	Financial Assets Reserve	Option Reserve	Accumulated Losses	Total
Balance at 1 July 2008		44,518,381	(1,125)	740,796	(14,735,554)	30,522,498
Loss for the year		-	-	-	(628,861)	(628,861)
Total comprehensive income for the year		-	-	-	(628,861)	(628,861)
Transaction with owners in their capacity as owners						
Issue of unlisted options		-	-	-	-	-
Shares issued (net of costs)	9	8,000	-	-	-	8,000
Balance at 30 June 2009		44,526,381	(1,125)	740,796	(15,364,415)	29,901,637
Loss for the year		-	-	-	(635,852)	(635,852)
Total comprehensive income for the year		-	-	-	(635,852)	(635,852)
Transaction with owners in their capacity as owners						
Issue of unlisted options		-	-	232,741	-	232,741
Shares issued (net of costs)	9	2,961,194	-	-	-	2,961,194
Balance at 30 June 2010		47,487,575	(1,125)	973,537	(16,000,267)	32,459,720

The accompanying notes form part of this financial statement.

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2010

		Consolidated	
		2010	2009
	Note	$	$
Cash flows from operating activities			
Cash receipts from customers		100,508	266,416
Cash paid to suppliers and employees		(1,468,406)	(5,207,693)
Interest received		23,383	148,037
Net cash outflow from operating activities	11(a)	(1,344,515)	(4,793,240)
Cash flows from investing activities			
Acquisition of Plant and equipment		-	(5,597)
Net cash outflow from investing activities		-	(5,597)
Cash flows from financing activities			
Proceeds from issue of shares		2,978,193	-
Proceeds from sale of assets		-	5,000
Payment of costs associated with issue of shares		(31,999)	-
Net cash inflow from financing activities		2,946,194	5,000
Net increase/(decrease)in cash and cash equivalents		1,601,679	(4,793,837)
Cash and cash equivalents held at the start of the year		356,187	5,150,024
Cash and cash equivalents held at the end of the year	11(b)	1,957,866	356,187

The accompanying notes form part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

1. STATEMENT OF ACCOUNTING POLICIES

GME Resources Limited ('the Company') is a listed public company, incorporated and domiciled in Australia. The consolidated financial statements of the Company for the financial year ended 30 June 2010 comprise the Company and its subsidiaries (together referred to as 'the Group').

(a) Basis of Preparation

The financial statements are a general-purpose financial report, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations and complies with other requirements of the law. The financial statements have also been prepared on a historical cost basis.

The financial statements are presented in Australian dollars.

The Company is a listed public company, incorporated in Australia and operating in Australia. The entity's principal activities are mineral exploration and investment.

The group has applied the revised AASB 101 Presentation of Financial Statements which became effective on 1 January 2009. The revised standard requires the separate presentation of a statement of comprehensive income and a statement of changes in equity. All non-owner changes in equity must now be presented in the statement of comprehensive income. As a consequence, the group had to change the presentation of its financial statements. Comparative information has been re-presented so that it is also on conformity with the revised standard.

(b) Adoption of New and Revised Standards

In the year ended 30 June 2010, the Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2009. Details of the impact of the adoption of these new accounting standards are set out in the individual accounting policy notes set out below.

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 2010. 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.

(c) Significant Accounting Judgements and Key Estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The recoverability of the carrying amount of exploration and evaluation costs carried forward has been reviewed by the directors. In conducting the review, the recoverable amount has been assessed by reference to the higher of "fair value less costs to sell" and "value in use". In determining value in use, future cash flows are based on:

- Estimates of ore reserves and mineral resources for which there is a high degree of confidence of economic extraction.
- Estimated production and sales levels.
- Estimate future commodity prices.
- Future costs of production.
- Future capital expenditure.
- Future exchange rates.

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(c) Significant Accounting Judgements and Key Estimates (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The cashflow model used to support the assessment is calculated over a period of 20 years, being the estimated life of the mine. The discount rate is 8% and for the purpose of this exercise, future nickel and cobalt prices of USD16,500 and USD 44,000 per tonne respectively have been assumed with a long term AUD/USD exchange rate of $0.85.

Variations to expected future cash flows, and timing thereof, could result in significant changes to the impairment test results, which in turn could impact future financial results.

The accounting policies and methods of computation adopted in the preparation of the financial statements are consistent with those adopted and disclosed in the company's financial statements for the financial year ended 30 June 2009.

(d) Going Concern

As disclosed in the financial statements, the consolidated entity recorded an operating loss of $635,852 and a cash outflow from operating activities of $1,344,515 for the year ended 30 June 2010 and at balance date, had net current assets of $1,935,426.

The Board considers that the consolidated entity is a going concern and recognises that additional funding is required to ensure that the consolidated entity can continue to fund its operations and further develop its mineral exploration and evaluation assets during the twelve month period from the date of these financial statements. Such additional funding can be derived from sources including:

- The placement of securities under the ASX Listing Rule 7.1 or otherwise;
- An excluded offer pursuant to the Corporations Act 2001; or
- The sale of assets.

Accordingly, the Directors believe that subject to prevailing equity market conditions, the consolidated entity will obtain sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial statements. Should the consolidated entity be unable to obtain sufficient funding as outlined above, there is significant uncertainty whether or not the consolidated entity will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

(e) Statement of Compliance

The financial statements were authorised for issue on 28th September 2010.

The financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(f) Basis of Consolidation

The consolidated financial statements comprise the financial statements of GME Resources Limited and its subsidiaries as at 30 June each year (the Group).

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

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefit from its activities.

Business combinations have been accounted for using the purchase method of accounting. Unrealised gains or transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the statement of comprehensive income and within equity in the consolidated statement of financial position. Losses are attributable to the non-controlling interests even if that results in a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity attributable to owners of GME Resources Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interests as an associate, joint controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Changes in accounting policy

The group has changed its accounting policy for transactions with non-controlling interests and the accounting for loss of control, joint control or significant influence from 1 July 2009 when a revised AASB 127 Consolidated and Separate Financial Statements became operative.

Previously, transactions with non-controlling interests were treated as transactions with parties external to the Group. Disposals therefore resulted in gains and losses in profit and loss and purchases resulted in the recognition of goodwill. On disposal or partial disposal a proportionate interest in reserves attributable to the subsidiary were reclassified to profit or loss or directly to retained earnings.

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(f) Basis of Consolidation (Continued)

Changes in accounting policy (Continued)

Previously when the Group ceased to have control, joint control or significant influence over an entity the carrying amount of the investment at the date control, joint control or significant influence ceased became its cost for the purposes of subsequently accounting for the retained interests in associates, jointly controlled entity or financial assets. The Group has not applied the new policy prospectively to transactions occurring on or after 1 July 2009. As a consequence, no adjustments were necessary to any of the amounts previously recognised in the financial statements.

(g) Revenue Recognition

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

Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(h) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except those that relate to the acquisition, construction or production of qualifying assets where the borrowing cost is added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

(i) Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

(j) Trade and Other Receivables

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

(k) Income Tax

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(k) Income Tax (Continued)

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

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

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

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

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

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

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

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

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation legislation

GME Resources Limited and its 100% owned Australian resident subsidiaries have implemented the tax consolidation legislation. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own.

GME Resources Limited recognises both its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(k) Income Tax (Continued)

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts payable or receivable from or payable to other entities in the Group. Any difference between the amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) controlled entities in the tax consolidated group.

(l) Other Taxes

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.

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

(m) Plant and Equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Plant and equipment – over 4 to 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 reporting 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount

For plant and equipment, impairment losses are recognised in the income statement in the cost of sales line item.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(m) Plant and Equipment (Continued)

(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 profit or loss in the year the asset is derecognised.

(n) Investments and Other Financial Assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transactions costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

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

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in profit or loss.

(ii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(n) Investments and Other Financial Assets (Continued)

(iv) Available-for-sale investments

Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models.

(o) Exploration and Evaluation Expenditure

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the statement of comprehensive income.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

(i) the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
(ii) activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if:

- sufficient data exists to determine technical feasibility and commercial viability, and
- facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment accounting policy 1(p)).

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(p) Impairment of Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(q) Trade and Other Payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(r) Issued Capital

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

1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(s) Earnings per Share

Basic EPS is calculated as net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net result attributable to members, adjusted for:

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

divided by the weighted average number of ordinary shares and potential dilutive ordinary shares, adjusted for any bonus element.

(t) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of GME Resources Limited.

Change in accounting policy

The Group has adopted AASB 8 Operating Segments from 1 July 2009. AASB 8 replaces AASB 114 Segment Reporting. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. This has not resulted in a change in the number of reportable segments presented by the Group as operating segments are reported in a manner that is consistent with internal reporting provided to the chief operating decision maker.

(u) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

2. REVENUE AND EXPENSES

	Consolidated 2010 $	Consolidated 2009 $
(a) Revenue		
Operating Activities		
Interest received	23,383	148,037
Proceeds from:		
Facilitation fee for prospecting rights	100,000	100,000
Other	508	-
Total revenue	123,891	248,037
(b) Expenses:		
Depreciation – plant and equipment	230,712	234,302

3. INCOME TAX

(a) Income tax recognised in profit and loss

	Consolidated 2010 $	Consolidated 2009 $
The major components of tax expense are:		
Adjustments recognised in the current year in relation to the current tax – R&D tax offset	-	(166,416)
Total tax benefit calculated at 30%	-	(166,416)

The prima facie income tax expense on pre-tax accounting result from operations reconciles to the income tax provided in the financial statements as follows:

	Consolidated 2010 $	Consolidated 2009 $
Accounting loss before tax from continuing operations	(635,852)	(795,277)
Income tax benefit calculated at 30%	(190,756)	(238,583)
Unused tax losses and tax offset not recognised as deferred tax assets	464,186	2,543,274
Adjustments in respect of deferred income tax of previous years	-	491,654
R&D Tax concession	19,556	(158,723)
Unrecognised deferred tax assets/liabilities	(273,547)	(2,143,947)
Under provision for income tax benefit in prior years	(19,439)	(491,654)
Other	-	(2,021)
Tax refund received (R&D Offset)	-	(166,416)
Income tax benefit reported in the consolidated statement of comprehensive income.	-	(166,416)

3. INCOME TAX (CONTINUED)

	Consolidated	
	2010	2009
	$	$
(b) Unrecognised deferred tax balances		
Unrecognised deferred tax assets comprise:		
Losses available for offset against future taxable income	10,137,109	9,672,923
Capital raising costs	7,605	13,586
Provision for non-recovery of investments	1,169,023	1,169,023
Accrued expenses and liabilities	9,900	3,000
	11,323,637	10,858,532
Unrecognised deferred tax liabilities comprise:		
Exploration expenditure	9,078,303	8,741,601
Capital allowance differences	61,110	123,347
	9,139,413	8,864,948
Income tax benefit not recognised directly in equity:		
Capital raising costs	98,191	98,191

Potential deferred tax assets attributable to tax losses and capital losses carried forward have not been brought to account because directors do not believe it is appropriate to regard realisation of the future tax benefit as probable.

Tax Consolidation

Effective 1 July 2003, for the purposes of income taxation, the Company and its 100% wholly owned subsidiaries formed a tax consolidated group.The head entity of the tax consolidated group is GME Resources Limited.

4. TRADE AND OTHER RECEIVABLES (CURRENT)

	2010	2009
Sundry debtors	6,327	7,291
GST Refundable	42,433	-
	48,760	7,291

The average credit period on sale of goods and rendering of services is 30 days.

5. OTHER FINANCIAL ASSETS (CURRENT)

	2010	2009
Available-for-sale		
Listed investments	8,250	8,250

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

6. PLANT AND EQUIPMENT (NON CURRENT)

	Consolidated	
	2010	2009
	$	$
Plant and equipment - at cost	781,697	781,697
Less accumulated depreciation	(518,414)	(287,702)
Total plant and equipment	263,283	493,995
Reconciliation of the carrying amount of plant and equipment:		
Carrying amount at the beginning of the year	493,995	727,948
Additions	-	5,597
Disposals	-	(5,248)
Depreciation	(230,712)	(243,302)
Carrying amount at the end of the year	263,283	493,995

7. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE (NON CURRENT)

Deferred exploration and evaluation expenditure - at cost		
Movements:		
Balance at beginning of the year	29,138,670	25,119,793
Direct expenditure	1,181,452	4,018,877
	30,320,122	29,138,670
Less expenditure written off	(59,111)	-
	30,261,011	29,138,670

The ultimate recoupment of the above deferred exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or, alternatively, sale of the respective areas at amounts sufficient to recover the investment.

8. PAYABLES (CURRENT)

	Consolidated	
	2010	2009
	$	$
Trade payables and accruals	79,450	102,756
	79,450	102,756

Trade payables and accruals are non interest bearing and normally settled on 30 day terms.

Details of exposure to interest rate risk and fair value in respect of liabilities are set out in note 18. There are no secured liabilities as at 30 June 2010.

9. CONTRIBUTED EQUITY AND RESERVES

Issued and paid up capital

302,352,750 (2009: 253,373,931) ordinary shares, fully paid	47,487,575	44,526,381
Ordinary shares		
Balance at the beginning of the year	44,526,381	44,518,381
Issue of shares pursuant to acquisition of tenements (a)	15,000	8,000
Entitlement issue (b)	1,055,725	-
Entitlement issue (c)	1,922,469	-
Costs associated with entitlement issue	(49,533)	-
Issue of shares in lieu of placement fee (d)	17,534	-
Balance at the end of the year	47,487,575	44,526,381

	No of Shares	No of Shares
Balance at the beginning of the year	253,373,391	253,173,931
Issue of shares pursuant to acquisition of tenements (a)	150,000	200,000
Entitlement issue (b)	21,114,494	-
Entitlement issue (c)	27,463,842	-
Issue of shares in lieu of placement fee (d)	250,483	-
Balance at the end of the year	302,352,750	253,373,931

(a) During the year, the company issued 150,000 shares as consideration for mining rights and legal interests in tenements adjacent to and part of its existing portfolio.
(b) In July 2009, 21,114,494 shares were issued under a non-renounceable rights issue at 5c per share.
(c) In May 2010, 27,463,842 shares were issued under a non-renounceable rights issue at 7c per share.
(d) In May 2010, 250,483 shares were issued in lieu of a placement fee relating to the shortfall of shares placed under entitlement issue (c) above.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

9. CONTRIBUTED EQUITY AND RESERVES

Options over Unissued Capital

Exercise price	**$0.70**	**$0.13**	**$0.18**
Balance at the beginning of the year	2,000,000	-	-
Expired	-	-	-
Issued	-	5,000,000	5,000,000
Balance at the end of the year	2,000,000	5,000,000	5,000,000

The unlisted 70 cent Options outstanding at year end will expire on 30 September 2010. The 5,000,000 13c and 5,000,000 18c options outstanding at year end will expire on 28 February 2012.

Reserves

Nature and purpose
The financial assets reserve is used to record movements in the fair value of available for sale assets.
The option reserve is used to record the fair value of options issued.

During the year 10,000,000 options were granted to Azure Capital Limited upon their appointment as advisor.

The model inputs for the options are set out below.

The level of volatility anticipated for the purposes of the model was 85% for all options, The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information. Dividends were assumed to be NIL.

Grant	Expiry Date	Vesting Date	Exercise Price	Options	Share Price at Grant	Risk Rate	Consideration
24.03.10	28.02.12	24.03.10	$0.13	5,000,000	$0.077	6.00%	nil
24.03.10	28.02.12	24.03.10	$0.18	5,000,000	$0.077	6.00%	nil

10. CONTROLLED ENTITIES

Name of Controlled Entity/ (Country Of Incorporation)	Percentage Owned		Company's Cost of Investment	
	2010	2009	2010	2009
	%	%	$	$
GME Sulphur Inc (USA)	100	100	-	-
GME Investments Pty Ltd (Australia)	100	100	-	-
Golden Cliffs NL (Australia)	100	100	616,893	616,893
NiWest Limited (Australia)	100	100	4,561,313	4,561,313
			5,178,206	5,178,206

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

11. STATEMENT OF CASH FLOWS

	Consolidated 2010 $	Consolidated 2009 $
(a) Reconciliation of cash flows from operating activities		
Loss from ordinary activities after tax	(635,852)	(628,861)
Depreciation / amortisation	230,712	234,302
Exploration costs written off	59,111	-
Exploration costs capitalised (excluding creditors)	(1,225,368)	(4,301,940)
Decrease/(increase) in receivables	964	191,744
Increase/(decrease) in sundry creditors	(6,824)	(288,485)
Other non cash transactions (including issue of options)	232,742	-
Net cash flows from operating activities	(1,344,515)	(4,793,240)
(b) Reconciliation of cash and cash equivalents		
Cash balance comprises:		
Cash at bank	335,044	159,340
Deposits at call	1,622,822	196,847
	1,957,866	356,187

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short term deposits are made for varying periods between 3 to 6 months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates

12. AUDITOR'S REMUNERATION

	2010	2009
Amounts received or due and receivable by the auditors of GME Resources Ltd for:		
- an audit or review of the financial statements of the company and any other entity in the Group	34,925	32,654
- other services in relation to the company and any other entity in the Group	3,429	-
	38,354	32,654

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

13. SEGMENT REPORTING

Group has adopted AASB 8 Operating Segments which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker, being the Board of GME Resources Limited, in order to allocate resources to the segment and assess its performance. The Board of GME Resources Limited reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. During the period, the Group operated predominantly in one business and geographical segment being the resources sector in Australia. Accordingly, under the 'management approach' outlined only one operating segment has been identified and no further disclosure is required in the notes to the consolidated financial statements.

14. EARNINGS PER SHARE

	Consolidated	
	2010	2009
	$	$
Basic and diluted loss per share (cents)	(0.23)	(0.25)
Loss used in calculation of basic and diluted earnings per share	635,852	628,861
Weighted average number of ordinary shares outstanding during the year used in calculation of basic and diluted earnings per share	275,601,101	253,296,671

No adjustment was made for the 12,000,000 options on issue at 30 June 2010 (2009: 2,000,000) as they are not considered to be dilutive.

15. DIRECTORS' AND EXECUTIVES DISCLOSURES

(a) Details of Key Management Personnel

(i) Directors

Michael Delaney Perrott – Non executive Chairman
David John Varcoe – Managing Director
James Noel Sullivan – Executive Director
Peter Ross Sullivan – Non executive Director
Geoffrey Mayfield Motteram – Non executive Director

(ii) Executives

Mark Pitts – Company Secretary

(b) Compensation of Key Management Personnel

(i) Compensation Policy

The Board of Directors is responsible for remuneration policies and the packages applicable to the Directors of the Company. The Board remuneration policy is to ensure that packages offered properly reflect a person's duties and responsibilities and that remuneration is competitive and attracts, retains, and motivates people of the highest quality.

15. DIRECTORS' AND EXECUTIVES DISCLOSURES (CONTINUED)

(b) Compensation of Key Management Personnel (Continued)

(ii) Compensation of Key Management Personnel for the year ended 30 June 2010

2010	Short Term Benefits Salary & Fees $	Post Employment Benefits Superannuation $	Long Term Benefits Options $	Total $
Executive Directors				
David J Varcoe	218,091	-	-	218,091
James N Sullivan	24,000	-	-	24,000
Non-Executive Directors				
Michael D Perrott	32,500	-	-	32,500
Geoffrey M Motteram	24,000	-	-	24,000
Peter R Sullivan	24,000	-	-	24,000
Executives				
Mr Mark Pitts	32,244	-	-	32,244
	354,835	**-**	**-**	**354,835**

(iii) Compensation of Key Management Personnel for the year ended 30 June 2009

2009	Short Term Benefits Salary & Fees $	Post Employment Benefits Superannuation $	Long Term Benefits Options $	Total $
Executive Directors				
David J Varcoe	174,818	12,755	-	187,573
James N Sullivan	24,000	-	-	24,000
Non-Executive Directors				
Michael D Perrott	30,000	-	-	30,000
Geoffrey M Motteram	27,600	-	-	27,600
Peter R Sullivan	24,000	-	-	24,000
Executives				
Bradley J Wynne (ceased 11 Feb 2009)	91,017	8,192	-	99,209
John R Harris (ceased 30 Nov 2008)	82,275	7,405	-	89,680
Mr Mark Pitts (appointed 11 Feb 2009	23,750	-	-	23,750
	477,460	**28,352**	**-**	**505,812**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

15. DIRECTORS' AND EXECUTIVES DISCLOSURES (CONTINUED)

(c) Shareholdings of Key Management Personnel (Consolidated)

	Ordinary Shares 1/7/2009	Net Change	Ordinary Shares 30/6/2010
Michael Delaney Perrott	12,317,182	1,026,431	13,343,613
David John Varcoe	75,000	179,375	254,375
James Noel Sullivan	12,154,676	2,174,894	14,329,570
Peter Ross Sullivan	11,737,481	2,249,677	13,987,158
Geoffrey Mayfield Motteram	4,862,356	405,196	5,267,552

(d) Other transactions and balances with Key Management Personnel

There were no other transactions with key management personnel during this financial year.

16. FINANCIAL INSTRUMENT DISCLOSURES

Financial risk management objectives

The group is exposed to market risk (including interest rate), credit risk and liquidity risk.

The Group does not issue derivative financial instruments, nor does it believe that it has exposure to such trading or speculative holdings through its investments in associates.

Risk management is carried out by the Board as a whole, which provides the principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, and liquidity risk. The group uses different methods to measure different types of risk to which it is exposed. Where appropriate these methods will include sensitivity analysis in the case of interest rate, and other price risks and aging analysis for credit risk.

(a) Categories of financial instruments

			Fixed Interest Rate Maturing			
2010	Weighted Average Effective Interest Rate	Floating Interest Rate	Within 1 year	Over 1 year	Non-interest Bearing	Total
Financial Assets		$	$	$	$	$
Cash assets	3.22%	335,044	1,622,822	-	-	1,957,866
Other financial assets	-	-	-	-	8,250	8,250
Trade and other receivables	-	-	-	-	42,433	42,433
		335,044	1,622,822		50,683	2,008,549
Payables	-	-	-	-	79,450	79,450
		-	-	-	79,450	79,450

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

16. FINANCIAL INSTRUMENT DISCLOSURES (CONTINUED)

2009	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturing Within 1 year	Fixed Interest Rate Maturing Over 1 year	Non-interest Bearing	Total
Financial Assets		$	$	$	$	$
Cash assets	6.43%	159,340	196,847	-	-	356,187
Other financial assets	-	-	-	-	8,250	8,250
Trace and other receivables	-	-	-	-	7,291	7,291
		159,340	196,847	-	15,541	371,728
Payables	-	-	-	-	102,756	102,756
		-	-	-	102,756	102,756

(b) Interest rate risk sensitivity analysis

The Company and the Group are exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, in respect of the cash balances and deposits.

The sensitivity analyses below have been determined based on the exposure to interest rates for instruments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates.

At reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's net loss before tax and equity would increase by $378 and decrease by $378 respectively (2009:$1,781).

The Group's sensitivity to interest rates has increased during the current period due to an increase in funds in term deposits.

(c) Liquidity risk

The Company manages liquidity risk by continually monitoring cash reserves and cash flow forecasts to ensure that financial commitments can be met as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

16. FINANCIAL INSTRUMENT DISCLOSURES (CONTINUED)

(d) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is not significantly exposed to credit risk from its operating activities, however the Board does monitor receivables as and when they arise. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset mentioned above. The Group does not hold collateral as security.

No material exposure is considered to exist by virtue of the possible non performance of the counterparties to financial instruments and cash deposits.

(e) Capital management risk

The Company controls the capital of the Group in order to maximise the return to shareholders and ensure that the Group can fund its operations and continue as a going concern.

The Company effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and the market. These responses include the management of expenditure and debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the group since the prior year.

17. COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments or contingent liabilities, not provided for in the financial statements of the Group as at 30 June 2010, other than:

(a) Mineral Tenement Leases

In order to maintain current rights of tenure to mining tenements, the Group in its own right or in conjunction with its joint venture partners may be required to outlay amounts of approximately $5,506,000 (2009: $2,951,417) per annum on an ongoing basis in respect of tenement lease rentals and to meet the minimum expenditure requirements of the Western Australian and Queensland Mines Department. These obligations are expected to be fulfilled in the normal course of operations by the Group or its joint venture partners and are subject to variations dependent on various matters, including the results of exploration on the mineral tenements.

(b) Claims of Native Title

Legislative developments and judicial decisions (in particular the uncertainty created in the area of Aboriginal land rights by the High Court decision in the "Mabo" case and native title legislation) may have an adverse impact on the Group's exploration and future production activities and its ability to fund those activities. It is impossible at this stage to quantify the impact (if any) which these developments may have on the Group's operations.

Native title claims have been made over ground in which the Group currently has an interest. It is possible that further claims could be made in the future. However, the Company has not undertaken the considerable legal, historical, anthropological and ethnographic research which would be necessary to determine whether any current or future claims, if made, will succeed and, if so, what the implications would be for the Group.

	Consolidated	
	2010	2009
(c) Non Cancellable Operating Lease Commitments	$	$
Within one year	27,676	27,676
One year or later and no later than five years	-	27,676
	27,676	55,352

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

18. INTERESTS IN BUSINESS UNDERTAKINGS – JOINT VENTURES

The Company has entered into a number of agreements with other companies to gain interests in project areas. These interests will be earned by expending certain amounts of money on exploration expenditure within a specific time. The Company can however, withdraw from these projects at any time without penalty. The amounts required to be expended in the next year have been included in Note 17 – Commitments and Contingent Liabilities.

19. RELATED PARTIES

Total amounts receivable and payable from entities in the wholly-owned group at balance date:

	2010	2009
	$	$
Non-Current Receivables		
Loans net of provisions for non recovery	11,135,928	10,282,448
Current Payables		
Loans	1,530,993	1,424,233

20. PARENT ENTITY DISCLOSURE

As at, and throughout, the financial year ended 30 June 2010 the parent company of the group was GME Resources Limited.

Results of the parent entity		
Loss for the period	735,854	733,526
Other comprehensive income	-	-
Total comprehensive result for the period	735,854	733,526
Financial position of the parent entity at year end		
Current assets	2,011,325	214,038
Total assets	32,195,365	29,653,827
Current liabilities	1,608,444	1,524,989
Total liabilities	1,608,444	1,524,989
Total equity of the parent entity comprising of :		
Share capital	47,487,575	44,526,381
Option reserve	(1,125)	(1,125)
Financial assets reserve	973,538	740,796
Accumulated losses	(17,873,066)	(17,137,214)
Total Equity	30,586,921	28,128,838

21. SUBSEQUENT EVENTS

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

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DIRECTORS' DECLARATION

1. In the opinion of the directors of GME Resources Limited (the "Company"):

   a. The financial statements, notes, and the additional disclosures are in accordance with the Corporations Act 2001 including:

      i) giving a true and fair view of the group's financial position as at 30 June 2010 and of its performance for the year then ended; and
      ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and

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

   c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2010.

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

David J Varcoe
Managing Director
Perth, Western Australia
28 September 2010

INDEPENDENT AUDITOR'S REPORT

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the members of
GME RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of GME Resources Limited ("the company"), which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes 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 as set out on pages 15 to 61.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In Note 1(e), the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the consolidated 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 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 company'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 company'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.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
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Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

INDEPENDENT AUDITOR'S REPORT

HLB Mann Judd

Accountants | Business and Financial Advisers

Independence
In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion
In our opinion:

(a) the financial report of GME Resources 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 30 June 2010 and of its performance for the year ended on that date; and

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

(b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 1(e).

Report on the Remuneration Report
We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2010. 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.

Auditor's Opinion
In our opinion the Remuneration Report of GME Resources Limited for the year ended 30 June 2010 complies with section 300A of the *Corporations Act 2001*.

HLB Mann Judd

HLB MANN JUDD
Chartered Accountants

W M CLARK
Partner

Perth, Western Australia
28 September 2010

ADDITIONAL INFORMATION
FOR LISTED PUBLIC COMPANIES

The following additional information, applicable at 23 September 2010, is required by the Australian Securities Exchange Ltd in respect of listed public companies only.

Shareholding

a. Distribution of Shareholders

Category (size of holding)	Number of Holders
1 – 1,000	91
1,001 – 5,000	344
5,001 – 10,000	193
10,001 – 100,000	618
100,001 – and over	229
	1475

b. The number of shareholders holding less than a marketable parcel is 456.

c. The names of the substantial shareholders listed in the holding company's register as at 23 September 2010 are:

Shareholder	Number	% of issued capital
RETIREWISE CAPITAL PTY LTD	78,730,407	26.04
MANDALUP INVESTMENTS PTY LTD	24,108,044	7.98
RETFORD RESOURCES NL	16,086,642	5.32

d. Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

ADDITIONAL INFORMATION
FOR LISTED PUBLIC COMPANIES

e. 20 Largest Shareholders — Ordinary Shares

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	RETIREWISE CAPITAL PTY LTD	27,433,517	9.07
2.	RETIREWISE CAPITAL AUSTRALIA PTY LTD	23,316,135	7.71
3.	NEWPORT BLACK TRUST COMPANY LTD	23,117,273	7.65
4.	MANDALUP INVESTMENTS PTY LTD <MANDALUP DISCRETIONARY A/C>	18,976,107	6.28
5.	RETFORD RESOURCES NL	16,086,642	5.32
6.	DUNCRAIG INVESTMENTS SERVICES PTY LTD <PMS SUPER - PERROTT A/C>	13,343,613	4.41
7.	TWO TOPS PTY LTD	7,590,493	2.51
8.	EQUITY TRUSTEES LIMITED <SGH TIGER A/C>	6,653,945	2.20
9.	MR PETER ROSS SULLIVAN	6,594,474	2.18
10.	HARDROCK CAPITAL PTY LTD	5,685,813	1.88
11.	MANDALUP INVESTMENTS PTY LTD <MANDALUP SUPER FUND A/C>	5,131,937	1.70
12.	MR JAMES NOEL SULLIVAN	4,288,174	1.42
13.	MD NICHOLAEFF PTY LTD <M & N SUPER FUND A/C>	4,089,923	1.35
14.	GEOMETT PTY LTD <WINGILLENA A/C>	3,250,000	1.07
15.	PROTAX NOMINEES PTY LTD <RICHARDS SUPER FUND A/C>	3,200,000	1.06
16.	SULLIVANS GARAGE PTY LTD	3,105,964	1.03
17.	TUNZA HOLDINGS PTY LTD	3,088,390	1.02
18.	MS EMILY JESSICA PATTIWAEL	2,590,858	0.86
19.	INGOT CAPITAL MANAGEMENT PTY LTD	2,535,063	0.84
20.	MR MERVYN ROSS SULLIVAN + MRS MARY SULLIVAN	2,510,898	0.83
		182,589,219	60.39

Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Securities Exchange Limited. The ASX code is GME.

TENEMENT DIRECTORY

Project	Tenements	Company Interest	Comments
Abednego West	P 39/4934, P 39/4716 – 4723, P 39/4729 – 4738, P 39/4751, P 39/4572, P 39/4496, P 39/4999, P 39/5000, P 39/5090, M 39/0825, M 39/0427	Golden Cliffs 100%	Placer Royalty 2% Gold
Duck Hill	E 31/733	Niwest 50%	Murchison Metals 50%
Eucalyptus	M 39/744	NiWest 100%	Anglo 100% Gold Rights plus nickel royalty
	M 39/289, M 39/430 and M 39/344 M 39/665 - 666 and M 39/674 M 39/313 M 39/568, M 39/570, M 39/616	NiWest 100%	Minara Royalties
	M 39/802 -804	NiWest 100%	Minara Royalties Old City 100% gold rights
	E 39/1419, E 39/1470	NiWest 100%	
Hawk Nest	M 38/218 and P 38/3397	GME 100%	
Hepi	M 39/717 – 718, 819	Niwest 100%	
Laverton Downs	E 38/1876, E38/2394 E 38/2066	NiWest 100% Golden Cliffs 100%	
Leonora East	P 37/7185 P 37/6931-6932 P 37/7279-7282 P 37/7425-7432 E 37/871	GME 100% Golden Cliffs Golden Cliffs GME Golden Cliffs 100%	
Linden	E 39/1375 P 39/4637-4638 P 39/2974 - 2976 converted to MLA 39/500	Golden Cliffs 100% GME 100% GME 10%	 90% Haoma Mining NL
Macey Hill	M 39/845	NiWest 100%	
Mertondale	M 37/591	NiWest 100%	
Mt Margaret	P39/4971-4972	Golden Cliffs	
Mt Kilkenny	E 37/878 E 39/1107- 1108 E 39/1266-1267 P39/4571, P39/4827 M 39/878 – 879 E 39/990	NiWest 100% GME NiWest NiWest NiWest NiWest	Retford Resources Royalty Retford Resources Royalty Jindalee Royalty
Mt Morgan South	P 39/4639 P 39/4743-4750	GME Golden Cliffs	
Murrin Murrin (Minara Resources)	M 39/426, 456, 552, 553 and 569	Golden Cliffs 100% rights to non nickel laterite	Nickel laterite royalty 20 cents per tonne
Murrin Murrin North	M 39/758	Niwest 100%	
Waite Kauri	M 37/1216	Niwest 100%	
Wanbanna	M 39/460	NiWest 80%	20% Wanbanna Pty Ltd
Misc Licences	L 39/174, L 37/175, L 31/46, L 40/25, L 39/177, L 39/194	NiWest 100%	Haul Roads, Ground Water Resources

LEGEND:

E: Exploration Licence
P: Prospecting Licence
PLA: Prospecting Licence Application
M: Mining Lease
ELA: Exploration Licence Application
L: Miscellaneous Lease
MLA: Mining Lease Application