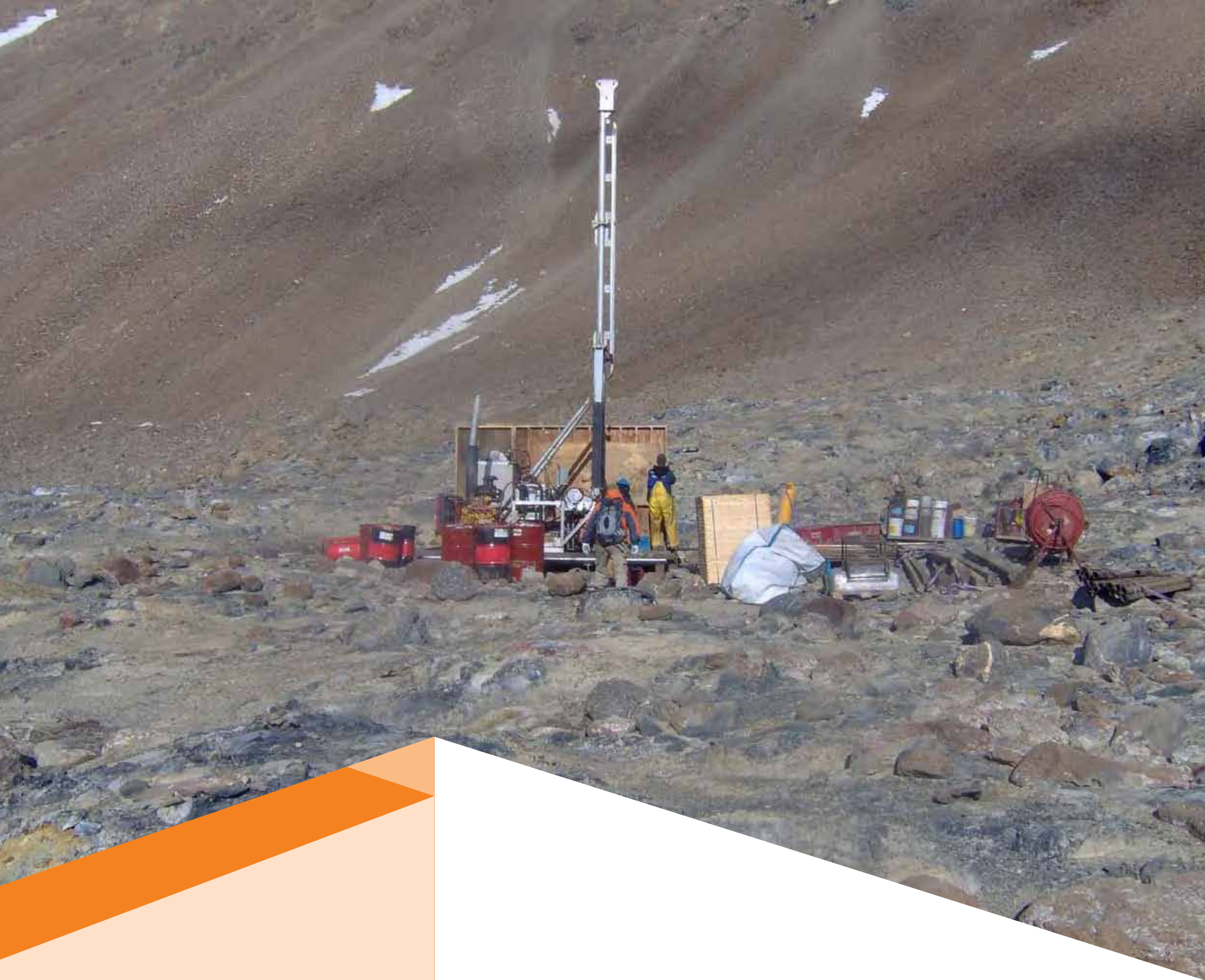
ANNUAL REPORT

For The Financial Year Ended 30 June 2008

Ironbark

Ironbark Gold Limited
(ABN: 93 118 751 027)
and Controlled Entities



CONTENTS

CORPORATE DIRECTORY

NON-EXECUTIVE CHAIRMAN
Peter D Bennetto

EXECUTIVE MANAGING DIRECTOR
Jonathan C Downes

EXECUTIVE TECHNICAL DIRECTOR
Adrian P Byass

EXECUTIVE ENGINEERING DIRECTOR
Gregory C Campbell

NON-EXECUTIVE DIRECTOR
Vincent Hyde
David Kelly

COMPANY SECRETARY
David Round

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APPLECROSS WA 6153
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STOCK EXCHANGE LISTINGS
Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: IBG

BANKERS
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1257-1261 Hay Street
WEST PERTH WA 6005

WEBSITE
www.ironbark.gl

CHAIRMAN'S LETTER

Dear Shareholders

It is my pleasure to report the significant achievements of your company over the reporting year. The company's major asset is its Citronen Zinc Project in Greenland. Early in this financial year Ironbark reported a strong resource increase at Citronen to over 7 billion pounds of lead and zinc. This field season we conducted a major exploration initiative and purchased new equipment including two diamond drilling rigs to join the existing rig on site.

Ironbark is confident that the Citronen zinc project will continue to grow. The resource remains open in every direction, and with the 2008 drilling program producing more exploration targets than before, our view is reinforced that Citronen is a globally significant base metal deposit.

Despite the significant achievements by the Company and the positive drilling results, it has been a difficult operating environment. The price of zinc, driven by modest increases in warehouse inventories, has fallen to well below the generally accepted average marginal cost of production. It is estimated that 30% of producers are currently operating at a loss, causing many to rationalise or close operations. Producers that have ceased, struggling with or are rationalising production include Hudbay's Balmat operation, Teck Cominco's Lennard Shelf, Acadian's Scotia Mine, Intec's Hellyer tailings operation, Blue Note's Caribou mine, SRA Corporation's Tennessee operations, Perilya's Broken Hill mine, CBH's Endeavour mine, AIM Resources Perkoa project and Lundin's Aljustrel project. We calculate that closures and impending closures of zinc production are well in excess of current warehouse surplus. In addition many smaller Chinese producers have been closing down operations, suggesting that production will fall rapidly while global consumption is forecast to grow at 5.2% per annum.

Ironbark has also been successfully adding value to your company through the divestment and separate listing of non core assets that were not budgeted for exploration. This strategy has proven to be sound with Ironbark remaining as the largest shareholder of both Wolf Minerals Limited and Waratah Gold Limited. The listing process on the Australian Securities Exchange has raised sufficient funds to develop these assets and realise value for Ironbark shareholders. In addition Ironbark has sold other assets such as the Elsienora project to Sultan Corporation Limited in exchange for shares.

Looking forward, Ironbark will be recalculating the Citronen zinc resource in light of this year's exploration data and will be using the information to evaluate the development of the project by utilising elements of the costs prepared by our project engineers, Ausenco, into a financial model. The process of building Citronen toward a major mining operation is well underway.

I wish to thank my fellow directors, management and staff of Ironbark who are united in their goal to build value for our shareholders.

Peter Bennetto
Chairman

DIRECTORS' REPORT

Your directors present their report on the company and its controlled entities for the financial year ended 30 June 2008.

Directors

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

Mr Peter D Bennetto
Non Executive Chairman

Mr Jonathan C Downes
Executive Managing Director

Mr Adrian P Byass
Executive Technical Director

Mr Gregory C Campbell
Executive Engineering Director

Mr Vincent Hyde
Non Executive Director

Mr David Kelly
Non Executive Director (appointed 16 July 2007)

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

Company Secretary

Mr Stephen Brockhurst retired as company secretary on 2 August 2007.

Mr David Round, CPA, Chief Financial Officer of Ironbark Gold Limited, was appointed company secretary on 2 August 2007.

Principal Activities

The principal activities of the consolidated group during the financial year were the exploration and evaluation of the group's gold and zinc ground holdings.

Operating Results

The consolidated loss of the consolidated group after providing for income tax and eliminating minority equity interests amounted to $525,824 (2007: $2,459,946).

Dividends Paid or Recommended

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

Review of Operations

Corporate Profile

Ironbark Gold Limited (Ironbark) is a focused and dedicated base metal exploration and development Company listed on the Australian Securities Exchange and the International OTCQX market in New York which compliments Ironbark's international spread of assets and corporate interests. The Company has a technically strong Board with significant resource experience and owns a suite of base and precious metal projects in Australia and Greenland, hosting in excess of 7 billion pounds of contained zinc.

Ironbark's principal project is the 100%-owned Citronen Zinc Project in Greenland. Citronen was upgraded to 72.5 Mt @ 4.2% zinc and 0.5% lead from a previously reported smaller and higher grade inferred resource of 16.8 Mt @ 7.8% zinc and 0.9 % lead on 22 November 2007. The resource is JORC and National Instrument 43-101 compliant with the majority of the resource now in the indicated category – see table 1. Results from the 2008 field year are likely to see the resource upgraded further.

Citronen Resource Summary-Table 1

72.5 million tonnes at 4.2% zinc (Zn), 0.55% lead (Pb)

Indicated resource of 40.4Mt @ 4.2 % Zn and 0.5% Pb
Inferred resources of 32.1Mt @ 4.2 % Zn and 0.6% Pb

Using Inverse Distance Squared (ID2) interpolation and reported at a 3% Zn cut-of, prepared by Wardrop Engineering

The mineralisation is considered to be of a SEDEX style zinc deposit and this model is potentially very large. The mineralisation starts from the surface and is shallow, flat lying and adjacent to a deep water fjord that may provide near mine ship docking and loading opportunities.

Ironbark is working with project advisors/engineers, Ausenco, on advancing the Citronen Zinc Project with the purpose of developing a major zinc mining operation. The Pre Feasibility study is scheduled for completion in late 2008 or early 2009. In addition Ironbark is actively pursuing corporate growth opportunities with a vision to build a major metal mining house.

Ironbark has investments in a suite of other projects in Australia and Greenland, predominantly targeting base metals. Many of these projects are also being actively explored and progressed.

Ironbark holds significant investments in several ASX listed companies as consideration from either the sale or divestment of properties or from direct share purchases for future strategic purposes.

Highlights

Exploration

- Major drilling program commenced which is delivering strong results at Citronen
- Mineralisation remains open in every direction at Citronen
- Major equipment purchased and shipped to Citronen including drills, Prinoth, fuel etc
- Major resource upgrade of Citronen (NI43-101 and JORC compliant) to World Class Project
- Belara drilling results were encouraging
- Captains Flat drilling results were encouraging
- Metallurgical testwork very encouraging – saleable concentrate

Corporate

- Captains Flat joint venture with Glencore
- Divestment of gold assets into Waratah Gold IPO
- Divestment of Elsienora project to Sultan Resources Limited
- Purchase of strategic stake in Sabre Resources Limited
- Ironbark commenced trading on the OTCQX market in New York
- Ausenco commences feasibility appraisal
- Glencore became a major shareholder
- Standard Bank became a major shareholder

Activities - Exploration and Development

Resource Estimate

Following the large sampling program at Citronen last field season and quality and assurance auditing Ironbark calculated and released to its shareholders a JORC and National Instrument 43-101 compliant resource as prepared by Wardrop Engineering (Canada) on 22 November 2007. This was a significant increase in contained zinc from 3 billion pounds to 7 billion pounds. The grade and tonnage of Citronen can be taken from 16.8Mt @ 7.8% zinc through to 72.5Mt @ 4.2% zinc allowing a range of mining evaluation scenarios from small tonnage but high grade through to large tonnage but medium/low grade zinc ore. The most profitable scenario will be calculated and targeted during the evaluation of the project.

Mobilisation

To allow for modern and efficient ongoing exploration, Ironbark purchased two new Duralight diamond drilling rigs and ancillary parts, AUD$1M fuel and a Prinoth Snow Tractor among many other items to be utilised at the new 40 man camp constructed in 2007. The equipment was flown to site in 19 chartered C-130 (Hercules) flights in March 2008. Ironbark also leased a helicopter to support and move the drilling rigs over the field season which has since been returned to the operators. Much of the equipment purchased represents a once only purchase and will support future exploration.

2008 Drilling

Ironbark managed a crew of approximately 25 personnel on site over the season. The performance, health and safety of our people were excellent and delivered 11,228 metres drilled from 37 drill holes. In addition the site was visited by Greenland representatives from the Bureau of Minerals and Petroleum (BMP) and the environmental management and rehabilitation being undertaken on site met with the operating standards of the terms of our licence.

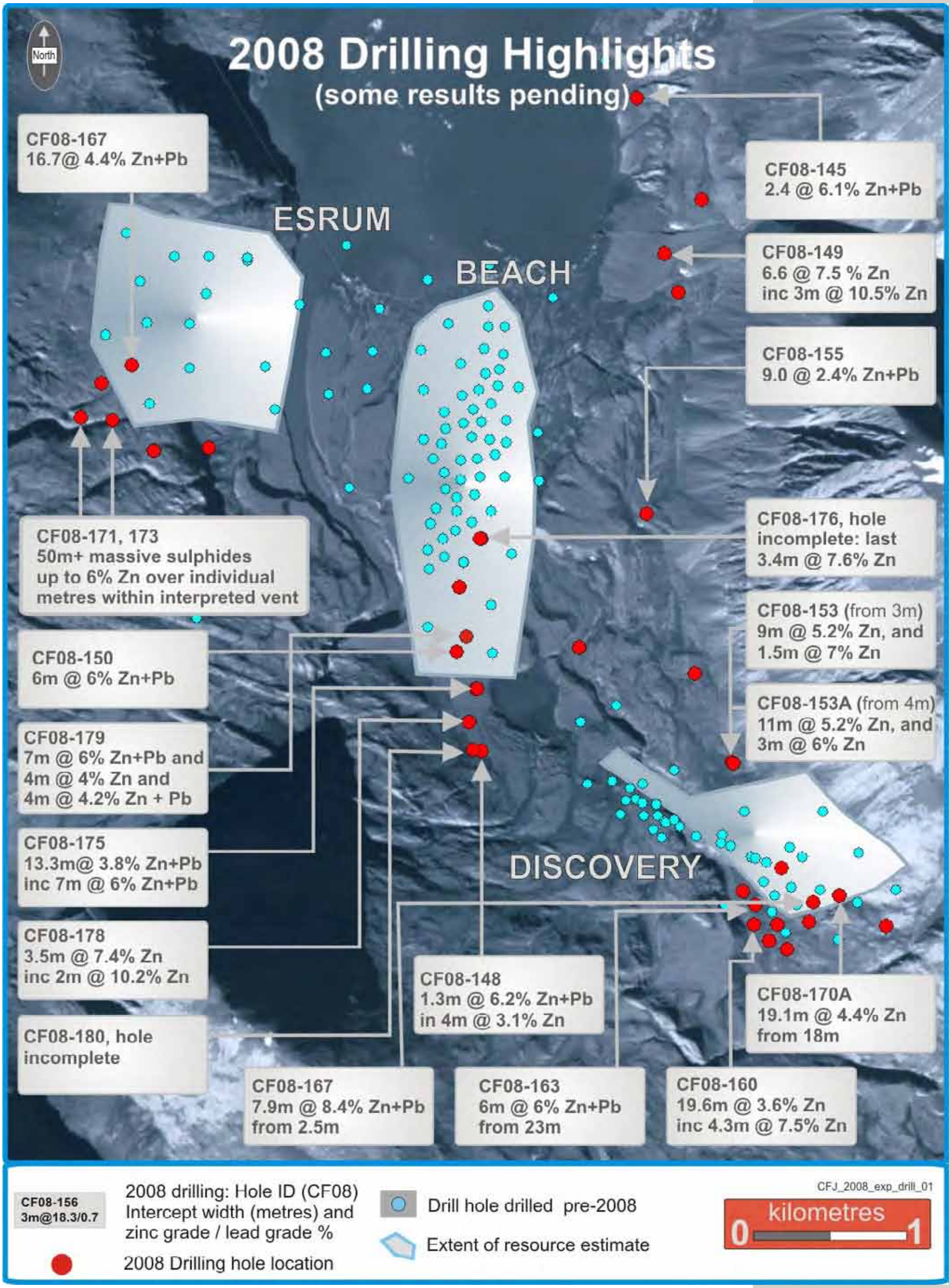
The drilling program saw the deepest drill hole to date as well as the largest intercept of massive sulphides – ending in massive sulphides. Approximately 75% was conducted outside the identified resource envelopes and have shown extensions of the resources at the Esrum, Beach and Discovery Zones (see figure 1). Drilling of the Beach Zone in particular extends the high grade channel to the south by almost 1 kilometre (see figure 2).

Metallurgical Testwork

Ironbark received excellent results from metallurgical testwork which was managed by Ausenco Limited and conducted by AMMTEC Burnie Research Laboratory in Tasmania. The testwork was based on samples from Citronen, from which a global concentrate grade of 50% zinc with recoveries averaging greater than 85% was achieved using conventional grinding and flotation circuits. The fault hosted region of the Discovery Zone achieved an exceptional 60% zinc grade at 91% recovery.

This is likely to be further improved when locked cycle testing is conducted.

Figure 1


North
2008 Drilling Highlights
(some results pending)
CF08-167
16.7@ 4.4% Zn+Pb
ESRUM
BEACH
CF08-145
2.4 @ 6.1% Zn+Pb
CF08-149
6.6 @ 7.5 % Zn
inc 3m @ 10.5% Zn
CF08-155
9.0 @ 2.4% Zn+Pb
CF08-171, 173
50m+ massive sulphides
up to 6% Zn over individual
metres within interpreted vent
CF08-176, hole
incomplete: last
3.4m @ 7.6% Zn
CF08-153 (from 3m)
9m @ 5.2% Zn, and
1.5m @ 7% Zn
CF08-150
6m @ 6% Zn+Pb
CF08-153A (from 4m)
11m @ 5.2% Zn, and
3m @ 6% Zn
CF08-179
7m @ 6% Zn+Pb and
4m @ 4% Zn and
4m @ 4.2% Zn + Pb
CF08-175
13.3m@ 3.8% Zn+Pb
inc 7m @ 6% Zn+Pb
DISCOVERY
CF08-178
3.5m @ 7.4% Zn
inc 2m @ 10.2% Zn
CF08-148
1.3m @ 6.2% Zn+Pb
in 4m @ 3.1% Zn
CF08-170A
19.1m @ 4.4% Zn
from 18m
CF08-180, hole
incomplete
CF08-167
7.9m @ 8.4% Zn+Pb
from 2.5m
CF08-163
6m @ 6% Zn+Pb
from 23m
CF08-160
19.6m @ 3.6% Zn
inc 4.3m @ 7.5% Zn
CF08-156
3m@18.3/0.7
2008 drilling: Hole ID (CF08)
Intercept width (metres) and
zinc grade / lead grade %
2008 Drilling hole location
Drill hole drilled pre-2008
Extent of resource estimate
CFJ_2008_exp_drill_01
kilometres
0
1

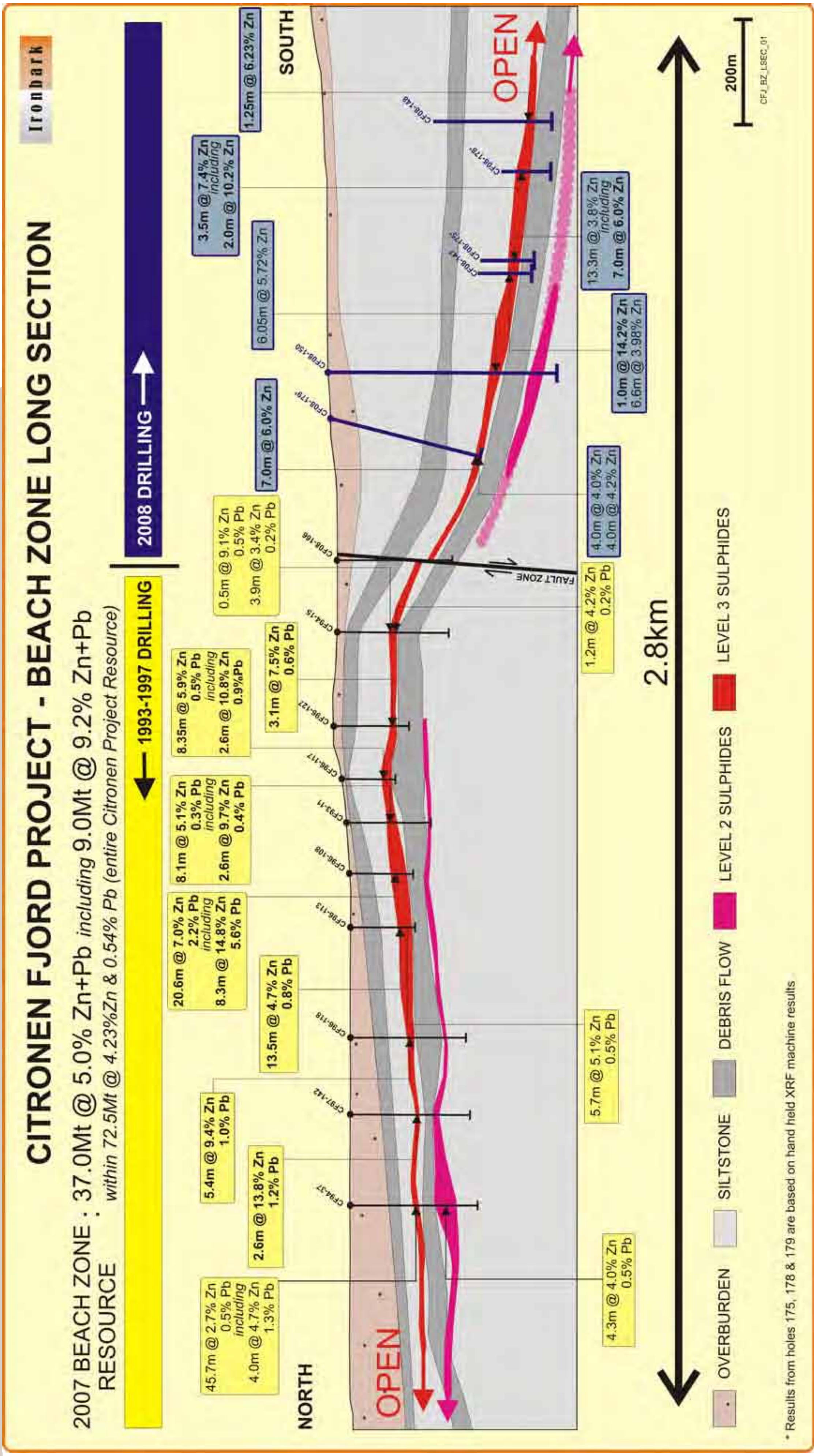

Ironbark
CITRONEN FJORD PROJECT - BEACH ZONE LONG SECTION
2007 BEACH ZONE RESOURCE : 37.0Mt @ 5.0% Zn+Pb including 9.0Mt @ 9.2% Zn+Pb
within 72.5Mt @ 4.23%Zn & 0.54% Pb (entire Citronen Project Resource)
1993-1997 DRILLING
2008 DRILLING
NORTH
SOUTH
OPEN
OPEN
45.7m @ 2.7% Zn 0.5% Pb including 4.0m @ 4.7% Zn 1.3% Pb
2.6m @ 13.8% Zn 1.2% Pb
5.4m @ 9.4% Zn 1.0% Pb
13.5m @ 4.7% Zn 0.8% Pb
20.6m @ 7.0% Zn 2.2% Pb including 8.3m @ 14.8% Zn 5.6% Pb
8.1m @ 5.1% Zn 0.3% Pb including 2.6m @ 9.7% Zn 0.4% Pb
8.35m @ 5.9% Zn 0.5% Pb including 2.6m @ 10.8% Zn 0.9%Pb
3.1m @ 7.5% Zn 0.6% Pb
0.5m @ 9.1% Zn 0.5% Pb
3.9m @ 3.4% Zn 0.2% Pb
7.0m @ 6.0% Zn
6.05m @ 5.72% Zn
3.5m @ 7.4% Zn including 2.0m @ 10.2% Zn
1.25m @ 6.23% Zn
4.3m @ 4.0% Zn 0.5% Pb
5.7m @ 5.1% Zn 0.5% Pb
1.2m @ 4.2% Zn 0.2% Pb
4.0m @ 4.0% Zn
4.0m @ 4.2% Zn
1.0m @ 14.2% Zn
6.6m @ 3.98% Zn
13.3m @ 3.8% Zn including 7.0m @ 6.0% Zn
FAULT ZONE
2.8km
200m
OVERBURDEN
SILTSTONE
DEBRIS FLOW
LEVEL 2 SULPHIDES
LEVEL 3 SULPHIDES
* Results from holes 175, 178 & 179 are based on hand held XRF machine results

Figure 2

Ausenco Appointed to Evaluate Feasibility of Citronen

Ironbark appointed Ausenco Services Pty Ltd to conduct a pre feasibility study for the Citronen Project. The work is expected to lead on to a bankable feasibility study.

The resource of the wholly owned Citronen Zinc Project was recently upgraded to 72.5 @ 4.2% zinc and 0.5% lead (4.7% lead/zinc) from a previously reported smaller and higher grade 16.8 Mt @ 7.8% zinc and 0.9% lead (8.7% lead/zinc).

Ausenco is working with Ironbark to advance the Citronen Zinc Project towards becoming a major zinc mining operation and significant work will be required to determine the optimal mine size and production head grades.

Ausenco has had extensive experience with base metal concentrators, both current and historical. Ausenco was the EPCM engineer for Herald Resources Dairi lead zinc Project in Indonesia and has completed a study for Zinifex's Dugald River lead zinc resource.

The team includes Golders Associates and Westmar, both of whom have significant experience with arctic conditions and have performed work for Teck Cominco, Voisey's Bay Nickel and Red Dog. SRK was engaged to perform the mining aspects of the study.

The pre feasibility study is scheduled for completion in late 2008 but may be delayed on the inclusion of the 2008 drilling results.

Captains Flat Agreement

Ironbark entered into an equal exploration agreement with Glencore International AG (Glencore) to explore the Captains Flat Base Metal Project located south of Canberra in New South Wales. The Project covers a strike length of 39 kilometres of a highly endowed Volcanic Massive Sulphide (VMS) horizon that hosts numerous historic mineral occurrences and mines, including the Lake George Mine that produced 4 million tonnes of high-grade ore until closure in 1962. The original interest held by Monaro Mining NL (Monaro) remains unchanged where Ironbark and Glencore are able to earn up to 75% in the Project.

Within the project area prospects include the Jerangle, Lake George and Vanderbilt Hill prospects where previous explorers have returned high grade copper and zinc drill intercepts.

- **Jerangle**

  The Jerangle Prospect is located at the southern end of the project area and drilling over a strike length of 1.5 kilometres has returned drill intercepts assaying up to 5.25% copper.

- **Lake George Mine**

  The high-grade Lake George Mine produced approximately 4Mt of ore at 10% zinc, 6% lead, 0.7% copper, 1.8 g/t gold and 55 g/t silver and remains prospective for remnant ore at current base metal prices as well as at depth where results such as 1.22m @ 12.4% zinc, 5.4% lead were returned beneath historical workings over a strike length of at least 300 metres from diamond drilling. Mineralisation is open at depth and may represent possible repeats of the historically mined areas.

- **Lake George Tailings**

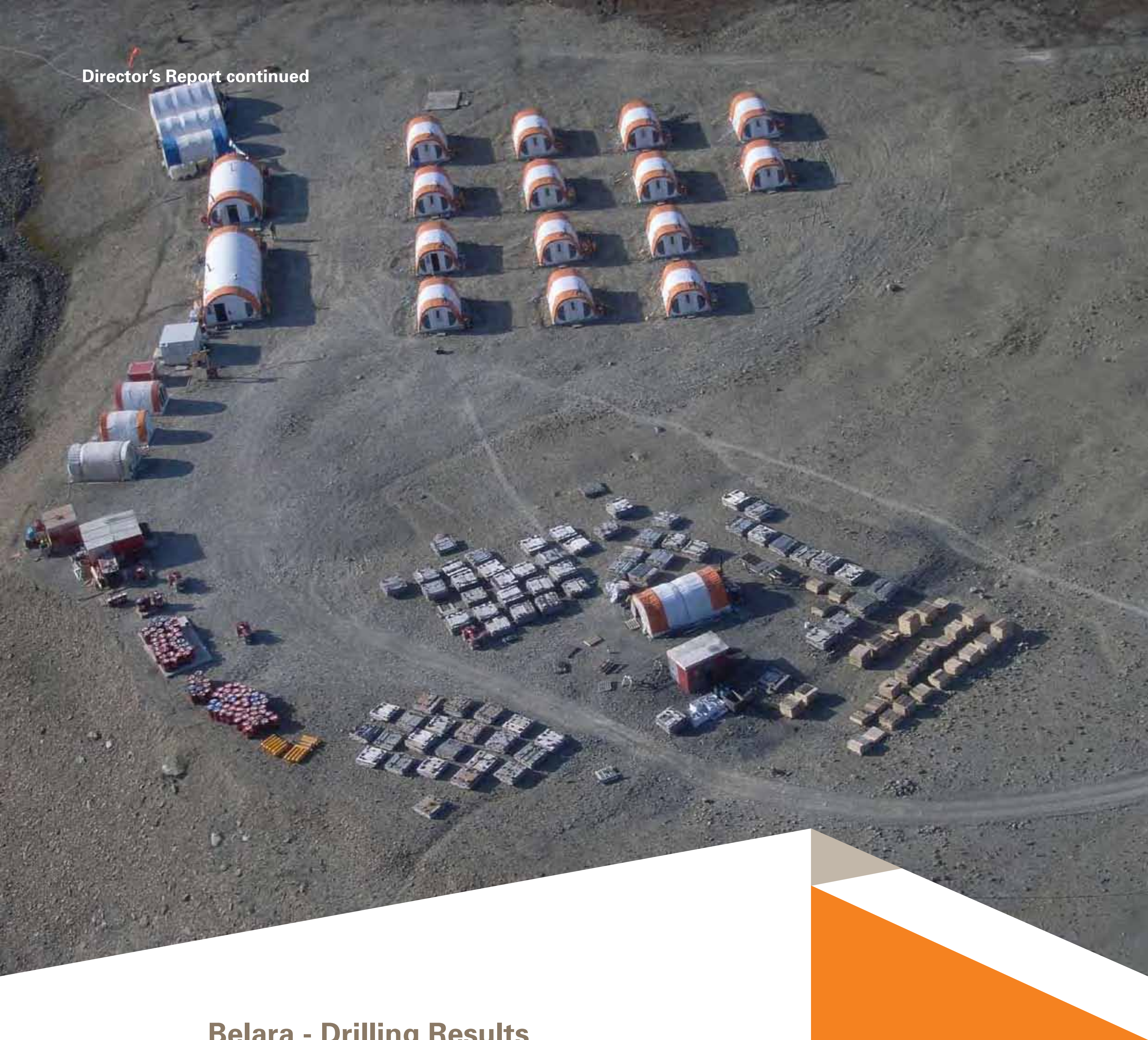
  Ironbark reported that it received the results from 154 air core drill holes for 2,533 metres of drilling on the Lake George Mine Tailings at the Captains Flat Project in New South Wales. The program tested the mineral content of the historic tailings dumps.

  The tailings are deposited in two main dumps and are estimated to contain approximately 2.1Mt of material based on production records. A JORC compliant resource of the zinc-lead-copper-silver-gold in the tailings will be estimated and released as soon as possible. Ironbark believes these results represent an opportunity worthy of further evaluation.

- **Vanderbilt Hill**

  The Vanderbilt Hill prospect is located to the east of the Lake George Mine and drilling has returned results such as 3.9m @ 10% zinc, 5.3% lead.

Glencore and Ironbark will jointly manage exploration and assemble a dedicated team to an aggressive exploration campaign. The agreement will allow Ironbark to focus on its flagship Citronen Zinc Project and help fund deeper exploration in the main Lake George Mine area that would otherwise be cost prohibitive for Ironbark. An initial $350,000 payment has been made to Ironbark by Glencore which will help Ironbark meet its obligations under the agreement.



Belara - Drilling Results

The 100% owned Belara Project is located east of Wellington and approximately 90 kilometres north of Orange in New South Wales. Previous explorers have identified significant sediment-hosted zinc, lead, copper, silver and gold mineralisation from drilling undertaken between 1968 and 1993. The mineralisation has been identified over a strike of 2,200 metres.

During the year Ironbark conducted further drilling and resource modelling. Assay results from the recent drilling largely confirmed the previous drilling and will be adopted into a resource review and returned a peak result of 4m @ 8.4% zinc, 3.5% lead, 0.82% copper, 106 g/t silver and 0.9 g/t gold from 339m down hole. This drill hole represents the deepest mineralisation returned to date at Belara and may upgrade the existing resource estimate.

The Belara project hosts a JORC compliant inferred resource of 1.0 million tonnes at 5.0% zinc, 0.4% copper, 1.5% lead, 0.3 g/t gold and 50 g/t silver at a 4% zinc cutoff within a larger lower grade inferred resource of 3.8 million tonnes at 3.1% zinc, 0.4% copper, 1.0% lead, 0.2 g/t gold and 34 g/t silver at a 1% zinc cutoff.

Corporate Investments

Ironbark is focused on growing shareholder value by making strategic investments and acquisitions in the minerals industry. Most recently Ironbark identified that the gold assets held by the Company had become non-core and the budget did not anticipate gold exploration. These under-utilised but prospective assets were identified for divestment. During the year Ironbark announced the intention to list its gold assets in a focused vehicle called Waratah Gold Limited (Waratah). Waratah closed its Initial Public Offer (IPO) on 8 July 2008, 2 weeks early, due to overwhelming interest and support from Ironbark shareholders and the public. There was no allowance for oversubscriptions.

Ironbark thanks its supporters and is looking forward to an exciting future for Waratah.

Through purchase, divestment and Initial Public Listings (IPO) Ironbark has now built a substantial investment portfolio in several ASX listed entities including:

- 3 million shares in Wolf Minerals Limited
- 4 million shares in Sabre Resources Limited
- 4 million options in Sabre Resources Limited exercisable at 35c
- 5 million shares in Sultan Corporation Limited
- 5 million shares in Waratah Gold Limited

$5 Million Capital Raising from Standard Bank to Advance the Citronen Zinc Project

During the year Ironbark was pleased to welcome Standard Bank as a major shareholder in Ironbark through a placement of 7,042,254 shares to raise $5,000,000 at 71 cents per share. The additional funds will be applied to expedite the development of Citronen. In addition, Ironbark and Standard Bank are discussing a number of strategic options and a possible role for Standard Bank as financial advisor.

Glencore Welcomed as Major Shareholder

Ironbark was delighted to welcome major global commodities supplier Glencore International AG (Glencore) as the Company's largest shareholder with a holding of 19.8% of issued capital.

Glencore subscribed to a placement of 459,711 shares in Ironbark, at an issue price of 71 cents, taking Glencore's shareholding in the Company to 19.8% of issued capital.

Financial Position

The net assets of the consolidated group have increased by $4,459,369 from 30 June 2007 to $122,370,303 in 2008.

The group's working capital, being current assets less current liabilities, has decreased from $15,466,925 in 2007 to $10,950,826 in 2008.

The directors believe the group is in a strong and stable financial position to expand and grow its current operations.

Significant Changes in State of Affairs

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

i. On 16th July 2007 the company appointed Mr David Kelly as a Non Executive Director.

ii. On 2nd August 2007 the company appointed Mr David Round as Company Secretary.

iii. On 2nd August 2007 Mr Steven Brockhurst resigned as Company Secretary.

iv. On 14th October 2007 Sultan Corporation Limited purchased 100% of the company's Elsienora Project (EL6767).

v. On 3rd October 2007 securities in the company became eligible to be traded in the Over The Counter ("OTC") markets in the US using American Depository Receipts Level 1 Program sponsored by the Bank of New York.

vi. On 10th October 2007 the company took a strategic stake in Sabre Resources Limited by subscribing to 4,000,000 shares @ 25 cents each in Sabre's prospectus. The company also received 4,000,000 options in Sabre Resources Limited exercisable at .35 cents per share any time before 27th January 2010. Mr Downes was appointed to the board of Sabre Resources Ltd.

vii. On 22nd November 2007 the company issued 500,000 director options. The exercise price of the options is $.85 cents and the expiry date is 22nd November 2012.

viii. On 15th February 2008 Standard Bank became a shareholder of the company through a placement of 7,042,254 shares @$.71 each. The $5,000,000 was raised for the advancement of the Citronen project.

ix. On 6th March 2008 Glencore International AG became a major shareholder in the company with a shareholding of 19.8% of the company's issued capital after a placement of 459,711 shares @ $0.71 each.

x. On 14th May 2008 the company entered into an equal exploration agreement with Glencore International AG to explore the company's Captains Flat Base Metal Project.

xi. On 28th May 2008 the company announced the timetable for its divestment of its gold projects into Waratah Gold Limited.

After Balance Date Events

i. On 17th July 2008 the company sold the following gold tenements to Waratah Gold Limited:

   EL6793 Majors South

   EL6575 Stuart Town

   EL6506 Pambula

   EL6944 Gulgong

   EL6930 Boomerang

   The consideration received by the company was 5,000,000 shares in Waratah Gold Limited at $0.02 each.

ii. On 17th July 2008 the company became a substantial shareholder in Waratah Gold Limited holding 5,000,100 shares in the company or 22.22% of the issued capital.

ii. On 23rd July 2008 the company began trading on the OTCQX exchange in the US.

Future Developments, Prospects and Business Strategies

Strategic Direction

Ironbark has pursued its vision to become a globally significant base metal explorer and developer. The Company conducted drilling programs at Citronen in Greenland and at Belara and Captains Flat in New South Wales. All these projects returned significant results and warrant further work.

Citronen in particular has become Ironbark's lead project and the drilling from this year is likely to result in not only a resource upgrade but remains open to further mineralisation in every direction. While the team has worked hard and delivered excellent results, the market conditions have resulted in an overall downward movement in our company's valuation.

Ironbark intends to counter this decline in share price by delivering a larger and more robust resource and to capitalise on an overall weak market through appraising the abundant merger and acquisition opportunities.

The Ironbark team remains positive and focused and we look forward to delivering growth in value to our shareholders over the coming year.

Environmental Issues

The company is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

Information on Directors

Mr Peter D Bennetto
Non-executive Chairman

Qualifications: Nil

Experience:
Mr Bennetto has over thirty years experience in banking and investment. He has had deep involvement in capital, currency and commodity markets with Societe Generale and Banque Indosuez. Mr Bennetto has held company director positions in exploration, mining and manufacturing companies listed on the ASX since 1990. Mr Bennetto was a founding director of Anaconda Nickel Ltd and is Non Executive Chairman of Waratah Gold Limited (listed 17th July 2008).

Interest in Shares and Options:
2,300,000 fully paid Ordinary Shares in Ironbark Gold Limited.

Directorships held in other listed entities:

- Waratah Gold Limited from 17 July 2008 to date

Mr Jonathan C Downes
Executive Managing Director

Qualifications: B Sc Geol, MAIG

Experience:
Mr Downes has over twelve years experience in the minerals industry and has worked in various geological and corporate capacities. Mr Downes has experience in nickel, gold and base metals and has been intimately involved with numerous private and public capital raisings. Mr Downes was a founding director of Hibernia Gold (now Moly Mines Limited) and Siberia Mining Corporation Limited. Mr Downes was an Executive director of Siberia Mining Corporation Limited and is currently a non-Executive director of Graynic Metals Limited and Wolf Minerals Limited and the Managing Director of Ironbark Gold Limited.

Interest in Shares and Options:
8,235,000 fully paid Ordinary Shares in Ironbark Gold Limited and 5,000,000 options (expiring 10/08/2011).

Directorships held in other listed entities:

- Wolf Minerals Limited from 20 September 2006 to date
- Graynic Metals Limited from 10 April 2006 to date
- Waratah Gold Limited from 17 July 2008 to date
- Sabre Resources Limited from 14 December 2007 to date

Mr Adrian P Byass
Executive Technical Director

Qualifications:
B Sc Hon (Geol), B Econ, FSEG, MAIG

Experience:
Mr Byass has over twelve years experience in the mining and minerals industry. This experience has principally been gained through mining, resource estimation, and mine development roles for several gold and nickel mining and exploration companies. Through his experience in resource estimation and professional association membership, Mr Byass is a competent person for reporting to the ASX for certain minerals. Mr Byass has also gained experience in corporate finance and financial modelling during his employment with publicly listed mining companies. Mr Byass was a founder of Siberia Mining Corporation Limited and Hibernia Gold (now Moly Mines Limited). Mr Byass is currently an Executive Director of Ironbark Gold Limited.

Interest in Shares and Options:
9,650,000 fully paid Ordinary Shares in Ironbark Gold Limited and 5,000,000 options (expiring 10/08/2011)

Directorships held in other listed entities:

- Wolf Minerals Limited from 20 September 2006 to date

Mr Vincent Hyde
Non-executive Director

Qualifications: MNIA

Experience:
Mr Hyde has over 40 years banking and corporate advisory experience. He was the managing director of a merchant bank for many years and his responsibilities included overall management and performance of operations in Australia, South East Asia, Republic of South Africa, United Kingdom, France, Germany and North America. My Hyde is also a director of ASX listed company Prime Minerals Limited and Executive Chairman of Power Resources Ltd.

Interest in Shares and Options: Nil

Directorships held in other listed entities:

- Prime Minerals Limited from 18 April 2006 to date
- Blaze International Limited from April 2007 to date
- Power Resources Limited from 15 February 2008 to date

Mr David Kelly
Non-executive Director

Qualifications: BCom, CA

Experience:
Mr Kelly is a qualified Chartered Accountant and has some 9 years experience in finance positions in Australia and the United Kingdom, including senior roles with Chartered Accountants Deloitte Touche Tohmatsu and Royal and SunAlliance Insurance.

Interest in Shares and Options: Nil

Directorships held in other listed entities:

- Zaruma Resources Inc (listed on Toronto Stock Exchange) from 31 October 2007 to date

Gregory C Campbell
Executive Director

Qualifications:
BE (Chem) Hons, MAusIMM, MIEAust

Experience:
Mr Campbell has seventeen years engineering experience across Australia primarily in the iron industry. Mr Campbell has experience in process and chemical engineering, operating, marketing and financial analysis of projects in the metals industry. This experience has been gained in various capacities including eight years with BHP Limited in a range of engineering and technical roles, eight years in senior engineer consultancy roles with Aker Kvaerner and Promet Engineers and process engineering work for Ausmelt Limited. Mr Campbell is currently an Executive Director of Ironbark Gold Limited.

Interest in Shares and Options:
1,500,000 fully paid Ordinary Shares in Ironbark Gold Limited and 500,000 options (expiring 22/11/2012).

Directorships held in other listed entities:

- Wolf Minerals Limited from 20 September 2006 to date

Remuneration Report - Audited

Names and positions held of consolidated and parent entity key management personnel in office at any time during the financial year are:

Peter Bennetto	Non Executive Chairman
Jonathan Downes	Executive Managing Director
Vincent Hyde	Non Executive Director
David Kelly	Non Executive Director (appointed 16 July 2007)
Adrian Byass	Executive Director
Gregory Campbell	Executive Director
David Round	Chief Financial Officer and Company Secretary (appointed 2 August 2007)

This report details the nature and amount of remuneration for each key management person of Ironbark Gold Limited, and for the executives receiving the highest remuneration.

Remuneration Policy

The remuneration policy of Ironbark Gold Limited has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the consolidated group's financial results. The board of Ironbark Gold Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the consolidated group, as well as create goal congruence between directors, executives and shareholders.

The board's policy for determining the nature and amount of remuneration for key management personnel of the consolidated group is as follows:

The remuneration policy, setting the terms and conditions for the key management personnel, was developed by the remuneration committee and approved by the board.

All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation and fringe benefits.

The remuneration committee reviews key management personnel packages annually by reference to the consolidated group's performance, executive performance and comparable information from industry sectors.

The company is an exploration entity, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, directors and senior executives are paid market rates associated with individuals in similar positions, within the same industry.

Options have previously been issued to directors to provide a mechanism to participate in the future development of the company and an incentive for their future involvement with and commitment to the company.

Further options and performance incentives may be issued in the event that the entity moves from an exploration entity to a producing entity, and key performance indicators such as profits and growth can be used as measurements for assessing Board performance.

The key management personnel receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

Remuneration Policy continued

All remuneration paid to key management personnel is valued at the cost to the company and expensed. Shares given to key management personnel are valued as the difference between the market price of those shares and the amount paid by the key management personnel. Options are valued using the Black-Scholes methodology.

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

The employment conditions of the managing director, Mr Jonathan Downes and other key management personnel are formalised in contracts of employment. All key management personnel are permanent employees of Ironbark Gold Limited.

The employment contract states a three-month resignation period. The company may terminate an employment contract without cause by providing one to three months' written notice or making payment in lieu of notice, based on the individual's salary component.

(a) Key Management Personnel Remuneration

2008	Short Term Benefits		Share Based Payments	Post Employment Benefits	
	Cash, salary & commissions	Cash other	Options	Superannuation	Total
Key Management Personnel	$000	$000	$000	$000	$000
Peter Bennetto	61	12	-	5	78
Adrian Byass	112	41	-	10	163
Jonathan Downes	162	-	-	15	177
Gregory Campbell	151	-	178	13	342
Vincent Hyde	-	23	-	-	23
David Kelly	-	-	-	-	-
David Round	165	-	-	15	180
	651	76	178	58	963
2007					
Peter Bennetto	38	-	-	-	38
Adrian Byass	95	-	225	4	324
Jonathan Downes	92	-	225	8	325
Gregory Campbell	22	-	-	2	24
Vincent Hyde	-	-	-	-	-
	247	-	450	14	711

Performance income as a proportion of total income
No bonuses were paid to executives or non-executive directors during the period.

(b) Options issued as part of remuneration for the year ended 30 June 2008

Options are issued to directors and executives as part of their remuneration. The options are not issued based on performance criteria, but are issued to the majority of directors and executives of Ironbark Gold Limited and its subsidiaries to increase goal congruence between executives, directors and shareholders.

The following table details the value of options granted, exercised or lapsed during the period.

2008		Options Granted as Part of Remuneration	Total Remuneration Represented by Options	Options Exercised	Options Lapsed	Total
Director	Granted No. 000	Value at Grant Date $000	%	$	($)	$
Gregory Campbell	500	178	52.05	-	-	178

The following table illustrates details of compensation options granted or vested during the financial period.

Key Management Personnel	Number Granted	Number Vested	Grant Date	Expiry Date	Exercise Price	Fair Value at Grant Date
Director	No.(000)	No.(000			$	$
Gregory Campbell	500	500	29/11/2007	22/11/2012	$0.85	$0.355

Details of factors used in option valuation calculation for the options granted during the financial period are:

Inputs into the Model	
Grant date share price	$0.618
Exercise price	$0.850
Expected volatility	70.00%
Option life	5.2 years
Dividend yield	-
Risk-free interest rate	6.04%

All options vest upon grant date and expire within 5 years of vesting and were granted for nil consideration.

2007						
Key management personnel	Granted Nº	Grant Date	Value per option at grant date	Exercise price $	First exercise date	Last exercise date
Mr Peter Bennetto	-	-	-	-	-	-
Mr Vincent Hyde	-	-	-	-	-	-
Mr Jonathan Downes	5,000,000	10/08/2006	0.045	0.06	10/08/2007	10/08/2012
Mr Adrian Byass	5,000,000	10/08/2006	0.045	0.06	10/08/2007	10/08/2012
Mr Gregory Campbell	-	-	-	-	-	-

(c) Shares Issued on Exercise of Compensation Options

There were no options exercised during the year that were granted as compensation in prior periods

(d) Shareholdings

Number of Shares held by Key Management Personnel

2008	Balance 30.6.2007	Received as compensation	Options exercised	Net change other	Balance 30.6.2008
Number of shares held by key management personnel:	No. 000	No. 000	No. 000	No. 000	No. 000
Jonathan Downes	10,700	-	-	(2,465)	8,235
Peter Bennetto	2,300	-	-	-	2,300
Adrian Byass	9,650	-	-	-	9,650
Gregory Campbell	1,500	-	-	-	1,500
Total	24,150	-	-	(2,465)	24,185

* Mr Jonathan Downes previously provided 2,500,000 shares to Opus Prime as part of a lending facility. Mr Downes held an indirect interest in these shares through his wife. Mr Downes has commenced action seeking confirmation of his wife's title to these shares and therefore his indirect interest in the shares. These shares are not included in the total of his direct and indirect share holding in the company.

2007	Balance 30.6.2006	Received as compensation	Options exercised	Net change other	Balance 30.6.2007
Number of shares held by key management personnel:	No. 000	No. 000	No. 000	No. 000	No. 000
Jonathan Downes	10,150	-	-	550	10,700
Peter Bennetto	2,300	-	-	-	2,300
Adrian Byass	9,250	-	-	400	9,650
Gregory Campbell	1,500	-	-	-	1,500
Total	23,200	-	-	950	24,150

(e) Options and rights holdings

2008	Balance 1.7.2007	Granted as Compensation	Options Exercised	Net Change Other*	Balance 30.6.2008
Number of options held by key management personnel:	No. 000	No. 000	No. 000	No. 000	No. 000
Jonathan Downes	5,000	-	-	-	5,000
Adrian Byass	5,000	-	-	-	5,000
Gregory Campbell	-	500	-	-	500
Don McLean	500	-	-	-	500
David Round	2,500	-	-	-	2,500
Total	13,000	500	-	-	13,500

* The Net Change Other reflected above includes those options that have been forfeited by holders as well as options issued during the year under review.

	Balance 30.6.2008	Total Vested 30.6.2008	Total Exercisable 30.6.2008	Total Unexercisable 30.6.2008
Number of options held by key management personnel:	No. 000	No. 000	No. 000	No. 000
Jonathan Downes	5,000	5,000	-	5,000
Adrian Byass	5,000	5,000	-	5,000
Gregory Campbell	500	500	-	500
Don McLean	500	500	-	500
David Round	2,500	2,500	-	2,500
Total	13,500	13,500	-	13,500

2007	Balance 1.7.2006	Granted as Compensation	Options Exercised	Net Change Other*	Balance 30.6.2007
Number of options held by key management personnel:	No. 000	No. 000	No. 000	No. 000	No. 000
Jonathan Downes	-	5,000	-	-	5,000
Adrian Byass	-	5,000	-	-	5,000
Gregory Campbell	-	-	-	-	-
Don McLean	-	500	-	-	500
David Round	-	2,500	-	-	2,500
Total	-	13,000	-	-	13,000

	Balance 30.6.2007	Total Vested 30.6.2007	Total Exercisable 30.6.2007	Total Unexercisable 30.6.2007
Number of options held by key management personnel:	No. 000	No. 000	No. 000	No. 000
Jonathan Downes	5,000	5,000	-	5,000
Adrian Byass	5,000	5,000	-	5,000
Gregory Campbell	-	-	-	-
Don McLean	500	500	-	500
David Round	2,500	2,500	-	2,500
Total	13,000	13,000	-	13,000

Meetings of Directors

During the financial year, five meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Audit Committee		Remuneration Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Peter Bennetto	5	5	1	1	1	1
Jonathan Downes	5	5	1	1	1	1
Adrian Byass	5	5	-	-	-	-
Gregory Campbell	5	5	-	-	-	-
Vincent Hyde	5	4	1	1	1	1
David Kelly	5	5	1	1	-	-

Indemnifying Officers or Auditor

During or since the end of the financial year the company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The company has paid premiums to insure each of the following directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a willful breach of duty in relation to the company. The amount of the premium was $828 for each director.

- Peter Benetto
- Jonathan Downes
- Adrian Byass
- Vincent Hyde
- Gregory Campbell
- David Kelly

Options

At the date of this report, the unissued ordinary shares of Ironbark Gold Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option 000
10/08/2006	10/08/2011	.06	10,000
09/05/2007	18/06/2012	.85	3,000
29/11/2007	22/11/2012	.85	500
28/06/2007	01/02/2010	.30	78,800
			92,300

During the year ended 30 June 2008 no ordinary shares of Ironbark Gold Limited were issued on the exercise of options granted under the Ironbark Gold Limited Employee Option Plan. 1,200,000 vendor options were exercised at 30 cents each.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

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

Non-audit Services

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

all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and the objectivity of the auditor; and

the nature of the services provided to not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The external auditors were engaged to prepare the Investigating Accountant's Report for Waratah Ltd. The fee paid was $8,000.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2008 has been received and can be found on page 19 of the directors' report.

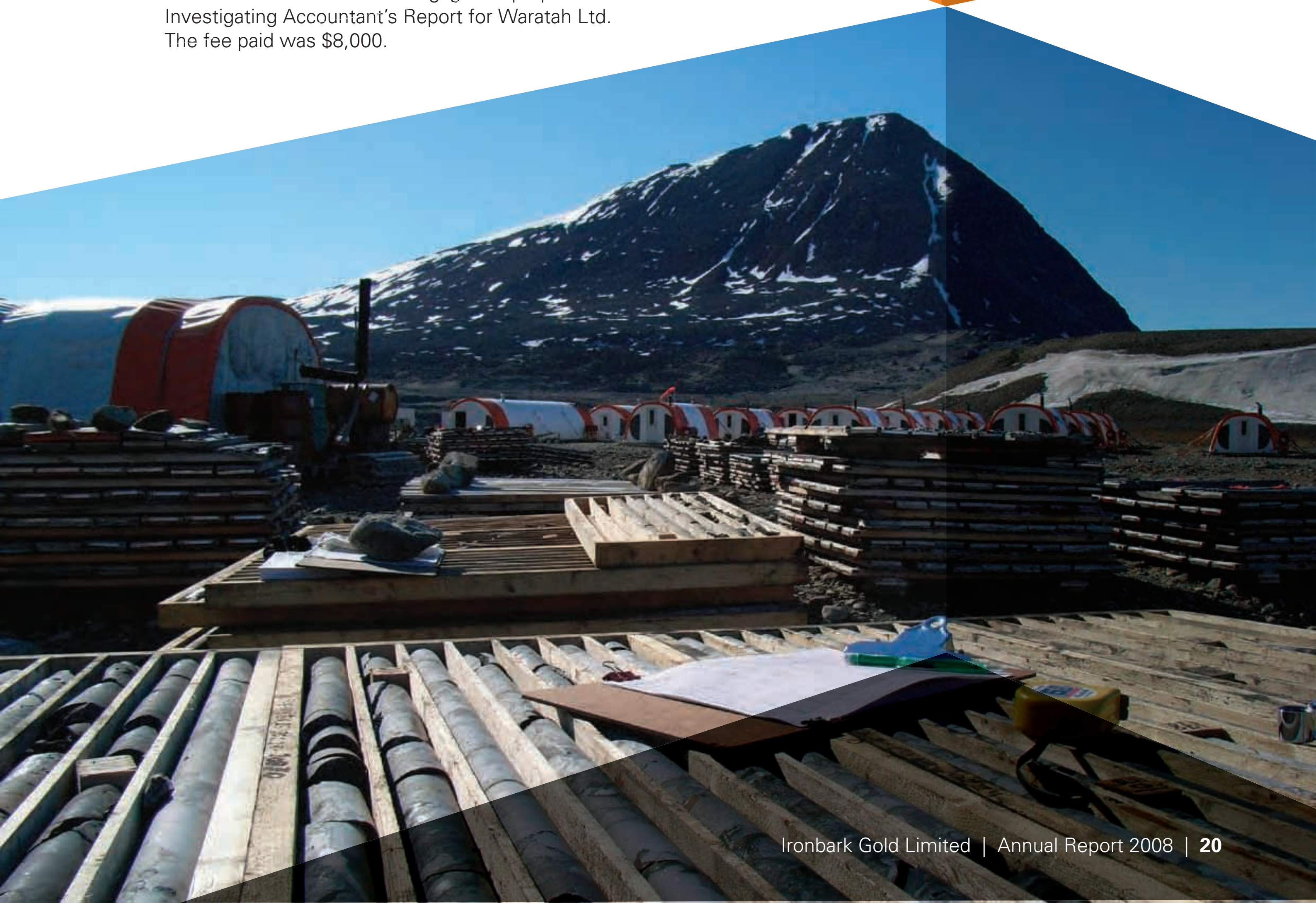
Rounding of Amounts

The company is an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars.

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

Jonathan Downes
Executive Managing Director

Date:



AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF IRONBARK GOLD LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2008 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

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

Mack & Co

Mack & Co
Chartered Accountants
2nd Floor, 35 Havelock Street
West Perth WA 6005

N A Calder

N.A Calder, Partner

SEPTEMBER 26 2008

Date

DIRECTOR'S DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 23 to 50, are in accordance with the *Corporations Act 2001* and:

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

   b. give a true and fair view of the financial position as at 30 June 2008 and of the performance for the year ended on that date of the company and consolidated group;

2. The Chief Executive Officer and Chief Finance Officer have each declared that:

   a. the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;

   b. the financial statements and notes for the financial year comply with the Accounting Standards; and

   c. the financial statements and notes for the financial year give a true and fair view;

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

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

____

Jonathan Downes
Executive Managing Director

Date:

INDEPENDENT AUDIT REPORT
TO MEMBERS OF IRONBARK GOLD LIMITED

Report on the Financial Report
We have audited the accompanying financial report of Ironbark Gold Limited, which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

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

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

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

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

Independence
In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Ironbark Gold Limited would be on the same terms if provided to the directors as at the date of this auditor's report.

Audit Opinion
In our opinion:

a. the financial report of Ironbark Gold Limited is in accordance with the Corporations Act 2001, including:

   i. giving a true and fair view of the Company's financial position as at 30 June 2008 and of its performance for the year ended on that date; and

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

b. the financial report also complies with International financial Reporting Standards as disclosed in Note 1.

INDEPENDENT AUDIT REPORT
TO MEMBERS OF IRONBARK GOLD LIMITED

Report on the Remuneration Report
We have audited the Remuneration Report included in the directors' report under the heading "Remuneration Report – Audited" for the year ended 30 June 2008.

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.

Audit Opinion
In our opinion the remuneration report of Ironbark Gold Limited for the year ended 30 June 2008 complies with section 300A of the Corporations Act 2001.

Mack & Co

Mack & Co
Chartered Accountants
2nd Floor, 35 Havelock Street
West Perth WA 6005

N A Calder

N.A Calder, Partner

September 26 2008

Date

INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008

		Consolidated Group		Company	
		2008	**2007**	**2008**	**2007**
	NOTE	**$000**	**$000**	**$000**	**$000**
Other revenue	2	1,605	295	1,403	295
Administration expenses		257	321	240	321
Compliance expenses		92	76	85	76
Consultancy expenses		157	-	156	-
Director's fees		76	188	76	188
Employee benefits expense		912	72	831	72
Depreciation and amortisation expense	13	221	18	221	18
Equity compensation benefits	22	178	1,998	178	1,998
Finance costs		-	1	-	1
Insurance		47	28	47	28
Occupancy expenses		191	53	180	53
Loss before income tax expense	3	526	2,460	611	2,460
Income tax expense	4	-	-	-	-
Loss attributable to members of the parent entity		526	2,460	611	2,460

LOSS PER SHARE

Basic loss per share (cents)	7	(0.25)	(2.24)	(0.29)	(2.24)
Diluted loss per share (cents)	7	(0.25)	(2.24)	(0.29)	(2.24)

The accompanying notes form part of these financial statements.

BALANCE SHEET
AS AT 30 JUNE 2008

		Consolidated Group		Company	
		2008	2007	2008	2007
	NOTE	$000	$000	$000	$000
CURRENT ASSETS					
Cash and cash equivalents	8	13,283	16,475	10,357	16,475
Trade and other receivables	9	916	81	1,080	81
Inventories	10	232	139	232	139
Other current assets	14	288	9	193	9
TOTAL CURRENT ASSETS		14,719	16,704	11,862	16,704
NON CURRENT ASSETS					
Plant and equipment	13	2,548	816	2,548	816
Exploration and evaluation expenditure	14	105,732	97,638	11,322	3,228
Financial assets	11	4,000	3,990	98,310	98,400
TOTAL NON CURRENT ASSETS		112,280	102,444	112,180	102,444
TOTAL ASSETS		126,999	119,148	124,042	119,148
CURRENT LIABILITIES					
Trade and other payables	15	3,723	35	755	35
Short term provisions	16	45	14	41	14
TOTAL CURRENT LIABILITIES		3,768	49	796	49
NON CURRENT LIABILITIES					
Deferred tax liabilities	4	861	1,188	861	1,188
TOTAL NON CURRENT LIABILITIES		861	1,188	861	1,188
TOTAL LIABILITIES		4,629	1,237	1,657	1,237
NET ASSETS		122,370	117,911	122,385	117,911
EQUITY					
Issued capital	17	74,165	68,495	74,165	68,495
Reserves	18	50,498	51,890	50,598	51,890
Accumulated losses		(2,293)	(2,474)	(2,378)	(2,474)
TOTAL EQUITY		122,370	117,911	122,385	117,911

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008

	Issued Capital	Accumulated Losses	Asset Revaluation Reserve	Option Reserve	Total
	$000	$000	$000	$000	$000
Consolidated Group					
Balance at 1 July 2006	360	(14)	-	-	346
Issue of share capital	70,040	-	-	-	70,040
Loss for the year	-	(2,460)	-	-	(2,460)
Issue of options	-	-	-	49,118	49,118
Share issue costs	(1,905)	-	-	-	(1,905)
Employee equity settled	-	-	-	-	-
Asset Valuation Reserve	-	-	2,772	-	2,772
Balance at 30 June 2007	68,495	(2,474)	2,772	49,118	117,911
Exercise of options	360	707	-	(707)	360
Issue of share capital	5,326	-	-	-	5,326
Loss for the year	-	(526)	-	-	(526)
Issue of options	-	-	-	178	178
Share issue costs	(16)	-	-	-	(16)
Asset revaluation reserve	-	-	(863)	-	(863)
Balance at 30 June 2008	74,165	(2,293)	1,909	48,589	122,370
The Company					
Balance at 1 July 2006	360	(14)	-	-	346
Issue of share capital	70,040	-	-	-	70,040
Loss for the year	-	(2,460)	-	-	(2,460)
Issue of options	-	-	-	49,118	49,118
Share issue costs	(1,905)	-	-	-	(1,905)
Employee equity settled	-	-	-	-	-
Asset Valuation Reserve	-	-	2,772	-	2,772
Balance at 30 June 2007	68,495	(2,474)	2,772	49,118	117,911
Exercise of options	360	707	-	(707)	360
Issue of shares capital	5,326	-	-	-	5,326
Loss for the year	-	(611)	-	-	(611)
Issue of options	-	-	-	178	178
Share issue costs	(16)	-	-	-	(16)
Asset revaluation reserve	-	-	(763)	-	(763)
Balance at 30 June 2008	74,165	(2,378)	2,009	48,589	122,385

The accompanying notes form part of these financial statements.

STATEMENT OF CASHFLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008

	NOTE	Consolidated Group 2008 $000	Consolidated Group 2007 $000	Company 2008 $000	Company 2007 $000
Cash Flows from Operating Activities					
Payments to suppliers and employees		(1,475)	(774)	(1,425)	(774)
Interest received		844	295	842	295
Other		-	(169)	-	(169)
Payments for exploration and evaluation		(8,095)	(4,042)	(8,074)	(4,042)
Net cash used in operating activities	21a	(8,726)	(4,690)	(8,657)	(4,690)
Cash Flows from Investing Activities					
Payments for property, plant and equipment		(2,003)	(9)	(2,003)	(9)
Proceeds from sale of property, plant and equipment		51	-	51	-
Purchase of investments		(1,000)	(6,009)	(1,000)	(6,009)
Net cash used in investing activities		(2,952)	(6,018)	(2,952)	(6,018)
Cash Flows from Financing Activities					
Loans to related parties		(8)	-	(179)	-
Proceeds from issue of shares		5,686	28,750	5,686	28,750
Proceeds from application monies		2,912	-	-	-
Payments for deferred share issue cost		(88)	-	-	-
Payments for share issue cost		(16)	(1,905)	(16)	(1,905)
Net cash provided by financing activities		8,486	26,845	5,491	26,845
Net increase (decrease) in cash		(3,192)	16,137	(6,118)	16,137
Cash at beginning of financial year		16,475	338	16,475	338
Closing cash carried forward	8	13,283	16,475	10,357	16,475

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the consolidated financial statements and notes of Ironbark Gold Limited and controlled entities (‘Consolidated Group’ or ‘Group’), and the separate financial statements and notes of Ironbark Gold Limited as an individual parent entity (‘Parent Entity’).

Ironbark Gold Limited is a listed public company, trading on the Australian Securities Exchange, limited by shares, incorporated and domiciled in Australia.

The financial report of Ironbark Gold Limited and controlled entities, and Ironbark Gold Limited as an individual parent entity comply with Australian Accounting Standards and International Financial Reporting Standards (IFRS).

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

Basis of Preparation

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

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

a. Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Ironbark Gold Limited ('company' or 'parent entity') as at 30 June 2008 and the results of all controlled entities for the year then ended. Ironbark Gold Limited and its controlled entities together are referred to in this financial report as the consolidated entity. The effects of all transactions between entities in the consolidated entity are eliminated in full.

Subsidiaries are all those entities over which the consolidated entity has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the consolidated entity controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the consolidated entity.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. All controlled entities have a June financial year end.

A list of controlled entities is contained in Note 12 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on either accounting profit or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Tax Consolidation

Ironbark Gold Limited and its wholly-owned Australian subsidiaries have not formed an income tax consolidated group under tax consolidation legislation.

c. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

The cost of mining stocks includes direct materials, direct labour, transportation costs and variable and fixed overhead costs relating to mining activities.

d. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis.

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

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a diminishing value basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	10–40%
Exploration site equipment	10-40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

f. Exploration and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

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

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

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

g. Financial Instruments

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

This category has two sub-categories; financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term and the asset is subject to frequent changes in fair value. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

(ii) *Loans and receivables*

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the consolidated entity provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables in the balance sheet.

(iii) *Available-for-sale financial assets*

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

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

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale investments revaluation reserve are recognised in equity in the "available for sale revaluation reserve". When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the consolidated entity establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing methods refined to reflect the issuer's specific circumstances.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h. Fair value

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the consolidated entity is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The consolidated entity uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the consolidated entity for similar financial instruments.

i. Impairment

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over it recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial Guarantees

Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

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

- the likelihood of the guaranteed party defaulting in a year period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

j. Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the income statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

k. Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.

Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- Income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

l. Employee Benefits

a. *Wages, salaries and annual leave*

Liabilities for wages, salaries and annual leave expected to be settled within two years of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

b. *Employee benefits payable later than one year*

Employee benefits payable later than two years have been measured at the present value of the estimated future cash outflows to be made for those benefits.

c. *Superannuation*

Contributions are made by the consolidated entity to superannuation funds as stipulated by statutory requirements and are charged as expenses when incurred.

d. *Employee benefit on costs*

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. *Options*

The fair value of options granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date.

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

Equity-settled compensation

The group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

m. Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

n. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 12 months or less, and bank overdrafts.

o. Revenue and Other Income

Interest revenue is recognised as it accrues. Dividend revenue is recognised when the right to receive a dividend has been established.

p. Goods and Services Tax (GST)

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

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

q. Receivables

Collectibility of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

r. EPS

Basic earnings per share

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

Diluted earnings per share

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

s. Contributed Equity

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. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

t. Investments

Interests in listed and unlisted securities are initially bought to account at cost.

Controlled entities are accounted for in the consolidated financial statements as set out in note 1(a).

Other securities are included at fair value at balance date. Unrealised gains/losses on securities held for short term investment are accounted for as set out in Note 1 (f) (i) financial assets at fair value through profit or loss. Unrealised gains/losses on securities held for long term investment are accounted for as set out in Note 1 (f) (iii) available for sale financial assets.

u. Acquisition of Assets

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

v. Significant Accounting Judgments and Estimates

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

(i) Classification of investments

The group has decided to classify investments in listed securities as held for trading. These securities are accounted for at fair value. Any increments or decrements in their value at year end are charged or credited to the income statement.

(ii) Taxation

Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the balance sheet. Deferred tax assets, including those arising from temporary differences, are recognised only where it is considered more likely than not they will be recovered, which is dependent on the generation of sufficient future taxable profits. Deferred tax liabilities arising from temporary differences are recognised to the extent that there are future profits.

w. Comparative Figures

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

x. Rounding of Amounts

The parent entity has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial report and directors' report have been rounded off to the nearest $000.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Consolidated Group		Company	
	2008	**2007**	**2008**	**2007**
	$000	**$000**	**$000**	**$000**
NOTE 2: REVENUE				
Operating activities				
- interest received	980	295	978	295
Cost recoveries	225	-	225	-
Profit on sale of fixed assets	1	-	1	-
Profit on sale of exploration assets	399	-	199	-
Total Revenue	1,605	295	1,403	295
NOTE 3: LOSSES FOR THE YEAR				
Losses from operations have been arrived after charging the following items:				
Occupancy costs	191	53	180	53
Employee benefits expense	912	72	831	72
Equity compensation benefits	178	1,998	178	1,998
Depreciation of non current assets				
- plant & equipment	221	18	221	18
NOTE 4: INCOME TAX EXPENSE				
a. The components of tax expense comprise:				
Current tax	-	-	-	-
Deferred tax	-	-	-	-
b. The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:				
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2007: 30%)				
Consolidated group	(158)	(738)	(183)	(738)
Add:				
Tax effect of:				
- Non deductible items	60	601	60	601
- Tax benefit of revenue losses not recognised	220	137	245	137
Less:				
- Tax benefit of equity raising costs not recognised	(122)	-	(122)	-
	158	738	158	738
Income tax attributable to entity	-	-	-	-
c. The following deferred tax balances have not been accounted for:				
Deferred tax assets:				
At 30%				
Carried forward income tax losses	4,643	1,220	4,671	1,220
Provisions and accruals	19	9	16	9
Capital raising costs	365	465	365	465
	5,027	1,694	5,052	1,694

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 4: INCOME TAX EXPENSE (continued)

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

(a) The company derives future assessable income of a nature and an amount sufficient to enable the benefits to be utilised; and

(b) The company continues to comply with the deductibility conditions imposed by the Income Tax Assessment Act 1997; and

(c) No change in income tax legislation adversely affects the company in utilising the benefits.

	Consolidated Group		**Company**	
	2008 $000	**2007 $000**	**2008 $000**	**2007 $000**
Deferred tax liabilities:				
At 30%				
Capitalised exploration and evaluation - not brought to account	3,397	968	3,397	968
Receivables - not brought to account	41	-	41	-
Plant and equipment tax allowance – not brought to account	751	237	751	237
Movement in reserves - brought to account on balance sheet as likely to be incurred	861	1,188	861	1,188
	5,050	2,393	5,050	2,393

NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION

a. Names and positions held of consolidated and parent entity key management personnel in office at any time during the financial year are:

Peter Bennetto	Non Executive Chairman
Jonathan Downes	Executive Managing Director
Vincent Hyde	Non Executive Director
David Kelly	Non Executive Director
Adrian Byass	Executive Director
Gregory Campbell	Executive Director
David Round	Chief Financial Officer and Company Secretary

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

b. Options and rights holdings

2008	**Balance 1.7.2007**	**Granted as Compensation**	**Options Exercised**	**Net Change Other***
Number of options held by key management personnel:	**No. 000**	**No. 000**	**No. 000**	**No. 000**
Jonathan Downes	5,000	-	-	-
Adrian Byass	5,000	-	-	-
Gregory Campbell	-	500	-	-
Don McLean	500	-	-	-
David Round	2,500	-	-	-
Total	13,000	500	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION (continued)

*The Net Change Other reflected above includes those options that have been forfeited by holders as well as options issued during the year under review.

Number of options held by key management personnel:	**Balance 30.6.2008** **No. 000**	**Total Vested 30.6.2008** **No. 000**	**Total Exercisable 30.6.2008** **No. 000**	**Total Unexercisable 30.6.2008** **No. 000**
Jonathan Downes	5,000	5,000	-	5,000
Adrian Byass	5,000	5,000	-	5,000
Gregory Campbell	500	500	-	500
Don McLean	500	500	-	500
David Round	2,500	2,500	-	2,500
Total	13,500	13,500	-	13,500

c. Shareholdings

2008 Number of shares held by key management personnel:	**Balance 30.6.2007** **No. 000**	**Received as compensation** **No. 000**	**Options exercised** **No. 000**	**Net change other** **No. 000**	**Balance 30.6.2008** **No. 000**
Jonathan Downes	10,700	-	-	(2,465)	8,235
Peter Bennetto	2,300	-	-	-	2,300
Adrian Byass	9,650	-	-	-	9,650
Gregory Campbell	1,500	-	-	-	1,500
Total	24,150	-	-	-	24,185

*Mr Jonathan Downes previously provided 2,500,000 shares to Opus Prime as part of a lending facility. Mr Downes held an indirect interest in these shares through his wife. Mr Downes has commenced action seeking confirmation of his wife's title to these shares and therefore his indirect interest in the shares. These shares are not included in the total of his direct and indirect share holding in the company.

2007 Number of shares held by key management personnel:	**Balance 30.6.2006** **No. 000**	**Received as compensation** **No. 000**	**Options exercised** **No. 000**	**Net change other** **No. 000**	**Balance 30.6.2007** **No. 000**
Jonathan Downes	10,150	-	-	550	10,700
Peter Bennetto	2,300	-	-	-	2,300
Adrian Byass	9,250	-	-	400	9,650
Gregory Campbell	1,500	-	-	-	1,500
Total	23,200	-	-	-	24,150

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Consolidated Group		Company	
	2008	**2007**	**2008**	**2007**
	$000	**$000**	**$000**	**$000**
NOTE 6: AUDITORS' REMUNERATION				
Remuneration of the auditor of the parent entity for:				
- Auditing or reviewing the financial report	56	31	56	31

	Consolidated Group	
	2008	**2007**
	$000	**$000**
NOTE 7: LOSS PER SHARE		
a. Loss used to calculate basis EPS	(526)	(2,460)
Loss used in the calculation of dilutive EPS	(526)	(2,460)
b.	**No**	**No**
c. Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	207,686,459	109,926,027
d. Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	93,557,534	9,742,466

	Consolidated Group		Company	
	2008	**2007**	**2008**	**2007**
	$000	**$000**	**$000**	**$000**
NOTE 8: CASH AND CASH EQUIVALENTS				
Cash at bank and in hand	4,235	16,475	1,309	16,475
Short term bank deposits	9,048	-	9,048	-
	13,283	16,475	10,357	16,475

The effective interest rate on short-term bank deposits was 7.2% (2007: 6.1%); these deposits have an average maturity of 90 days.

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	13,283	16,475	10,357	16,475

NOTE 9: TRADE AND OTHER RECEIVABLES				
Current				
GST receivable	105	79	97	79
Supplier prepayment	406	-	406	-
Trade receivable	350	-	350	-
Other receivables	47	-	47	-
Amounts received from				
- Other related parties	8	-	180	-
	916	79	1,080	79

Provision For Impairment of Receivables

Current trade and term receivables are non-interest bearing loans and generally on 30 day terms. Non-current trade and term receivables are assessed for recoverability based on the underlying terms of the contract. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired.

There are no balances within trade and other receivables that contain assets that are not impaired and are past due. It is expected these balances will be received when due. Impaired assets are provided for in full.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Consolidated Group		Company	
	2008	2007	2008	2007
	$000	$000	$000	$000
NOTE 10: INVENTORIES				
Current				
At cost				
Fuel	232	139	232	139
NOTE 11: FINANCIAL ASSETS				
Available-for-sale financial assets (a)	4,000	3,990	3,900	3,990
a. Available-for-sale financial assets comprise:				
Listed investments, at fair value				
- Shares in listed corporations	4,000	3,990	3,900	3,990
Unlisted investments, at cost				
- Shares in controlled entities	-	-	94,410	94,410
Total available-for-sale financial assets	4,000	3,990	98,310	98,400

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

The fair value of unlisted available-for-sale financial assets cannot be reliably measured as variability in the range of reasonable fair value estimates is significant. As a result, all unlisted investments are reflected at cost. Unlisted available-for-sale financial assets exist within active markets and could be disposed of if required. No intention to dispose of any unlisted available-for-sale financial assets existed at 30 June 2008.

	Country of incorporation	Percentage owned * 2008	Percentage owned * 2007
		%	%
NOTE 12: CONTROLLED ENTITIES			
(a) Subsidiaries of Ironbark Gold Ltd:			
Bedford (No 3) Ltd	British Virgin Islands	100	100
Ironbark Zinc Pty Ltd	Australia	100	100
Doctor Evil Pty Ltd	Australia	100	-
Waratah Gold Ltd	Australia	100	100

(b) Waratah Gold Ltd was incorporated on 30th May 2007 at a total cost of $100. Waratah Gold Ltd subsequently entered in to an agreement with the company to buy a number of defined projects for a total acquisition of $100,000. Doctor Evil Pty was incorporated on 29 February 2008 at a cost of $100.

	Consolidated Group		Company	
	2008	2007	2008	2007
	$000	$000	$000	$000
NOTE 13: PROPERTY, PLANT & EQUIPMENT				
Plant and equipment:				
At cost	2,786	834	2,786	834
Accumulated depreciation	(238)	(18)	(238)	(18)
Total plant and equipment	2,548	816	2,548	816

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 13: PROPERTY, PLANT & EQUIPMENT (continued)

	Plant and equipment $000	Total $000
Consolidated Group:		
Balance at 1 July 2006	-	-
Additions	834	834
Disposals	-	-
Additions through acquisition of entity	-	-
Depreciation expense	(18)	(18)
Balance at 30 June 2007	816	816
Additions	2,003	2,003
Disposals	(51)	(51)
Depreciation expense	(220)	(220)
Balance at 30 June 2008	2,548	2,548
Parent Entity:		
Balance at 1 July 2006	-	-
Additions	834	834
Disposals	-	-
Depreciation expense	(18)	(18)
Balance at 30 June 2007	816	816
Additions	2,003	2,003
Disposals	(51)	(51)
Depreciation expense	(220)	(220)
Balance at 30 June 2008	2,548	2,548

NOTE 14: OTHER ASSETS

	Consolidated Group		Company	
	2008 $000	2007 $000	2008 $000	2007 $000
Current				
Accrued interest	136	-	136	-
Bond	10	-	9	-
Deferred issue expenses	88	-	-	-
Prepayments	54	2	46	2
	288	2	191	2
Exploration expenditure capitalised				
- exploration and evaluation phases	105,732	97,638	11,322	3,228
Accumulated depreciation	-	-	-	-
Total exploration expenditure	105,732	97,638	11,322	3,228
Movement in carrying value:				
Brought forward	97,638	11	3,228	11
Exploration assets acquired during the year	-	-	-	-
Exploration assets disposed of during the year	(151)	-	(151)	-
Exploration expenditure capitalised during the year	8,245	97,627	8,245	3,217
Impairment on exploration expenditure	-	-	-	-
At reporting date	105,732	97,638	11,322	3,228

The value of the exploration expenditure is dependent upon:

– The continuance of the rights to tenure of the areas of interest;
– The results of future exploration; and
– The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Consolidated Group		Company	
	2008	2007	2008	2007
	$000	$000	$000	$000
NOTE 15: TRADE AND OTHER PAYABLES				
Current				
Trade payables	718	-	671	-
Application monies received in advance	2,912	-	-	-
Sundry payables and accrued expenses	93	49	84	49
	3,723	49	755	49

	Employee benefits	Total
	$000	$000
NOTE 16: PROVISIONS		
Consolidated Group:		
Opening balance at 1 July 2007	14	14
Additional provisions	31	31
Balance at 30 June 2008	45	45
Parent Entity:		
Opening balance at 1 July 2007	14	14
Additional provisions	27	27
Balance at 30 June 2008	41	41

	Consolidated Group		Company	
	2008	2007	2008	2007
	$000	$000	$000	$000
Analysis of total provisions				
Current	45	14	41	14
Non current	-	-	-	-
	45	14	41	14

	Consolidated Group		Company	
	2008	2007	2008	2007
	$000	$000	$000	$000
NOTE 17: ISSUED CAPITAL				
212,701,965 (2007: 204,000,000) fully paid ordinary shares	74,165	68,495	74,165	68,495

	Consolidated Group		Company	
	2008	2007	2008	2007
	No	No	No	No
a. Ordinary shares				
At the beginning of reporting period	204,000,000	7,500,000	204,000,000	7,500,000
Share split	-	30,000,000	-	30,000,000
Shares issued during the year				
- 15 February 2008	7,042,254	75,000,000	7,042,254	75,000,000
- 06 March 2008	459,711	51,500,000	459,711	51,500,000
- 25 March 2008	1,200,000	40,000,000	1,200,000	40,000,000
At reporting date	212,701,965	204,000,000	212,701,965	204,000,000

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 17: ISSUED CAPITAL (continued)

b. Options

For information relating to share options issued to key management personnel during the financial year, refer to Note 22 Share-based Payments.

c. Capital Management

The Directors' primary objective is to maintain a capital structure that ensures the lowest cost of capital to the Company. At balance date the Company has no external borrowings. The Directors have no current plans to raise capital through the issue of additional shares in the Company. The Company is not subject to any externally imposed capital requirements.

NOTE 18: RESERVES

a. Asset revaluation reserve

The asset revaluation reserve records revaluations of non-current assets. Under certain circumstances dividends can be declared from this reserve.

b. Option reserve

The option reserve records items recognised as expenses on valuation of employee share options.

	Consolidated Group		**Company**	
	2008	**2007**	**2008**	**2007**
	$000	**$000**	**$000**	**$000**
NOTE 19: CAPITAL COMMITMENTS				
Capital expenditure commitments contracted for:				
Exploration and evaluation expenditure	13,368	12,250	9,803	12,250
Payable:				
- not later than 12 months	6,537	1,021	6,180	1,021
- longer than 1 year but not longer than 5 years	4,147	5,104	2,721	5,104
- greater than 5 years	2,684	6,125	902	6,125

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Australia		Greenland	
	2008 $000	**2007 $000**	**2008 $000**	**2007 $000**
NOTE 20: SEGMENT REPORTING				
Primary reporting – geographical segments				
Revenue				
Segment revenue	1,605	295	-	-
Total revenue	1,605	295	-	-
Result				
Segment result	(1,780)	(2,738)	(351)	(17)
Unallocated expenses net of unallocated revenue	-	-	-	-
Loss before income tax	(175)	(2,443)	(351)	(17)
Income tax expense	-	-	-	-
Loss after income tax	(175)	(2,443)	(351)	(17)
Assets				
Segment assets	19,292	21,704	107,707	97,444
Unallocated assets	-	-	-	-
Total assets	19,292	21,704	107,707	97,444
Liabilities				
Segment liabilities	3,448	1,237	320	-
Unallocated liabilities	-	-	-	-
Total liabilities	3,448	1,237	320	-
Other				
Acquisitions of non-current segment assets	33	9	1,970	97,444
Depreciation and amortisation of segment assets	13	1	208	17
Other non cash segment expenses	178	1,998	-	-

Accounting Policies
Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, inventories, intangibles and property, plant and equipment, net of allowances and accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings. Segment assets and liabilities do not include deferred income taxes.

Intersegment Transfers
Segment revenues, expenses and results include transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the consolidated group at an arm's length. These transfers are eliminated on consolidation.

Business and Geographical Segments
Business segments
The consolidated group has only one business segment being exploration of zinc and gold.

Geographical segments
The consolidated group's business segments are located in Australian and Greenland.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

	Consolidated Group		Company	
	2008	**2007**	**2008**	**2007**
	$000	**$000**	**$000**	**$000**
NOTE 21: CASH FLOW INFORMATION				
a. Reconciliation of cash flow from operations with profit after income tax				
Net loss	(526)	(2,460)	(611)	(2,460)
Non cash flows in profit				
Depreciation	221	18	221	18
Exploration and evaluation expenditure	(8,246)	(4,042)	(8,246)	(4,042)
Net gain on disposal of property, plant and equipment	(399)	-	(200)	-
Net gain on disposal of investments		-	-	-
Share options expensed	177	1,998	177	1,998
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries				
(Increase)/decrease in trade and term receivables	(615)	(77)	(607)	(77)
(Increase)/decrease in prepayments	(52)	(2)	(44)	(2)
(Increase)/decrease in inventories	(94)	(139)	(94)	(139)
Increase/(decrease) in trade payables and accruals	777	14	721	14
Increase/(decrease) in provisions	31		26	
Cash flow from operations	(8,726)	(4,690)	(8,657)	(4,690)

b. Non cash financing and investing activities

On 4th October 2007 Sultan Corporation Ltd purchased 100% of the company's Elsienora Project for a consideration of 5,000,000 shares in Sultan Corporation Ltd. These transactions are not reflected in the cash flow statement.

NOTE 22: SHARE BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2008:

On 11 September 2007, 500,000 share options were granted to directors to accept ordinary shares at an exercise price of $.85. The options are exercisable after 22 November 2007 but before 22 November 2012. The options hold no voting or dividend rights and are not transferable. When a director ceases employment the options are deemed to have lapsed. Since balance date, no director has ceased their employment. At balance date, no share option has been exercised.

All options granted to key management personnel are ordinary shares in Ironbark Gold Limited, which confer a right of one ordinary share for every option held.

	Consolidated Group				Company			
	2008		2007		2008		2007	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Issue to directors	**No**	**$**	**No**	**$**	**No**	**$**	**No**	**$**
Outstanding at the beginning of the year	10,000,000	.06	-		10,000,000	.06	-	
Granted	-		10,000,000	.06	-		10,000,000	.06
Forfeited	-		-		-		-	
Exercised	-		-		-		-	
Expired	-		-		-		-	
Outstanding at year end	10,000,000	.06	10,000,000	.06	10,000,000	.06	10,000,000	.06
Exercisable at year end	10,000,000	.06	-	.06	10,000,000	.06	-	.06

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 22: SHARE BASED PAYMENTS (continued)

	Consolidated Group				**Company**			
	2008		**2007**		**2008**		**2007**	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
Issue to staff	**No**	**$**	**No**	**$**	**No**	**$**	**No**	**$**
Outstanding at the beginning of the year	3,000,000	.85	-		3,000,000	.85	-	
Granted	500,000	.85	3,000,000	.85	500,000	.85	3,000,000	.85
Forfeited	-		-		-		-	
Exercised	-		-		-		-	
Expired	-		-		-		-	
Outstanding at year end	3,500,000	.85	3,000,000	.85	3,500,000	.85	3,000,000	.85
Exercisable at year end	833,330	.85	-	.85	833,330	.85	-	.85
Issue to vendors								
Outstanding at the beginning of the year	80,000,000	.30	-		80,000,000	.30	-	
Granted	-		80,000,000	.30	-		80,000,000	.30
Forfeited	-		-		-		-	
Exercised	1,200,000		-		1,200,000		-	
Expired	-		-		-		-	
Outstanding at year end	78,800,000	.30	80,000,000	.30	78,800,000	.30	80,000,000	.30
Exercisable at year end	78,800,000	.30	80,000,000	.30	78,800,000	.30	80,000,000	.30

There were 1,200,000 options exercised during the year ended 30 June 2008. These options had a weighted average share price of $0.30 at exercise date.
The options outstanding at 30 June 2008 had a weighted average exercise price of $0.2949 and a weighted average remaining contractual life of 1.796 years. Exercise prices range from $.06 to $.85 in respect of options outstanding at 30 June 2008.
The weighted average fair value of the options granted during the year was $.355 per option. This price was calculated by using a Black-Scholes option pricing model applying the following inputs:

Weighted average exercise price	$.85
Weighted average life of the option	5.2 years
Underlying share price	$.618
Expected share price volatility	70.0%
Risk free interest rate	6.04%

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.
The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

Included under employee benefits expense in the income statement is $177 (2007: $1,998), and relates, in full, to equity-settled share-based payment transactions.

NOTE 23: RELATED PARTY DISCLOSURES

i. Interests in and loans to and from controlled entities in subsidiaries are disclosed in Notes 11 and Note 12.
ii. Key management personnel equity holdings are disclosed in the Remuneration Report in the Directors' Report.
iii. No amounts in addition to those disclosed in the Remuneration Report in the Directors' Report were paid or payable to Directors of the Company at the end of the year.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 24: EVENTS AFTER THE BALANCE SHEET DATE
On 17th August 2008, the company divested its gold assets into Waratah Gold Limited. Waratah purchased the following gold tenements from the company:

- EL 6793 Majors South
- EL 6575 Stuart Town
- EL 6506 Pambula
- EL 6944 Gulgong
- EL 6930 Boomerang

The consideration received by the company was 5,000,000 shares at $0.02 each in Waratah Gold Limited subsequent to an agreement between the company and Waratah Gold Limited executed in April 2008. The financial effect of this transaction has not been brought to account in the 2008 financial report.

NOTE 25: FINANCIAL RISK MANAGEMENT
a. **Financial Risk Management Policies**
The group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable and loans to and from subsidiaries.

i. Treasury Risk Management
The board meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

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

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

ii. Financial Risk Exposures and Management
The main risks the group is exposed to through its financial instruments are foreign currency risk, liquidity risk, credit risk and price risk.

Foreign currency risk
The group is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the group's measurement currency. The currencies in which these transactions primarily are denominated are AUD, DKK, USD and CAD.

Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. Typically the group ensures that it has sufficient cash on demand to meet expected operational expenses; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Credit risk
Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the group's receivables from customers and investment securities. The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 25: FINANCIAL RISK MANAGEMENT (continued)

The consolidated group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the consolidated group.

Price risk

The group is not exposed to commodity price risk.

Equity price risk arises from available-for-sale equity securities held. Material investments are managed on an individual basis and all buy and sell decisions are approved by the board.

The group and the parent entity hold the following financial instruments:

	Consolidated Group		Company	
	2008 $000	**2007 $000**	**2008 $000**	**2007 $000**
Financial assets:				
Cash and cash equivalents	13,283	16,474	10,357	16,474
Receivables	916	79	1,080	79
Investments	4,000	3,990	98,310	98,400
Total financial assets	18,199	20,543	109,747	114,953
Financial liabilities				
Trade and sundry payables	3,723	35	755	35
Total financial liabilities	3,723	35	755	35
	14,476	20,508	108,992	114,918
Trade and sundry payables are expected to be paid as follows:				
Less than 1 month	3,723	35	755	35

iii. Net fair values

No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments, forward exchange contracts and interest rate swaps.

Fair values are materially in line with carrying values.

iv. Sensitivity analysis

Interest Rate Risk, Foreign Currency Risk and Price Risk

The group has performed sensitivity analysis relating to its exposure to interest rate risk, foreign currency risk and price risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

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

	Consolidated Group		Company	
	2008 $000	**2007 $000**	**2008 $000**	**2007 $000**
Change in profit				
Increase in interest rate by 1% (100 basis points)	140	49	140	49
Decrease in interest rate by 1% (100 basis points)	(140)	(49)	(140)	(49)
Change in equity				
Increase in interest rate by 1% (100 basis points)	140	49	140	49
Decrease in interest rate by 1% (100 basis points)	(140)	(49)	(140)	(49)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 25: FINANCIAL RISK MANAGEMENT (continued)

Foreign Currency Risk Sensitivity Analysis

At 30 June 2008, the effect on profit and equity as a result of changes in the value of the Australian Dollar to the USD, the Canadian Dollar (CAD), the Danish Krone (DKK), with all other variables remaining constant is as follows:

	Consolidated Group		Company	
	2008 $000	**2007 $000**	**2008 $000**	**2007 $000**
Change in profit				
Improvement in AUD to USD by 10%	-	-	-	-
Decline in AUD to USD by 10%	-	-	-	-
Change in equity				
Improvement in AUD to USD by 10%	(58)	-	(58)	-
Decline in AUD to USD by 10%	71	-	71	-
Change in profit				
Improvement in AUD to CAN by 10%	-	-	-	-
Decline in AUD to CAN by 10%	-	-	-	-
Change in equity				
Improvement in AUD to CAN by 10%	(313)	-	(313)	-
Decline in AUD to CAN by 10%	383	-	383	-
Change in profit				
Improvement in AUD to DKK by 10%	-	-	-	-
Decline in AUD to DKK by 10%	-	-	-	-
Change in equity				
Improvement in AUD to DKK by 10%	(254)	-	(254)	-
Decline in AUD to DKK by 10%	310	-	310	-
Change in profit				
Improvement in AUD to NOK by 10%	-	-	-	-
Decline in AUD to NOK by 10%	-	-	-	-
Change in equity				
Improvement in AUD to NOK by 10%	(122)	-	(122)	-
Decline in AUD to NOK by 10%	150	-	150	-

Price Risk Sensitivity Analysis

The majority of the group's and the parent entity's equity investments are publicly traded and are included in the ASX. The table below summarises the impact of increases/decreases of this index on the group's and the parent entity's post tax profit for the year and on equity. The analysis is based on the assumption that equity indexes had increased/decreased by 10% (2007 10%) with all other variables held constant and all the group's equity instruments moved according to the historical correlation with the index.

	Consolidated Group		Company	
	2008 $000	**2007 $000**	**2008 $000**	**2007 $000**
Change in profit				
Increase in All Ordinaries Index by 10%	-	-	-	-
Decrease in All Ordinaries Index by 10%	-	-	-	-
Change in equity				
Increase in All Ordinaries Index 10%	400	399	390	399
Decrease in All Ordinaries Index by 10%	(400)	(399)	(390)	(399)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 25: FINANCIAL RISK MANAGEMENT (continued)

Interest Rate Risk Exposure Analysis

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non Interest Bearing	
	2008	2007	2008	2007	2008	2007
FINANCIAL ASSETS	%	%	$000	$000	$000	$000
Cash at bank & on hand	7.2	6.1	13,283	16,475	-	-
Receivables	-	-	-	-	916	81
Investments	-	-	-	-	4,000	3,990
Total financial assets			13,283	16,475	4,916	4,071
FINANCIAL LIABILITIES						
Payables	-	-	-	-	3,723	35
Total financial liabilities					3,723	35

The above interest rate, foreign exchange rate and price risk sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

NOTE 26: DIVIDENDS

The Board of Directors have recommended that no dividend be paid.

NOTE 27: CONTINGENT ASSETS AND LIABILITIES

The Company is unaware of any contingent assets or liabilities that that may have a material impact on the company's financial position.

NOTE 28: CHANGES IN ACCOUNTING POLICY

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

AASB Amendment	Standards Affected		Outline of Amendment	Application Date of Standard	Application Date for Group
AASB 2007–3 Amendments to Australian Accounting Standards	AASB 5	Non-current Assets Held for Sale and Discontinued Operations	The disclosure requirements of AASB 114: Segment Reporting have been replaced due to the issuing of AASB 8: Operating Segments in February 2007. These amendments will involve changes to segment reporting disclosures within the financial report. However, it is anticipated there will be no direct impact on recognition and measurement criteria amounts included in the financial report	1.1.2009	1.7.2009
	AASB 6	Exploration for and Evaluation of Mineral Resources			
	AASB 102	Inventories			
	AASB 107	Cash Flow Statements			
	AASB 119	Employee Benefits			
	AASB 127	Consolidated and Separate Financial Statements			
	AASB 134	Interim Financial Reporting			
	AASB 136	Impairment of Assets			
	AASB 1023	General Insurance Contracts			
	AASB 1038	Life Insurance Contracts			

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

NOTE 28: CHANGES IN ACCOUNTING POLICY (continued)

AASB Amendment		Standards Affected	Outline of Amendment	Application Date of Standard	Application Date for Group
AASB 8 Operating Segments	AASB 114	Segment Reporting	As above	1.1.2009	1.7.2009
AASB 2007–6 Amendments to Australian Accounting Standards	AASB 1	First time adoption of AIFRS	The revised AASB 123: Borrowing Costs issued in June 2007 has removed the option to expense all borrowing costs. This amendment will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. However, there will be no direct impact to the amounts included in the financial group as they already capitalise borrowing costs related to qualifying assets.	1.1.2009	1.7.2009
	AASB 101	Presentation of Financial Statements			
	AASB 107	Cash Flow Statements			
	AASB 111	Construction Contracts			
	AASB 116	Property, Plant and Equipment			
	AASB 138	Intangible Assets			
AASB 123 Borrowing Costs	AASB 123	Borrowing Costs	As above	1.1.2009	1.7.2009
AASB 2007–8 Amendments to Australian Accounting Standards	AASB 101	Presentation of Financial Statements	The revised AASB 101: Presentation of Financial Statements issued in September 2007 requires the presentation of a statement of comprehensive income.	1.1.2009	1.7.2009
AASB 101	AASB 101	Presentation of Financial Statements	As above	1.1.2009	1.7.2009

NOTE 29: COMPANY DETAILS

The registered office and principal place of business address is:

Ironbark Gold Limited
Suite 5, Level 1
350 Hay Street
SUBIACO WA 6008

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following additional information is required by the Australian Stock Exchange Ltd in respect of listed public companies only.

1. **Shareholding**

a. **Distribution of Shareholders**

Category (size of holding)	Number Ordinary	Redeemable
1 – 1,000	53,455	-
1,001 – 5,000	740,494	-
5,001 – 10,000	1,114,156	-
10,001 – 100,000	15,618,761	-
100,001 – and over	195,175,099	-
	212,701,965	-

b. There were no shareholdings held in less than marketable parcels.

c. The names of the substantial shareholders listed in the holding company's register as at 30 June 2008 are:

Shareholder	Number Ordinary	Preference
Singpac Inv Holding Pte Ltd	29,610,593	-
Bedford Resources Holdings Ltd	22,000,000	-
Singpac Inv Hldg Pte Ltd	12,500,000	-
HSBC Custody Nom Aust Ltd	11,233,734	-

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.

e. **20 Largest Shareholders — Ordinary Shares**

	Name	**Number of Ordinary Fully Paid Shares Held**	**% Held of Issued Ordinary Capital**
1.	Singpac Inv Hldg Pte Ltd	29,610,593	13.92
2.	Bedford Res Hldgs Ltd	22,000,000	10.34
3.	Singpac Inv Hldg Pte Ltd	12,500,000	5.88
4.	HSBC Custody Nom Aust Ltd	11,233,734	5.28
5.	Cangu Pty Ltd	8,000,000	3.76
6.	Kale Cap Corp Ltd	7,654,954	3.60
7.	Megan Roberts	7,500,000	3.53
8.	Katrina Downes	7,500,000	3.53
9.	Standard Bank Plc	7,042,254	3.31
10.	Sincere Liberty Finance L	5,600,000	2.63
11.	Pylara PL	4,400,000	2.07
12.	UBS Wealth Mgnt Aust Nom	3,000,000	1.41
13.	Nicholas Downes	2,775,000	1.30
14.	Bassett M I L & S E	2,215,000	1.04
15.	Delbris PL Saxon S/F A/C	2,047,490	.96
16.	Landlife PL	2,000,000	.94
17.	Barton Anthony P & C H	2,000,000	.94
18.	Mullins M A & P D	1,775,000	.83
19.	Canonbar Inv PL	1,750,000	.82
20.	Adrian Byass	1,700,000	.80
		142,304,025	66.89

Note that the total of Singpac Inv Hldg Pty Ltd's holding is 42,110,593.

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

2. The name of the Company Secretary is David Round.

3. The address of the principal registered office in Australia is Suite 5, Level 1, 350 Hay Street, Subiaco WA 6018. Telephone +61 (0) 8 6461 6350.

4. Registers of securities are held at the following addresses.

   Western Australia Security Transfer Registrars, 770 Canning Highway, Applecross, WA 6153

5. **Securities Exchange Listing**
   Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Securities Exchange Limited.

6. **Unquoted Securities**
   Fully Paid Ordinary Shares
   17,500,000 fully paid ordinary shares are on issue and unquoted.

   Options over Unissued Shares
   A total of 92,300,000 options are on issue. 13,500,000 are on issue to 3 directors and 2 employees.

CORPORATE GOVERNANCE

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2008.

Board Composition

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the director's report.

The names of the independent directors of the company are:

Peter Benetto

Vincent Hyde

When determining whether a non-executive director is independent the director must not fail any of the following materiality thresholds:

— less than 10% of company shares are held by the director and any entity or individual directly or indirectly associated with the director;

— no sales are made to or purchases made from any entity or individual directly or indirectly associated with the director; and

— none of the directors' income or the income of an individual or entity directly or indirectly associated with the director is derived from a contract with any member of the economic entity other than income derived as a director of the entity.

Independent directors have the right to seek independent professional advice in the furtherance of their duties as directors at the company's expense. Written approval must be obtained from the chair prior to incurring any expense on behalf of the company.

The names of the members of the nomination committee and their attendance at meetings of the committee are detailed in the directors' report.

Trading Policy

The company's policy regarding directors and employees trading in its securities is set by the finance committee. The policy restricts directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices.

Audit Committee

The names and qualifications of those appointed to the audit committee and their attendance at meetings of the committee are included in the directors' report.

Remuneration Policies

The remuneration policy, which sets the terms and conditions for the key management personnel, was developed by the remuneration committee and was approved by the board. All executives receive a base salary, superannuation, fringe benefits, performance incentives and retirement benefits. The remuneration committee reviews executive packages annually by reference to company performance, executive performance, comparable information from industry sectors and other listed companies and independent advice. The performance of executives is measured against criteria agreed half yearly which is based on the forecast growth of the company's profits and shareholders value. The policy is designed to attract the highest calibre executives and reward them for performance which results in long-term growth in shareholder value.

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

The amount of remuneration for all key management personnel for the company and the five highest paid executives, including all monetary and non-monetary components, are detailed in the directors report under the heading Key Management Personnel Compensation. All remuneration paid to executives is valued at the cost to the company and expensed. Shares given to executives are valued as the difference between the market price of those shares and the amount paid by the executive. Options are valued using the Black-Scholes methodology.

The board expects that the remuneration structure implemented will result in the company being able to attract and retain the best executives to run the consolidated group. It will also provide executives with the necessary incentives to work to grow long-term shareholder value.

CORPORATE GOVERNANCE

The payment of bonuses, options and other incentive payments are reviewed by the remuneration committee annually as part of the review of executive remuneration and a recommendation is put to the board for approval. All bonuses, options and incentives must be linked to predetermined performance criteria. The board can exercise its discretion in relation to approving incentives, bonuses and options and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria.

Remuneration Committee

The names of the members of the remuneration committee and their attendance at meetings of the committee are detailed in the directors' report.

There are no schemes for retirement benefits other than statutory superannuation for non-executive directors.

Other Information

Further information relating to the company's corporate governance practices and policies has been made publicly available on the company's web site at .www.ironbarkgold.gl