BUREY GOLD LIMITED

ABN 14 113 517 203

BUREY GOLD

FINANCIAL REPORT
2011

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INTRODUCTION

Burey's extensive exploration program for 2010/2011 resumed in Guinea in September 2010.

This program was set against the background of in-country social disturbances associated with the post presidential election period which saw the reins of government pass from that of a Transitional Military Regime to that of Guinea's first ever democratically elected president, Alpha Conde, in December 2010.

Although supply lines into, out of and within Guinea were and have continued to be in disarray as a consequence of the milestone political events and associated security concerns, Burey's technical team persevered in undertaking field programs on Burey's projects.

In the first half of the financial year continuing heavy rain and security concerns associated with political tensions resulted in two periods during which the drilling contractor and Burey chose to halt drilling and relocate staff temporarily.

HIGHLIGHTS

- At Balatindi, the Company completed detailed in-fill radiometric gridding to map the five areas of strongest surface radiometric response (Anomalies A to E), detected by Burey's wider spaced ground surveys which were completed in prior periods.

- Burey executed an agreement with Amco Drilling Guinee Sarl to undertake both RC and diamond drilling services on all Burey's licences. Drilling commenced on the Balatindi Licence in September 2010, where a program of 10 sub-vertical HQ diamond drill holes was completed for a total of 3,468.6 metres of HQ core drilled to confirm the existence of a polyphase hydrothermal gold-copper-uranium anomaly.

- Burey's field crews were off-site from late November and most of December due to constraints of the Presidential run-off election. However, a smaller crew remained on site at all times to continue core logging, core cutting and sample preparation.

- An additional 22 reverse circulation (RC) holes for 1,848 metres were drilled to test the geochemical setting of five areas, designated radiometric Anomalies A to E. These areas were additionally tested, based on the measured RC sample radiometric response, by seven inclined HQ diamond holes completing a further 746 metres of core drilling on the Balatindi Licence.

- The Company received gold assay results for a portion of the Balatindi drill core that included intervals of 109.7m @ 0.87g/t gold from 7m depth and 112.9m @ 0.73g/t gold from surface. Multi-element assays received revealed potential for silver, bismuth, cerium, copper, antinomy, thorium and uranium contributory credits at Balatindi.

- At Dion Koulai, interpretation of the first-pass field program results was completed and this highlighted areas for subsequent drill testing.

- In October and November 2010, the Company completed a placement issue of 60 million shares to raise $6 million. Conversion of options exercisable at 5 cents each (expiring 30 June 2011) during the year, together with an underwriting agreement for the placement of shares equivalent to the option exercise shortfall at 30 June meant that the Company raised a further approximately $6 million in additional capital.

- Burey also secured the right to earn up to an 80% right in the non-government interest of the 354km² Kossanke Licence which is considered prospective for gold mineralisation. Burey commenced field work at Kossanke with the refurbishment of the Farassababen field camp.

- The Company executed an agreement with local company Societe Bossoba sarlu allowing Burey to earn an 80% interest in the Celein Exploration Licence. With mobilisation of field crews to the Kossanke camp, work commenced on a soil sampling program for both Celein and Kossanke licences, which was well under way by the end of the financial year.

- At Mansounia, Burey completed a program of 74 inclined infill, extension and exploratory RC holes on the Mansounia Gold Deposit and on the Magnificent Prospect generating a total of some 8,256 RC and QA/QC samples for assay. The two HQ diamond holes were still being logged at the end of the period and are expected to generate an additional 365 samples for gold and multi-element analysis. All RC assay samples have been delivered to the Intertek Laboratory in Tarkwa, Ghana for BLEG gold assay.

COUNTRY UPDATE

Guinea is an under-developed country possessing major under developed mineral, agricultural and hydrological resources. The country has almost half of the world's high grade bauxite reserves and significant iron ore, gold and diamond reserves.

Mining is encouraged. However, until recently, ongoing political uncertainty and tenure security continued to deter growth in investor confidence.

In the time since a 2008 military coup following the death of long-term President Lansana Conte, international donors, including the G-8, the IMF and the World Bank, have significantly curtailed their development programs in the wait for political reform.

Throughout 2009, policies of the ruling military junta severely weakened the economy. In early 2010, the junta collapsed and was replaced by a military supported Transition Government, which ceded power in December 2010 to the country's first-ever democratically elected president, Alpha Conde.

International assistance and investment are expected to return to Guinea, but the levels will depend upon the ability of the new government to combat corruption and reform its banking system. IMF and World Bank programs will be especially critical as Guinea attempts to gain debt relief.

BUREY'S MINERAL LICENCES

BALATINDI LICENCE (Earning 75%; Government 15% + Vendor 10%)

Background

The focus of Burey's work on the Balatindi Licence was directed to assess the genesis and potential of known mineralisation, principally gold, copper, and uranium. A pattern of diamond drilled core and reverse circulation holes was designed to establish the geological setting, potential controls and geometry of such mineralisation.

Data Acquisition

Early in 2008, Burey obtained the gold-in-soil sampling and assay results from 2001/02 compiled by a previous explorer, Mining Italiana ("MI") from the Guinea Government's "Centre for the Promotion and Development of Mining" (CPDM). Late in 2009, Burey also located and recovered a portion of a comprehensive and detailed digital data-base of exploratory work conducted by MI during 2001-2004.

The MI exploration focused on the strong gold anomaly located by the 2001 soil sampling program and included: pit and trench assay logs; drill logs and assays for two diamond drilling campaigns of 26 holes; a petrological report on selected pieces of drill core sample; a local ground magnetic survey; a local Induced Polarisation (IP) geophysical survey plan and pseudo-sections; a regional Landsat Image study searching for regional showings of hydrothermal alteration; and a synoptic interpretation of the local magnetic resistivity and soil-in-gold response.

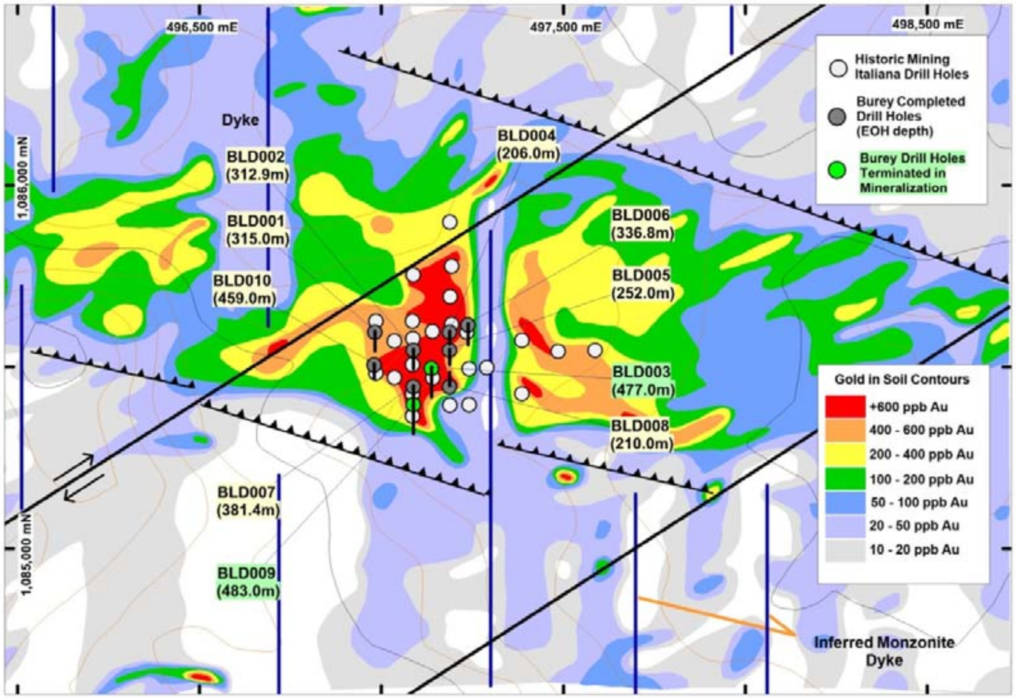
Importantly, the review of this data affirmed Burey's belief in the primary setting of uranium mineralisation, suggesting a setting with a strong IOCGU (iron oxide-copper-gold-uranium) affinity.

Additional contouring of gold-in-soil and Burey's radiometric data suggested a common structural fabric influenced the surface distribution of these metals at Balatindi. The radiometric anomaly appeared more extensive than that of gold, with the latter within and appearing to sit over and abut the radiometric peak. The radiometric response is generally continuous within any given domain, possibly thrust related but, as with gold, appears disrupted by younger N-S aligned monzonite dykes.

The encouraging outlines of elevated radiometric response mapped in structurally controlled settings as detailed by follow-up in-fill ground-borne radiometric and geological mapping, completed late in the previous financial year, generated the additional targets elsewhere (Anomalies A to E) for RC and diamond core drilling investigation.

Field Activities Update

During September 2010, Burey concluded negotiations with drilling contractor Amco Drilling Guinee Sarl. The first of two scheduled phases of drilling, designed to commence Burey's subsurface investigations at Balatindi, commenced with diamond drill hole BLD001 being collared in the last week of the September 2010.



The first program of drilling was designed to assess the economic tenor, attitude and potential tonnage of the large polymetallic gold-copper-uranium anomaly identified by Burey from interrogation of the partially recovered MI's digital database. The program was nominally budgeted to comprise up to 20 sub-vertical HQ diamond drill holes for an aggregate of about 5,000m.

All were HQ core holes, inclined at an angle of 10° off vertical on an azimuth of 180° (true), but for one on 360° (true). Initially programmed to target depths of a nominal 150m to 200m, all holes surpassed these nominal depths as a direct result of the persistence of disseminated zones of magnetite and copper sulphide mineralisation being encountered in all holes.

The holes formed part of a pattern designed to confirm the geometry and tenor of a gold enriched cap to an otherwise polymetallic mineralised setting, which Burey has conjectured to be evident from the recovered portions of the historic MI drill results. Each run of drill core recovered by Burey was oriented according to results generated through Amco's use of a Reflex ActII RD orientation tool.

The first program of diamond drilling on the Balatindi polymetallic prospect of the Balatindi Licence was completed at the end of January 2011. A total of 10 sub-vertical HQ DD holes were completed for a total of 3,468.6 metres. Seven of these drill holes were completed for 2,605.4 metres in Q4, 2010 and a further three holes were completed for 863.2 metres in Q1 of 2011 to finish the program. See Table 1 below.

Burey's Drilling based Preliminary Inferred Geological Setting

The drill target area is an area of active erosion with the surface variously scattered with outcrop and float and sap-rock largely seen to extend less than 4m below surface. The initial impression of the host geological setting is that of a largely coherent potassic red-brown and/or haematized subaqueous rhyodacitic to dacitic lava and/or subvolcanics (hyperbyssals) predominantly medium, but varying to coarser and finer grained. Very occasional, thin (<1m), cross cutting, fine to medium grained amorphous porphyries and/or granophyres, carrying an associated weak radiometric kick, are often evident. Very fine grained mafic, often chloritized, thin wisps of distal facies and mafic greywackes have also been logged.

Preliminary Notes on Alteration

Burey's core logging suggests alteration is variable to intense and polyphase. Pervasive expressions of potassic and silicic alteration are dominant throughout with the hard amorphous nature of the latter rendering drilling and, in particular, core cutting, slow. Zones of strong chloritization (overprint of argillite?) and thinly channeled alteration zones (dewatering conduits?) occasionally with disseminated sulphide (est. generally <1%) are also preliminary interpretations. Interestingly, initial petrology suggests magnetite coexists and encloses much of the copper sulphide (chalcopyrite?) mineralization.

It was conjectured, on the assumption that the MI data was a valid guide, that the more sulphidic zones might be gold enriched. As such zones of sulphidic dissemination continued to be intersected to depth, Burey's drilling was continued until such mineralization and alteration appeared to weaken whereupon holes were terminated.

Two pervasive fabrics were seen to dominate in the core; one is interpreted to be a primary feature (perhaps compressional or flow layering?) the second fabric contains the more siliceous flooding and sulphidic alteration, perhaps tracing the path of a stepped dewatering process. These two fabrics are somewhat orthogonal to each other in the top of the hole with the "primary" fabric appearing fairly flat and the more siliceous association fairly steep. Gradually they appear to converge down hole, the "primary" fabric steepening, with both cut at an acute angle by the drill core deeper down-hole.

Hole No.	Easting	Northing	Decl. off Vert.	Azimuth	Planned Depth (m)	Actual Depth (m)
BLD001	496982	1085600	10°	180°	150	315.8
BLD002	497088	1085550	10°	180°	150	312.9
BLD003	497138	1085500	10°	180°	200	477.8
BLD004	497188	1085600	10°	180°	100	204.8
BLD005	497188	1085550	10°	180°	150	255.9
BLD006	497238	1085620	10°	180°	150	336.8
BLD007	497087	1085449	10°	180°	180	381.4
BLD008	497189	1085451	10°	360°	200	230.8
BLD009	497238	1085420	10°	180°	200	484.0
BLD010	496982	1085505	10°	180°	250	469.0
BLD011 Anom.B	493791	1083305	40°	325°	100	98.2
BLD012 Anom.C	494161	1085074	40°	360°	100	107
BLD013 Anom.D	495380	1084074	40°	320°	100	102.5
BLD014 Anom.E	496801	1084899	40°	315°	100	102.6
BLD015 Anom.E	496770	1084928	40°	315°	100	126.6
BLD016 Anom.E	497262	1084930	40°	315°	100	130.3
BLD017 Anom.A	489181	1087193	40°	315°	100	79.1

Table 1. Balatindi Diamond Drill Hole specifications.

Thereafter, elsewhere on the Balatindi Licence, radiometrically defined mineralisation and associated alteration (uranium and rare earth (RE) mineralisation potential), anomalies A to E were tested by completing 22 inclined RC drill holes for 1,848 metres and used to guide a further seven inclined HQ DD holes, providing a total of 747 metres of core, by 25 March 2011.

Core logging commenced in early October 2010 and has involved the recording of a comprehensive array of parameters. Core cutting had been completed by the close of FY 2010 and good progress had been made with data entry. The freight of samples to the laboratory and laboratory analytical services were significant bottlenecks in the push for processing and subsequent release of analytical data.

In May, Burey Gold announced gold assay results for five of the ten diamond core holes drilled as part of the first program of drilling completed. Gold assays for one further diamond core hole were reported later and the Company also reported multi-element ICP-MS (Inductively Coupled Plasma Mass Spectrometry) assays for three of these holes.

The results included:

- BLD001 intersected 87.25 metres @ 0.53g/t gold from surface
- BLD002 intersected 112.9 metres @ 0.73g/t gold from surface
- BLD003 intersected 152.8 metres @ 0.51g/t gold from surface
- BLDD004 intersected 162.5 metres @ 0.56g/t gold from surface
- BLD005 intersected 109.7 metres @ 0.87g/t gold from 7 metres depth
- BLD006 intersected 44.9 metres @ 0.34 g/t gold from 62.1 metres depth

The results reported by Burey demonstrate comparable intervals of mineralisation to those inferred from assay results reported by MI. These results appear to confirm Burey's interpretation of the Balatindi Prospect mineralisation geometry.

However, the tenor reported by MI was not appreciably replicated by Burey's large (2kgm) BLEG assays and the fire assay results of the BLEG tails have yet to be returned. The analytical procedures followed by MI are not known. Burey has shown mineralisation to persist to significantly greater depths. MI's drilling tested the Balatindi mineralisation to a maximum vertical depth of approximately 140 metres whilst Burey's results demonstrate that anomalous gold values persist in some manner to vertical depths beyond 400 metres.

In addition to the internal quality assurance/quality control (QA/QC) procedural fire assaying of BLEG tails already in place, Burey has requested a broader range of samples be subject to fire assay analysis by the laboratory to test and investigate the potential for occluded gold mineralisation.

Multi-element assays reported for holes BLD001, BLD002 and BLD003 included:

- BLD001 87.25 metres @ 1.98g/t Ag and 0.1% Cu from surface
- BLD002 223 metres @ 1.3g/t Ag and 0.1% Cu from surface
- BLD003 133 metres @ 1.3g/t Ag and 0.1% Cu from surface

Burey believes these results showed potential for additional metal credits, which are as yet to be assessed. Molybdenum (Mo) is recorded with tungsten (W) and tellurium (Te) as a more scattered accessory mineral. Results suggest anomalous levels of Cerium increasing at depth. Elevated levels of cobalt (Co), nickel (Ni) and chromium (Cr) are unusual for an acid volcanic/intrusive complex and appear to increase with higher Cerium values. Barium is seen at elevated levels throughout BLD001, 002 and 003.

Assuming coincident overprint of mineralising events has occurred, and as suggested by core observations and analysis of core recovered at Balatindi, assay results to date suggest potential for silver, bismuth, cerium, copper, antinomy, thorium and uranium contributory credits, at least in part, should the prospect be developed principally for gold.

Mineralisation has yet to be closed off in any direction with mineralised alteration intersected at depth south of what had been inferred to be a bounding E-W striking "footwall fault".

Burey encountered significant delays in the effective shipment of the samples out of Guinea to the laboratory in Ghana. In mid July, 2011, the last of all diamond core samples from Holes BLDD009 to BLDD017 and chip samples from BLRC001 to BLRC022 from Balatindi along with the samples from Mansounia RC drilling (>56 tonne) was delivered to the Intertek laboratory in Ghana.

Balatindi Radiometric Anomalism

The five radiometrically delineated prospect areas located by Burey's prior ground radiometric survey of the Balatindi Licence were also drill-tested using a program total of 22 RC drill holes for 1,848 metres and seven HQ diamond drill follow-up and in-fill holes for 746 metres.

This program generated a further 2,126 RC and approximately 735 DD samples for BLEG and ICP-MS analysis at Intertek Laboratory. All RC samples were prepared and submitted to Intertek Laboratory, Ghana.

Cutting of the seven diamond drill core holes was completed with all samples arriving at the Intertek Laboratory, Tarkwa, Ghana, in July, 2011.

Again, comprehensive logging was completed and included orientation, digital photography, structure, RQD, magnetic susceptibility, lithology, natural gamma emission and summary lithologs prepared for all DD holes. Data-entry is being progressed as quickly as practicable as an ongoing task.

Planned work program

Follow-up work on the polymetallic mineralisation at Balatindi necessarily awaits the return and subsequent detailed consideration of the remaining assay results. With "control" DD holes now in place, an array of geophysical studies can potentially be contemplated as part guide to any program of follow-up drill investigation to assess the development potential of this polyphase mineralised system.

As for the radiometrically defined alteration targets, the core fabric, petrology, intersection widths of uranium and sulphide mineralisation seen in drill core offers sufficient encouragement to suggest follow-up work will take place.

Anomaly	Hole No.	Easting	Northing	Decl. off Vert.	Azimuth	Actual Depth (m)
E	BLRC001	497276	1084918	40°	315°	90
E	BLRC002	497242	1084949	40°	315°	84
E	BLRC003	497209	1084981	40°	315°	78
E	BLRC004	496850	1084845	40°	315°	84
E	BLRC005	496814	1084882	40°	315°	84
E	BLRC006	496783	1084913	40°	315°	90
E	BLRC007	496750	1084947	40°	315°	84
E	BLRC008	496715	1084979	40°	315°	72
D	BLRC009	495382	1084072	40°	320°	84
D	BLRC010	495374	1084086	40°	320°	78
D	BLRC011	494864	1084048	40°	320°	84

Anomaly	Hole No.	Easting	Northing	Decl. off Vert.	Azimuth	Actual Depth (m)
D	BLRC012	494494	1084015	40°	320°	84
D	BLRC013	494478	1084022	40°	320°	84
C	BLRC014	494171	1085088	40°	360°	84
C	BLRC015	494172	1085043	40°	360°	84
C	BLRC016	494177	1085127	40°	360°	84
B	BLRC017	493789	1083307	40°	325°	90
B	BLRC018	493674	1083297	40°	325°	84
B	BLRC019	493705	1083256	40°	325°	90
A	BLRC020	489208	1087168	40°	320°	84
A	BLRC021	489178	1087199	40°	320°	84
A	BLRC022	489158	1087240	40°	320°	84

Table 2. Balatindi Reverse Circulation Drill Hole specifications.

DION-KOULAI (Burey 68%; Government 15%; Vendor 17%)

Background

The Dion-Koulai permit, granted in July 2009, covers a north-south rectangular area of 298km² lying immediately west and to the southwest of the village of Karala and some 125km to 165km southeast of the regional centre of Kankan.

Regional Setting

The Dion-Koulai (D-K) licence lies to the east of the Diani Fault, over the northeast margin of mid-Archaean Liberian (2.9-2.6Ga) terrain. This terrain was under-plated in the Birimian (2.0-2.3Ga) to form a complex of acid sub-volcanics and remobilised intrusives.

Extensive northwest-southeast striking listric thrust faults are interpreted to define the peripheries of the geological domain. It may be speculated that, along such faults, the ascent of basin and/or reactivated pluton-margin-sourced mineralised fluids, could be proposed as a source from which metals could accumulate.

Guinean government records indicate two uranium occurrences, Kabadougou and Sesse, located within the permit area. Both occur on the junction of west-northwest - east-southeast striking regional thrust faults with the margin of a ?Liberian Birimian remobilised granitoid.

Burey considers the remobilised margins to the intrusive bodies and the volcanic setting prospective for gold, copper, uranium, silver, lead, zinc, tin, tungsten, molybdenum, tantalum and REE.

Field Activities Update

Before isolation of the area by the 2010 wet season conditions, Burey managed to complete a systematic first–pass field program, recording ground radiometric data, coincident with soil sampling and geological mapping within the D-K licence area.

A total of 700 line-kilometres of traverse were thereby completed with radiometric data recorded from 7,000 sample locations. Traverse lines were run on a bearing of 045° and spaced 1000 metres apart. Spectrometer readings (SRAT-SPP2) were read at 50m spaced stations along the traverses. Soil samples were collected from areas proximal to, or on traversed lithological boundaries. No artisanal workings are known in the district and none were sighted during the work program. The traverse segments from which soil samples were collected were bagged as composites at every second (100m) station. Samples were to be submitted for gold assay in two batches- according to odd and then even traverse line number designation. Poor results (no Au of significance) returned from the first submission batch did not support submission of the second batch.

The surface radiometric mapping program outlined, what is conjectured to be a domain of structurally controlled radiometric anomalism expressed along an inferred east dipping arcuate segment of a reverse fault. The radiometric anomalism peaks along a low topographic ridge of some 5.5km in strike and 350- 500m in width, which is located within a broader area (25km x 8km) of elevated background radiometrics. Radiometric anomalism along the topographic ridge (spectrometer suggests uranium sourced) of between three and six times background is recorded. The potential for an association with REE will necessarily be tested by low level multi-element ICP –MS analysis of drill samples.

Logistical limitations in Guinea consequent of the political situation constrained Burey's resumption of field activities in the D-K area following the 2010 wet season. However, a series of short 2-3 day excursions into the area were made from Kankan and later Komodougou, including one in company with the drilling contractor's (Amco Drilling Guinee Sarl) staff, to evaluate access to the proposed drill sites which is blocked by the deep expanse of the Dion River.

This exploratory work has determined that logistical support for the Dion-Koulai drilling program will be best served from the west side of the Dion River where topography and drainage are favorably disposed in the land district located to the east of the town of Lenko. Installation of a pontoon ferry crossing is likely to be the most effective option for the movement of earth moving machinery, a drill rig and support equipment. Work is on-going and currently focused on assessing the most suitable crossing location, obtaining permissions and costing access refurbishment of long abandoned tracks in the Lenko district. The purchase, transport and refurbishment of a number of old pontoon ferries are currently under review and a Caterpillar G12 grader has been sourced for road work. A dozer is required to prepare the crossing of major drainage channels, access tracks and drill pads for the drill rig and its support trucks.

The lesser footprint of a D6 on the landscape is considered optimal.

An application to extend the area covered by the Dion-Koulai Licence is currently with the Guinea government.

Planned Work Program

An infill radiometric program to provide better resolution of the peak radiometric anomaly is to be undertaken whilst the access to the west flank of the Dion River is established. RC and Diamond core drilling will follow with Amco Drilling scheduled to carry out this work.

It is hoped that, because of the favourable topographic setting, this work may progress through the 2011 wet season.

SIBIRI MIRA (Burey 68%; Government 15%; Vendor 17%)

Application for this licence is still with the CPDM / Ministry of Geology. Approvals are said to await the decree of a new mining code.

No field work has been undertaken and as such there is no progress to report.

Planned Work Program

Until award of the licence, Burey will concentrate field efforts on its lead projects.

KOSSANKE LICENCE (Burey earning 68%; Government 15%; Vendor 17%)

Background

Burey Gold announced the execution of an agreement with Guinean company, Nonsimba Gold Fields sarl, enabling Burey to secure up to an 80% interest of the non-government interest in the Kossanke Licence ("KL") located in the Prefecture of Mandiana, Haute Guinee, near the Mali border.

The KL covers an area of some 354km² along and immediately west of the Fie River that is a minor tributary of the north-east flowing Niger River and in part, extends to the Mali-Guinea frontier.

The KL contains:

- Numerous extensive primary, laterite and elluvial gold workings;
- A line of gold prospects along 8km of a north-northeast trending strike; and
- A wealth of significant gold-in-soil anomalies, each of which generally covers a significant strike length.
- Additional equally prospective ground, previously not availed for modern testing, is now included within the licence and has yet to be inspected for additional indications of gold mineralisation.

Burey believes the KL ground to be highly prospective for gold mineralisation because of:

- Its very favourable geological setting;
- Its long history of artisanal gold mining activity;
- The encouraging indications from the limited modern era exploration, and
- The inclusion of additional favourably located ground within the licence, which remains untested by modern exploration methods.
- The local district already has a >1 million ounce resource held by Avocet Mining PLC.

Modern exploration carried out along part of the above mentioned 8km of NNE trending workings returned some significant gold intercepts from trenching and reverse circulation drilling along a 2km segment which include: 8 metres @ 2.64g/t gold; 6 metres @ 3.5g/t gold; 3 metres @ 92g/t gold; 24 metres @ 1.73g/t gold; 30 metres @ 1.73g/t gold and 4 metres @ 5.45g/t gold.

Geology and Exploration History

The KL is located within the highly prospective Paleao-Proterozoic Siguri Basin which hosts numerous ancient artisanal gold districts and has in recent years become the favoured setting within which to secure tenure and explore for gold in Guinea. Current explorers of the basin include Newmont, Cassidy Gold, Severstal (formerly Crew Gold), AngloGold Ashanti, SEMAFO, Avocet Mining, Burey and Gold Fields (previously in Guinea and now exploring the very promising Komana property along the border in Mali 30km directly east of the KL).

There are several significant gold mining operations within the Siguri Basin - including the world class 25Moz Siguiri Gold Mine (65km east-northeast of the KL) operated by AngloGold Ashanti, the LEFA Mine of Severstal in the west of the basin and the smaller +1Moz Kiniero operation managed by SEMAFO on the Siguri Basin's southern margin.

Within the KL, the regional geological trend has been interpreted by Burey staff using regional magnetics and limited mapping to have a generally north-south formational strike- developed in broad basin domains of fine grained (distal facies) sediment and tuff separated by long narrow steep sided belts of andesitic to basaltic lavas and volcano-clastics. Regional compression appears to be east-west and the metamorphic grade inferred to be that of lower greenschist facies.

Burey's technical team is encouraged by the favourable structural setting of the KL and rates its prospectivity highly. This rating is supported by the recognition of the strong formational (competence) contrasts evident in the aeromagnetic data and the sinistral offsets to the northeast trending line of mineralisation, caused during relaxation on the regionally significant transfer fault array that traverses the KL. Such major transfer fault systems are considered by Burey to be essential in the development of the world class gold deposits in West Africa.

Field Activities Update

Field work at KL started in earnest in the March 2011 quarter, with the commencement of refurbishment of the previous field camp at Farassabeben, addressing accommodation, messing, water supply and site power. Sufficient attention was given to stocking the camp with the field consumables required to assure exploration activities would be efficiently undertaken in light of the current in-country logistical constraints and the remote nature of the licence area.

A water bore was also drilled and developed having a dual electric pump/and hand pump for supply to the local village. Burey paid the cost of this under the Company's Social Development Program. Two water storage tanks will service the camp.

Burey secured the services of SEMS Exploration Group from Ghana, to carry out the soil sampling program on the Kossanke and Celein licences using the Farassababen Camp on the Kossanke Licence as an operations base.

A comprehensive 1km spaced east-west aligned 50m sample spaced (100m composited) soil sampling program was in progress by SEMS during the final quarter of the period, which it is anticipated, will generate some 7,200 individual and 3,500 composite soil samples from the Kossanke permit area by the end of August, 2011.

Planned work program

Provided the wet season does not impede progress of the current soil sampling program, the raw low-level gold detection assay results should be availed for processing in September 2011 with contouring used to generate a soil plan of the favourable late, gold mapped, bed-rock structural fabric on which to locate, orient and prioritise exploratory drilling. Favourable historic drill results offer encouragement and effectively constitute a pre-emptive calibration tool that may aid prioritisation of drill targets.

Burey is also prepared to undertake a check and validation program of historical data and an extensional and in-fill program of soil sampling and geological mapping after the wet season. RC drilling will then follow to validate past drilling results and test new areas once the soil sample results are availed.

CELEIN LICENCE (Burey earning 68%; Government 15%; Vendor 17%)

Background

Burey executed an agreement with local company, Societe Bossoba sarlu, in 2011 which provides Burey the right to earn an interest of up to 68% in the Celein Exploration Licence, Mandiana Prefecture, Guinea.

The Company believes the ground within the Celein Licence to be highly prospective for gold mineralisation due to its favourable structural and geological setting, reinforced by a district wide history of artisanal gold mining activity; and the interpreted trajectory of control sutures across the Celein Licence from the immediately adjacent Komana property in Mali where Gold Fields has already enjoyed exploration success.

The Celein project area has a history of artisanal elluvial gold mining activity and thereby is considered to warrant investigation using modern geochemical methods. The project area can be explored cost effectively by utilising Burey's established infrastructure and assignment of staff engaged to undertake exploration programs at Burey's nearby Kossanke Property. The Celein and Kossanke properties are considered to share a similarly prospective geological setting.

Prospectivity for Gold Mineralisation

The Celein Licence covers an area of 228km² and abuts the Mali border along a portion of the Sankorani River. The project area is located within the highly prospective Paleao-Proterozoic Siguri Basin, the host of numerous ancient artisanal gold districts which, in recent years, has become the favoured setting within which to secure tenure and explore for gold in Guinea.

Agreement Terms

Burey has the right to earn an initial 60% interest in the Celein Licence by sole funding exploration expenditure and thereafter, by continuing to sole fund exploration to conclusion of a positive feasibility study, Burey's interest will increase to 80%. Burey has the right to acquire 15% from the licence holder's 20%. Burey's percentage interests are before taking into account the Guinea Government's statutory 15% interest at the mining stage.

Location, Description and Access

The Celein Licence is in the Prefecture of Mandiana, Haute Guinea, on and, for part, close to the Mali border. Covering an area of some 228km² the CL is positioned abutting and immediately west of the Sankarani River (a major tributary of the northeast flowing Niger River) that forms the Mali-Guinea frontier.

Access to the licence area can only be gained from the south through a series of local gravel roads, after travelling from Kankan to Mandiana (155km) and from there, passing north for some 25km to Morodou and then-on a further 48km to Koundianakoro. Access to the district can be problematic during the wet months.

Regional Geological Setting

The licence area lies central to the eastern sector of the extensive (~ 250+km diameter) prospective Paleao-Proterozoic Siguri Basin. The Siguri Basin hosts numerous ancient artisanal gold districts and has, in recent years, become the favoured setting within which to secure tenure and explore for gold in Guinea.

The geology of the east Siguri Basin is poorly documented. The regional geological trend in the licence area is interpreted to be generally north-south and developed largely of broad domains of fine grained volcanic sediments and tuffs separated by elongate narrow steep sided belts of (tholeitic?) andesitic to basaltic lavas and volcano-clastics. Regional compression appears to be east-west and the metamorphic grade inferred to be that of lower greenschist facies.

Field Activities Update

Preparatory work on the Celein Licence was a shared cost with the Kossanke Licence where refurbishment of the Farassabeben camp (refer above) commenced in March 2011.

SEMS Exploration from Ghana was engaged to carry out a soil sampling program coincident with and using the same parameter specifications as outlined for the Kossanke Licence (see above).

It is anticipated that some 1,100 composite soil samples will be collected for low detection level gold assay from the Celein licence area.

Planned Work Program

Field mapping to assess the extent of artisanal mining activity will be incorporated within a program of validation and infill soil sampling and geological mapping.

Provided the wet season does not impede the progress of the current soil sampling program, the raw low detection level gold assay results should be availed for processing in the last quarter of calendar 2011, contouring of which will be used to generate a soil plan of the favourable late, gold mapped, bed-rock structural fabric on which to locate, orient and prioritise (with the district historic drill results potentially serving as a pre-emptive calibration tool) exploratory drilling.

MANSOUNIA PROJECT (Burey earning 70%; Guinea Government 15%; Vendors 15%)

Field Activities Update

Burey's plan to resume the extension and infill drill program at Mansounia continued to be thwarted pending the essential need to secure both a capable earth moving contractor and a drill rig. With no RC drill rig available in country but for the Amco rig, which Burey had committed to complete the Balatindi program, drilling activity could not be resumed at Mansounia until early April, 2011.

Targets

1. The proposed exploratory RC drill fences traverse the SW extensions to the known mineralisation of the Mansounia Gold Deposit along a sub-cropping southwest trending mafic dyke. Burey's drill core suggests primary mineralisation was remobilised on emplacement of the late mafic dyke. The area has not been previously been drill tested. Shallow elevated grades are known from the northern part and elluvial workings are gathered below those slopes.

2. The area not previously drilled, between Intermediate Creek and the two fences of very weak gold mineralisation located by Gold Fields drill holes (on a weak southern extension of the Mansounia soil anomaly) well to the northeast of Sinkalimba Creek, was also to be tested by a number of wide spaced infill drill fences hoping for more of the Intermediate Creek style and grade mineralisation.

3. Toward the southwest corner of the Mansounia licence a number of holes were planned to test the steep location about "The Magnificent" sulphidic volcanic breccia outcrop. The associated alteration, heralded by the proximal aeromagnetic bulls-eye target and the encroaching artisanal gold winning activity adds healthy anticipation to the outcome of these holes. "The Magnificent" volcanic breccias prospect has of late attracted considerable artisanal interest.

Work completed

Burey had previously completed all necessary preparatory site work at Mansounia several times as a consequence of the intervening wet weather cycles having rendered some access and drill pads inaccessible. Again in 2011 it was necessary to redress the preparation of drill site access and drill pads. Eventually, in March and June two contractors were engaged to ensure the planned progression of the Mansounia drill program could be completed.

The planned Mansounia Project RC drill program was varied to include both Diamond and RC drilling at "The Magnificent" prospect.

In all, a program of 74 inclined RC and two inclined HQ DD drill holes was completed on the Mansounia Project by end of June 2011. This comprised 60 infill, extension and exploratory RC holes for an aggregate length of 5,884 metres drilled on the Mansounia Gold Deposit. On the Magnificent Prospect, 14 exploratory RC holes, and two HQ DD holes for aggregates of 1,446 metres and 325 metres respectively were drilled. A total of some 8,256 RC and QA/QC samples were generated for assay. The two HQ diamond holes were still being logged at the end of the period and are expected to generate some 365 additional samples for BLEG gold and multi-element analysis. All RC assay samples had been delivered to the Intertek Laboratory by mid July 2011.

Planned work program

Drilling results from these three areas will be interrogated for their potential to add resource ounces and may call for further drilling, particularly in the area about the green-fields Magnificent Prospect.

On the return of all outstanding assay results the new drill data will be assimilated into the Mansounia database and resource calculations will be re-run utilising the updated geological information, resource data, a range of operating costs and gold prices. The expectation is a dedicated feasibility study will follow.

The information in this report that relates to exploration results and Mineral Resources is based on information compiled by Mr Bruce Stainforth who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Stainforth, a Director and full-time employee of the Company, has sufficient relevant experience in respect of the style of mineralization, the type of deposit under consideration and the activity being undertaken to qualify as a Competent Person within the definition of the 2004 Edition of the AusIMM's "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Stainforth consents to the inclusion in this report of the matters that are based on his information in the form and context in which it appears.

Your Directors present their report together with the financial statements of Burey Gold Limited and its controlled entities ("the consolidated entity" or "Group"), for the financial year ended to 30 June 2011 and the auditor's report thereon.

DIRECTORS

The names and details of the Directors in office during or since the end of the financial year are as follows. Directors were in office for the entire year unless otherwise stated.

Ron Norbert Gajewski
BBus., CPA
Non-Executive Chairman
(Director since 23 March 2005)

Mr Gajewski is an accountant by profession, with many years of experience as a director of public listed companies and as a corporate advisor to public companies. He has held directorships with mining companies listed in both Canada and Australia. During the past three years he has also served as a director of the following listed companies:

Carnavale Resources Ltd (appointed 18 October 2006)
Erongo Energy Ltd (appointed 9 July 2007)

Bruce Stainforth
BSc., F.AUSIMM
Chief Executive Officer /
Managing Director
(Director since 6 July 2006)

Bruce Stainforth has more than 37 years' experience in the exploration and mining sectors in Australia, the Asia-Pacific and West Africa. During this time, Mr Stainforth has worked in a variety of technical and managerial roles, including as Exploration Manager and chief geologist (mine and exploration). He has more than 17 years' experience in West Africa and worked previously in Guinea for Gold Fields. Mr Stainforth has not served as a director of any other listed entity in the past three years.

Nigel Munro Ferguson
BSc AusIMM
Part-time Executive Director
(Director since 23 March 2005)

Nigel Ferguson is a geologist with more than 25 years' experience in the exploration and definition of precious and base metal mineral resources. He has worked in a number of diverse locations, including Saudi Arabia, South East Asia, Central and South America and Africa. During the past three years he has also served as a director of the following listed companies:

African Metals Corp (TSXV) (appointed 29 October 2007 - current)
RMA Energy (appointed 3 March 2011 - current)
Ethan Minerals Ltd (25 October 2007 to 30 July 2010)
Condor Resources plc (24 May 2006 to 3 September 2008)

Susmit Mohanlal Shah
BSc Econ, CA
Non-Executive Director /
Company Secretary
(Director since 16 June 2005)

Susmit Shah is a Chartered Accountant with more than 25 years' experience. Over the past 15 years, Mr Shah has been involved with a diverse range of Australian public listed companies in company secretarial and financial roles. His experience includes negotiation and conduct of mining joint ventures, public flotations and mergers and acquisitions. Mr Shah has not served as a director of any other listed entity in the past three years.

Kevin Peter Thomson
BSc, P Geo
Non-Executive Director
(Director since 23 February 2011)

Kevin Thomson is a geologist with 25 years' experience of which 11 years have been in West Africa gaining exposure to a number of countries in the sub-region, including Guinea. Mr Thomson is currently the Exploration Manager for Burey's largest shareholder, Perseus Mining Limited. He currently manages a workforce of more than 200 exploration staff, having been instrumental in Perseus Mining Limited's exploration success on its gold projects in Ghana and Côte d'Ivoire. Mr Thomson has not served as a director of any other listed entity in the past three years.

CORPORATE INFORMATION

Corporate Structure

Burey Gold Ltd is a limited liability company that is incorporated and domiciled in Australia. During the financial year, it had three wholly owned subsidiaries:

- Burey Gold Guinee sarl
- Burey Gold (Ghana) Limited
- Burey Resources Pty Ltd

PRINCIPAL ACTIVITIES

The principal activity of the consolidated entity during the course of the year was acquiring and exploring mineral interests, prospective for precious metals and energy.

RESULTS AND DIVIDENDS

The consolidated loss after tax for the year ended 30 June 2011 was $994,650 (30 June 2010: $495,910). No dividends were paid during the year and the Directors do not recommend payment of a dividend.

EARNINGS PER SHARE

Basic loss per share for the year was 0.4 cents (30 June 2010: 0.4 cents)

REVIEW OF OPERATIONS

A review of operations, including information on operations, financial position, strategies and projects of the consolidated entity during the year ended 30 June 2011 is provided in the "Review of Operations" section immediately preceding this Directors' Report.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The following significant change in the state of affairs of the consolidated entity occurred during the financial period.

- Burey Gold Limited completed a capital raising of $6,000,000 through the issue of 60,000,000 new shares at $0.10 each. The first tranche, 25,000,000 shares were issued in October 2010 and the second tranche 35,000,000 shares were issued in November 2010, subsequent to receipt of shareholder approval. The funds raised were used to undertake exploration programs including drilling (resource, extensional and exploration) across all the properties in Guinea and a survey and mapping programme at the Kossanke property.

- During the course of the financial year and finally pursuant to an underwriting arrangement in respect of the remaining unexercised listed options expiring on 30 June 2011, the Company issued a total of 119,200,000 shares on conversion of listed and unlisted options exercisable at 5 cents each and expiring 30 June 2011. As a consequence, cash and receivables increased by $5.96 million with a corresponding increase in contributed equity.

EVENTS SUBSEQUENT TO REPORTING DATE

Since the end of the financial year and to the date of this report no matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company's objective is to maximise shareholder value through the discovery and delineation of significant mineral deposits in West Africa having initially focussed on the Mansounia Project in Guinea. The Directors will also continue to assess additional opportunities within the mineral and energy sectors in West Africa and Australia.

The Directors are unable to comment on the likely results from the Company's planned exploration activities due to the speculative nature of such activities.

DIRECTORS' MEETINGS

The number of meetings of the Company's Directors and the number of meetings attended by each Director during the year ended 30 June 2011 are:

	Directors' meetings held during period of office	Directors' meetings attended
R N Gajewski	5	5
B Stainforth	5	5
N M Ferguson	5	4
S M Shah	5	5
K P Thomson (appointed 23/02/2011)	3	3

There were five directors' meetings held during the year. However, matters of board business have been resolved by circular resolutions of Directors, which are a record of decisions made at a number of informal meetings of the Directors held to control, implement and monitor the Group's activities throughout the period.

At present, the Company does not have any formally constituted committees of the Board. The Directors consider that the Group is not of a size nor are its affairs of such complexity as to justify the formation of special committees.

DIRECTORS' INTERESTS

The interests of each Director in the shares and options of Burey Gold Ltd at the date of this report are as follows:

	Fully Paid Ordinary Shares	Options Over Ordinary Shares
R N Gajewski	13,400,001	500,000
B Stainforth	1,000,000	5,000,000
N M Ferguson	100,001	1,250,000
S M Shah	2,100,000	500,000
K P Thomson (appointed 23/02/2011)	-	-

SHARE OPTIONS

As at the date of this report, there were 48,230,000 options on issue.

	Number	Exercise Price	Expiry Date
Unlisted Options	34,800,000	8 cents	31 December 2012
Director Unlisted Options	6,500,000	5 cents	31 December 2012
Employee Unlisted Options	710,000	5 cents	31 December 2012
Unlisted Options	2,500,000	15 cents	31 March 2013
Unlisted Options	2,500,000	20 cents	31 March 2014
Director Unlisted Options	750,000	20 cents	31 March 2013
Employee Unlisted Options	470,000	35 cents	16 October 2013

During or since the end of the financial year end 84,400,000 BYRO options and 34,800,000 unlisted options expiring 30 June 2011 were exercised, as well as 50,000 employee options.

Options issued during the year are as follows:

- 5,000,000 options were issued as partial fee for corporate advisory services on the following terms, 2,500,000 options exercisable at 15 cents each on or before 31 March 2013 and 2,500,000 options exercisable at 20 cents each between 1 January 2012 and 31 March 2014.
- 750,000 options were issued to a director following shareholder approval received at the annual general meeting held on 25 November 2010. These options are exercisable at 20 cents each between 29 November 2011 and 31 March 2013.
- 470,000 options were issued to employees and consultants on 17 November 2010. These options are exercisable at 35 cents each between 17 November 2011 and 16 October 2013.
- 34,800,000 "piggyback" options (exercisable at 8 cents each on or before 31 December 2012) were issued to Perseus Mining Limited, for nil consideration, in accordance with the terms of the options previously held by Perseus and exercised on 30 June 2011.

REMUNERATION REPORT (audited)

This report outlays the remuneration arrangements in place for the Directors of Burey Gold Limited. The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001.*

The consolidated entity does not have any executive officers, other than executives who are also directors, as defined under Section 300A of the Corporations Act 2001.

Remuneration philosophy

The Board reviews the remuneration packages applicable to the executive Director and non-executive Directors on an annual basis. The broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and level of performance and that remuneration is competitive in attracting, retaining and motivating people of the highest quality. Independent advice on the appropriateness of remuneration packages is obtained, where necessary.

Remuneration is not linked to past company performance but rather towards generating future shareholder wealth through share price performance.

REMUNERATION REPORT (audited) (continued)

Remuneration committee

The Company does not have a formally constituted remuneration committee of the Board. The Directors consider that the Group is not of a size nor are its affairs of such complexity as to justify the formation of a Remuneration committee.

The Board assesses the appropriateness of the nature and amount of remuneration of Directors and senior managers on a periodical basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and management team.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive Directors and executive Director remuneration is separate and distinct.

Non-executive Directors remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive Directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The present limit of approved aggregate remuneration is $200,000 per year.

The Board reviews the remuneration packages applicable to the non-executive Directors on an annual basis. The Board considers fees paid to non-executive directors of comparable companies when undertaking the annual review process.

It has been agreed that non-executive directors, excluding the non-executive Chairman shall receive a fee of $20,000 each per annum from 1 July 2006. The non-executive Chairman shall receive a fee of $36,000 per annum. Non-executive Directors may also be remunerated for additional specialised services performed at the request of the Board. The remuneration of the non-executive Directors for the year ending 30 June 2011 is detailed in Table 1 of this report.

Executive Directors remuneration

Objective

The Company aims to reward the Executive Directors with a level of remuneration commensurate with their position and responsibilities within the Company and so as to:

- align the interests of the Executive Directors with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

REMUNERATION REPORT (audited) (continued)

Executive Directors remuneration (continued)

Structure

Remuneration consists of the following key elements:

- Fixed remuneration
- Variable remuneration

Fixed remuneration

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Fixed remuneration is reviewed annually by the Board and the process consists of a review of companywide, business unit and individual performance, relevant comparative remuneration in the market and internal and, where appropriate, external advice on policies and practice.

The fixed component of the Executive Director remuneration for the year ending 30 June 2011 is detailed in Table 1 of this report.

Variable remuneration – Long Term Incentive ('LTI')

Objective

The objective of the LTI plan is to reward executives and senior managers in a manner which aligns this element of remuneration with the creation of shareholder wealth.

As such LTI grants are only made to executives who are able to influence the generation of shareholder wealth and thus have a direct impact on the Group's performance.

Structure

LTI grants to executives are delivered in the form of options. The issue of options as part of the remuneration packages of executive and non-executive directors is an established practice of junior public listed companies and, in the case of the Company, has the benefit of conserving cash whilst properly rewarding each of the directors.

During the financial year, 750,000 options were granted to Mr N Ferguson, who has been acting as a part time executive since April 2010, as an incentive for future services and as a reward for past services following shareholder approval obtained at the 2010 annual general meeting.

Remuneration is not linked to past group performance but rather towards generating future shareholder wealth through share price performance. Burey Gold Ltd listed on 14 December 2006 at 20c per share and the share price at 30 June 2011 was 6c (2010: 5c). The shares recorded high and low points of 50c and 4c during the year, and closed trading at 6c on 29 September 2011. The Company has recorded a loss each financial year to date as it carries out exploration activities on its tenements. No dividends have been paid.

REMUNERATION REPORT (continued)

Directors' remuneration (continued)

Service agreements

Mr Stainforth entered into an agreement with the Company to be employed as the Managing Director of the Company. With effect from 1 December 2006, his annual remuneration was US$150,000 with a two-year term and six months' notice of termination. Mr Stainforth's annual remuneration increased to US$200,000 from 1 April 2008. Mr Stainforth is expected to spend a majority of his time in West Africa and other components of his remuneration package include reasonable accommodation costs outside Australia, the equivalent of two business-class return airfares per annum to Australia, and medical evacuation and insurance cover.

Table 1: Director Remuneration for the year ended 30 June 2011

Director		Cash Salary/Fees $	Short term Additional Consulting Fees $	Non-Cash Benefits $	Post Employment Superannuation $	Equity Value of Options $	Total $
R N Gajewski	2011	36,000	7,000	-	-	-	43,000
	2010	36,000	3,000	-	-	10,408	49,408
B Stainforth	2011	202,143	-	17,182	-	-	219,325
	2010	226,709	-	26,160	-	104,082	356,951
N M Ferguson	2011	60,000	7,500	-	-	153,750	221,250
	2010	30,000	-	-	-	10,408	40,408
S M Shah	2011	20,000	-	-	1,800	-	21,800
	2010	20,000	-	-	1,800	10,408	32,208
K P Thomson	2011	-	-	-	-	-	-
appointed 23 February 2011	2010	-	-	-	-	-	-
Total	2011	318,143	14,500	17,182	1,800	153,750	505,375
	2010	312,709	3,000	26,160	1,800	135,306	478,975

There were no key management personnel during the year other than the Directors. Payments in relation to Mr Gajewski's and Mr Ferguson's services were made to Vienna Holdings Pty Ltd and Ridgeback Holdings Pty Ltd respectively, being companies controlled by these directors. No long-term or termination benefits arose in either year.

Consulting fees over and above their directors' fees were paid to Directors for additional services provided to the Company.

Options granted to directors' and officers and analysis of share-based payments granted as remuneration

During or since the end of the financial year, the Company granted options for no consideration over unissued ordinary shares in the Company to a Director of the Company as part of his remuneration:

REMUNERATION REPORT (continued)

Directors' remuneration (continued)

Table 2: Options granted as part of remuneration during the financial year (in accordance with the LTI plan)

Directors	Grant Date	Vesting Date	Grant Number	Expiry Date	Value per option at grant date (A) (cents)	Remuneration represented by options for the year	% Vested
N M Ferguson (i)	29/11/2010	29/11/2011	750,000	31/03/2013	20.5	69%	nil

(A) The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. The options were valued at 20.5 cents being the value of the options at the date of grant using a Black-Scholes model. Other factors and assumptions taken into account in determining the fair value of the options allocated to this reporting period include, price of shares on grant date 28 cents, an exercise price of 20 cents, volatility 125% and risk free interest rate 5.11%. None of these options have been exercised into shares during the year. 6,500,000 options were issued to directors during the year ended 30 June 2010. No other elements of remuneration were at risk.

(i) All the options are exercisable on or before 31 March 2013. These options were issued on 29 November 2010, following shareholder approval at the annual general meeting held on 25 November 2010. No directors' options were exercised during the year ended 30 June 2011 or up to the date of this financial report.

For details on the valuation of options, including models and assumptions used, refer to Note 14.

End of Remuneration Report

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

The Company's Constitution requires it to indemnify directors and officers of any entity within the consolidated entity against liabilities incurred to third parties and against costs and expenses incurred in defending civil or criminal proceedings, except in certain circumstances. An indemnity is also provided to the Company's auditors under the terms of their engagement. Directors and officers of the consolidated entity have been insured against all liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law. The insurance premium, amounting to $8,981 relates to:

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

ENVIRONMENTAL REGULATIONS

The consolidated entity's exploration activities in Guinea and Australia during the year were subject to environmental laws, regulations and permit conditions in these jurisdictions. There have been no known breaches of environmental laws or permit conditions while conducting operations in Guinea and Australia during the year.

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. For the measurement period 1 July 2010 to 30 June 2011 the directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

NON AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or consolidated entity is important. During the year ended 30 June 2011 the external auditors did not provide any non-audit services. Refer to Note 4 in the financial statements for further details.

AUDITORS' INDEPENDENCE DECLARATION

The auditor, BDO Audit (WA) Pty Ltd, has provided the Board of Directors with an independence declaration in accordance with section 307C of the Corporations Act 2001.

The independence declaration is located on the next page.

Signed in accordance with a resolution of Directors.

R N Gajewski
Chairman
Perth, 30 September 2011

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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

30 September 2011

Burey Gold Ltd
The Board of Directors
30 Ledgar Road
BALCATTA WA 6021

Dear Sirs,

DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE DIRECTORS OF BUREY GOLD LIMITED

As lead auditor of Burey Gold Limited for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Burey Gold Limited and the entities it controlled during the period.

C Burton

Chris Burton
Director

BDO

BDO Audit (WA) Pty Ltd
Perth, Western Australia

	Notes	2011 $	2010 $
Revenue from continuing operations	2	**220,160**	39,371
Consultants and corporate costs		**(379,481)**	(264,386)
Salaries and wages		**(89,300)**	(52,175)
Share based payments expense	3, 14	**(443,150)**	(157,067)
Depreciation expense	3	**(4,845)**	(5,878)
Impairment of exploration expenditure	3	**(17,663)**	(16,086)
Occupancy expenses		**(52,837)**	(46,366)
Travel expenses	3	**(37,890)**	(29,156)
Foreign exchange (loss) / gain	3	**(189,644)**	35,833
Loss before related income tax		**(994,650)**	(495,910)
Income tax (expense)/benefit	5	**-**	-
Loss for the year		**(994,650)**	(495,910)
Other comprehensive (loss)			
Exchange differences on translation of foreign operations		**(1,136,116)**	(268,298)
Total comprehensive loss attributable to members of Burey Gold Ltd		**(2,130,766)**	(764,208)
Basic and diluted (loss) per share	6	**(0.4) cents**	(0.4) cents

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

	Notes	2011 $	2010 $
Current Assets			
Cash and cash equivalents	8	**9,146,424**	2,372,547
Other receivables	9	**1,062,986**	67,280
Total Current Assets		**10,209,410**	2,439,827
Non-Current Assets			
Other receivables	9	**10,000**	11,236
Property, plant & equipment	10	**79,370**	94,833
Exploration and evaluation expenditure	11	**7,393,114**	4,816,122
Total Non-Current Assets		**7,482,484**	4,922,191
Total Assets		**17,691,894**	7,362,018
Current Liabilities			
Trade and other payables	12	**527,252**	157,110
Total Liabilities		**527,252**	157,110
Net Assets		**17,164,642**	7,204,908
Equity			
Contributed equity	13	**23,149,870**	11,502,520
Reserves	15	**274,134**	967,100
Accumulated losses		**(6,259,362)**	(5,264,712)
Total Equity		**17,164,642**	7,204,908

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

	Contributed Equity	Accumulated Losses	Option Premium Reserve	Foreign Currency Translation Reserve	Total Equity
	$	$	$	$	$
Balance at 1 July 2009	8,115,693	(4,768,802)	1,017,465	60,866	4,425,222
Total comprehensive loss for the year	-	(495,910)	-	(268,298)	(764,208)
Transactions with equity holders in their capacity as equity holders					
Shares issued during the year	3,547,000	-	-	-	3,547,000
Share issue costs	(160,173)	-	-	-	(160,173)
Share based payments expense	-	-	157,067	-	157,067
	3,386,827	-	157,067	-	3,543,894
Balance at 30 June 2010	**11,502,520**	**(5,264,712)**	**1,174,532**	**(207,432)**	**7,204,908**
Balance at 1 July 2010	11,502,520	(5,264,712)	1,174,532	(207,432)	7,204,908
Total comprehensive loss for the year	-	(994,650)	-	(1,136,116)	(2,130,766)
Transactions with equity holders in their capacity as equity holders					
Shares issued during the year	10,169,298	-	-	-	10,169,298
Unallotted share capital	1,793,202	-	-	-	1,793,202
Share issue costs	(315,150)	-	-	-	(315,150)
Share based payments expense	-	-	443,150	-	443,150
	11,647,350	-	443,150	-	12,090,500
Balance at 30 June 2011	**23,149,870**	**(6,259,362)**	**1,617,682**	**(1,343,548)**	**17,164,642**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

	Notes	2011 $	2010 $
Cash Flows from Operating Activities			
Payments to suppliers and employees		**(532,370)**	(415,097)
Interest received		**197,801**	29,599
Net Cash outflows from Operating Activities	20	**(334,569)**	(385,498)
Cash Flows from Investing Activities			
Payments for plant and equipment		**(36,032)**	(4,695)
Refund / (payment) from / to bank guarantee security deposit		**1,236**	(635)
Payments for mineral projects acquisition costs		**(181,928)**	(50,012)
Payments for exploration and development expenditure		**(3,181,194)**	(859,538)
Loans to other entities		**-**	(64,736)
Loan repaid by other entities		**-**	64,736
Reimbursement of exploration expenditure		**-**	10,000
Net Cash outflows from Investing Activities		**(3,397,918)**	(904,880)
Cash Flows from Financing Activities			
Proceeds from share and option issues		**10,961,159**	3,547,000
Share issue expenses		**(265,150)**	(160,173)
Net Cash inflows from Financing Activities		**10,696,009**	3,386,827
Net increase in Cash and Cash Equivalents		**6,963,522**	2,096,449
Cash and cash equivalents at the beginning of the year		**2,372,547**	240,265
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies		**(189,645)**	35,833
Cash and Cash Equivalents at End of Year	8	**9,146,424**	2,372,547

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*.

The financial statements have also been prepared on a historical cost basis. Cost is based on the fair values of the consideration given in exchange for assets.

The financial report is presented in Australian dollars.

Adoption of New and Revised Standards

In the year ended 30 June 2011, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

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

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2011. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

Statement of Compliance

These financial statements were authorised for issue on 30 September 2011.

The consolidated financial statements comprising the financial statements and notes thereto, comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis of Consolidation

The consolidated financial statements comprise the financial statements of Burey Gold Limited (the "Company") and subsidiaries. Burey Gold Limited is a public company, incorporated and domiciled in Australia.

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

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity and cease to be consolidated from the date on which control is transferred out of the consolidated entity.

Parent Entity Financial Information

The financial information for the parent entity, Burey Gold Ltd, disclosed in note 23 has been prepared on the same basis as the consolidated financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the consolidated entity and the revenue is capable of being reliably measured.

Interest income is recognised in the statement of comprehensive income as it accrues, using the effective interest method.

All revenue is stated net of the amount of goods and services tax (GST).

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments readily convertible to cash.

Receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance account (provision for impairment) is used when collection of the full amount is no longer probable. Bad debts are written off when identified.

Foreign currency transactions and balances

The functional and presentation currency of Burey Gold Limited is Australian dollars.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period.

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in profit or loss, except when they are deferred in other comprehensive income as qualifying cash flow hedges or where they relate to differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value was determined.

The functional currencies of the overseas subsidiaries are as follows:

Ghanaian subsidiary	Ghanaian New Cedis (GHS)
Guinean subsidiary	United States Dollars (USD)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Foreign currency transactions and balances (continued)

At the end of the reporting period, the assets and liabilities of these overseas subsidiaries are translated into the presentation currency of Burey Gold Limited at the closing rate at the end of the reporting period and income and expenses are translated at the weighted average exchange rates for the year. All resulting exchange difference is recognised in other comprehensive income as a separate component of equity (foreign currency translation reserve). On disposal of a foreign entity, the cumulative exchange differences recognised in foreign currency translation reserves relating to that particular foreign operation is recognised in profit or loss.

Taxes

Income tax

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

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax 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 statement of comprehensive income 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 Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law. The carrying amount of deferred tax assets is reviewed at each reporting date and only recognised to the extent that sufficient future assessable income is expected to be obtained.

At the reporting date, the Directors have not made a decision to elect to be taxed as a single entity. In accordance with Australian Accounting Interpretations, "Substantive Enactment of Major Tax Bills in Australia", the financial effect of the legislation has therefore not been brought to account in the financial statements for the year ended 30 June 2011, except to the extent that the adoption of the tax consolidation would impair the carrying value of any deferred tax assets.

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

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Investments and other financial assets

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

Loans and receivables

During the year, the consolidated entity has held loans and receivables.

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

Property, Plant and Equipment

Items of plant and equipment are carried at cost less accumulated depreciation and impairment losses (see accounting policy "impairment testing").

Plant and equipment

Plant and equipment acquired is initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

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 consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

All assets have limited useful lives and are depreciated using the straight line method over their estimated useful lives commencing from the time the asset is held ready for use.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only. The estimated useful lives used in the calculation of depreciation for plant and equipment for the current and corresponding period are between three and ten years.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Mineral interest acquisition, exploration and development expenditure

Mineral interest acquisition, exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the Group's rights of tenure to that area of interest are current and either the costs are expected to be recouped through the successful development and commercial exploitation of the area of interest or where exploration activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations, in, or in relation to, the area of interest are continuing.

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.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment accounting policy).

Impairment testing

The carrying amount of the consolidated entity's assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. Where such an indication exists, a formal assessment of recoverable amount is then made and where this is in excess of carrying amount, the asset is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset or cash generating unit. In estimating value in use, a pre-tax discount rate is used which reflects current market assessments of the time value of money and the risks specific to the asset. Any resulting impairment loss is recognised immediately in the statement of comprehensive income.

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Joint Ventures

Joint venture interests are incorporated in the financial statements by including the Group's proportion of joint venture assets and liabilities under the appropriate headings.

Where part of a joint venture is farmed out and in consideration the farminee undertakes to carry out further expenditure in the joint venture area of interest, expenditure incurred prior to farmout is carried forward without adjustment unless the terms of the farmout indicate that the expenditure carried forward is excessive based on the diluted interest retained. Provision is then made to reduce expenditure carried forward to a recoverable amount.

Any cash received in consideration for farming out part of a joint venture interest is treated as a reduction in the carrying value of the related mineral property.

Payables

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Employee Benefits

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

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

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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.

Earnings per Share

Basic earnings per share is determined by dividing the net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends), by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is determined by dividing the net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and any expenses associated with dividends and interest of dilutive potential ordinary shares, by the weighted average number of ordinary shares (both issued and potentially dilutive) adjusted for any bonus element.

Share based payments

The Group provides compensation benefits to employees (including directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by a Black Scholes model.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Share based payments (continued)

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief decision maker has been identified as the Board of Directors.

Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The area that may have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period is:

Exploration and evaluation expenditure

The Board of Directors determines when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. The Directors' decision is made after considering the likelihood of finding commercially viable reserves.

The exploration licences that comprise the Balatindi and Mansounia Project areas are in the process of being renewed by the Guinea Ministry of Mines and Geology. Conditions for licence renewal as set out in the Guinea Mining Code have been satisfied and the renewal applications were submitted in accordance with regulatory requirements. In the Directors' judgement, the licences will be renewed thus confirming the rights to tenure.

	Notes	Consolidated 2011 $	2010 $
2. REVENUE			
Other revenue			
Interest - other parties		**220,160**	29,371
Reimbursement of exploration expenditure		**-**	10,000

3. EXPENSES

Loss includes the following specific expenses:

Depreciation expense		**4,845**	5,878
Exploration expenditure written off		**17,663**	16,086
Foreign exchange loss / (gain)		**189,644**	(35,833)
Share based payments expense		**443,150**	157,067
Superannuation		**1,800**	1,800
Travel and accommodation		**37,890**	29,156

4. AUDITOR'S REMUNERATION

Audit services:

- Amounts paid or payable to auditors of the Company – BDO Audit (WA) Pty Ltd		**29,783**	28,089
- Amounts paid for other services or to related practices of the auditor.		**-**	-
- Amounts paid to non BDO Audit (WA) Pty Ltd audit firms for audit or review of the financial report of subsidiaries		**5,527**	6,801

5. INCOME TAX EXPENSE

(a) The prima facie tax benefit at 30% on loss for the year is reconciled to the income tax provided in the financial statements as follows:

	Consolidated 2011 $	2010 $
Loss	**994,650**	495,910
Prima facie income tax benefit @ 30%	**298,395**	148,773
Tax effect of permanent differences:		
Capital raising costs	**87,370**	49,359
Entertainment	**(62)**	(30)
Exploration expenses	**1,069,732**	244,904
Employee option expense / share based payments	**(132,945)**	(47,120)
Legal fees	**(1,270)**	(1,847)
	1,321,220	394,039
Income tax benefit not brought to account	**(1,321,220)**	(394,039)
Income tax expense	**-**	-

(b) **The following deferred tax balances have not been recognised:**

	Consolidated 2011 $	2010 $
Deferred Tax Assets at 30%:		
- Carry forward revenue losses	**3,281,039**	1,969,379
- Capital raising costs	**195,623**	85,368
- Provisions and accruals	**5,208**	156
	3,481,870	2,054,903

The tax benefits of the above deferred tax assets will only be obtained if:

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

Deferred tax liabilities in relation to capitalised exploration costs have been recognised and offset against deferred tax assets above.

6. EARNINGS PER SHARE

	Consolidated 2011 cents	2010 cents
Basic and diluted loss per share	**(0.4)**	(0.4)

	2011 Number	2010 Number
Weighted average number of ordinary shares used in the calculation of basic and diluted loss per share	**226,288,857**	130,043,606

The Company's potential ordinary shares, being its options granted, are not considered dilutive as the conversion of these options would result in a decrease in the net loss per share.

7. SEGMENT INFORMATION

Management has determined that the Group has two reportable segments, being mineral exploration in Australia and West Africa. The Group is focused on mineral exploration and the Board monitors the Group based on actual versus budgeted exploration expenditure incurred on the individual areas of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing activities, while also taking into consideration the results of exploration work that has been performed to date.

The segment information is prepared in conformity with the accounting policies described in Note 1.

	Australia		West Africa		Consolidated	
	2011	2010	**2011**	2010	**2011**	**2010**
	$	$	**$**	$	**$**	**$**
Revenue						
Reportable segment	**-**	10,000	**-**	-	**-**	10,000
Unallocated revenue	**-**	-	**-**	-	**220,160**	29,371
Total revenue	**-**	10,000	**-**	-	**220,160**	39,371
Results						
Operating loss before income tax	**(1,187,423)**	(471,133)	**(27,387)**	(54,148)	**(1,214,810)**	(525,281)
Unallocated profit/(loss)					**220,160**	29,371
Income tax expense					**-**	-
Net loss					**(994,650)**	(495,910)
Non-Cash Expenses						
Depreciation	**-**	316	**4,845**	5,562	**4,845**	5,878
Assets						
Reportable segment assets	**9,827,978**	2,181,988	**7,863,916**	5,180,030	**17,691,894**	7,362,018
Non-current assets acquired	**17,663**	16,086	**3,783,732**	871,053	**3,801,395**	887,139
Liabilities						
Reportable segment liabilities	**137,222**	43,782	**390,030**	113,328	**527,252**	157,110

8. CASH AND CASH EQUIVALENTS

	Consolidated	
	2011	2010
	$	$
Cash at bank and in hand	**9,146,424**	2,372,547

- Cash at bank earns interest at floating rates based on daily bank deposit rates. Refer note 16(iv)

- An amount of $10,000 is held as a deposit as collateral for the provision of credit card facilities used by an employee of the consolidated entity in the course of his employment. This amount is not included in note 8, cash and cash equivalents.

9. OTHER RECEIVABLES

	Consolidated 2011 $	2010 $
Current		
Prepayments	**28,291**	48,556
Option conversion monies (Refer Note 13)	**1,001,341**	-
Other receivables	**33,354**	18,724
	1,062,986	67,280
Non-Current		
Other receivable (i)	**10,000**	11,236

(i) Deposit held as collateral for the provision of credit card facilities used by an employee of the consolidated entity in the course of his employment.

Refer notes 16(a) and 16(b) for information about the Group's exposure to credit and liquidity risk.

10. PROPERTY, PLANT AND EQUIPMENT

	Consolidated 2011 $	2010 $
Plant and equipment		
At cost	**206,205**	213,642
Less accumulated depreciation	**(126,835)**	(118,809)
	79,370	94,833

Reconciliation
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial period.

	2011	2010
Balance at the beginning of the year	**94,833**	133,192
Additions	**36,032**	4,695
Depreciation expense	**(4,845)**	(5,878)
Depreciation capitalised to exploration	**(27,974)**	(28,886)
Foreign currency translation difference movement	**(18,676)**	(8,290)
Carrying amount at the end of the year	**79,370**	94,833

11. EXPLORATION AND EVALUATION EXPENDITURE

	2011	2010
Balance at the beginning of the year	**4,816,122**	4,177,660
Acquisition costs incurred	**181,928**	50,012
Expenditure incurred during the year	**3,583,435**	832,432
Exploration expenditure written off during the year	**(17,663)**	(16,086)
Foreign currency translation difference movement	**(1,170,708)**	(227,896)
Carrying amount at the end of the year	**7,393,114**	4,816,122

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

	Consolidated 2011 $	Consolidated 2010 $
12. TRADE AND OTHER PAYABLES		
Current		
Trade payables	**157,467**	99,448
Other payables	**369,785**	57,662
	527,252	157,110

Terms and conditions relating to the above financial instruments:

- Trade and other creditors are non-interest bearing and are normally settled on 30 day terms.

Risk exposure:

Information about the group's risk exposure to foreign exchange risk is provided in note 16.

13. CONTRIBUTED EQUITY

	Consolidated 2011 $	Consolidated 2010 $
(a) Issued and paid-up share capital		
Ordinary shares, fully paid 318,354,948 (2010: 174,969,003)	22,198,529	11,502,520
Other contributed equity [Refer Note 13(a)(ii)]	951,341	-
	23,149,870	11,502,520

Movements in Ordinary Shares:

Details	**Number of Shares**	**Issue Price**	**$**
Balance at 1 July 2009	54,569,003		8,115,693
Placement of shares August 2009	85,000,000	$0.025	2,125,000
Placement of shares to Perseus Mining Ltd	34,800,000	$0.04	1,392,000
Shares issued on conversion of BYRO options	600,000	$0.05	30,000
Share issue expenses	-		(160,173)
Balance at 30 June 2010	174,969,003		11,502,520
Placement of shares October / November 2010	60,000,000	$0.10	6,000,000
Exercise of employee options	50,000	$0.05	2,500
Shares issued on conversion of BYRO options	48,535,945	$0.05	2,426,798
Shares issued on conversion of unlisted options	34,800,000	$0.05	1,740,000
Option conversion monies received [unallotted at 30 June 2011 - see Note 13(a)(i)]			791,861
Share issue expenses			(265,150)
Balance at 30 June 2011	**318,354,948**		**22,198,529**

13. CONTRIBUTED EQUITY (continued)

Movements subsequent to year end:	Number of Shares	Issue Price	$
Conversion of BYRO options to shares [monies received prior to year end – see Note 13(a)(i)]	15,837,228		-
Conversion of BYRO options to shares [see Note 13(a)(ii)]	11,659,187	$0.05	582,959
Allotment of shares under an underwriting agreement [see Note 13(a)(ii)]	8,367,640	$0.05	418,382
Share issue expenses			(50,000)
	35,864,055		951,341
Closing balance as at the date of this financial report	354,219,003		23,149,870

Note 13(a)(i). $791,861 was received immediately prior to year end for the conversion of 15,837,228 BYRO options into shares. These shares were allotted on 6 July 2011.

Note 13(a)(ii). The Company had entered into an underwriting agreement in relation to listed options expiring on 30 June 2011 ("BYRO"), pursuant to which the Underwriter would place shares of an equal number as the listed options (exercisable at 5 cents each) which were not exercised prior to expiry. On that basis, the Company has adjusted Contributed Equity and Other Receivables (refer Note 9) to reflect (i) the number of shares issued against option conversion notices received on 30 June 2011 but where monies were banked subsequently; and (ii) shares issued pursuant to the underwriting agreement.

(b) Share Options

2011 - Options to take up ordinary shares in the capital of the Company have been granted as follows:

Exercise Period	Note	Exercise Price	Opening Balance 1 July 2010	Options Issued 2010/11	Options Exercised/ Cancelled 2010/11	Closing Balance 30 June 2011
			Number	*Number*	*Number*	*Number*
On or before 30 June 2011	(i)	$0.05	84,400,000	-	(84,400,000)	-
On or before 30 June 2011	(ii)	$0.05	34,800,000	-	(34,800,000)	-
On or before 31 December 2012		$0.05	6,500,000	-	-	6,500,000
On or before 31 December 2012		$0.05	760,000	-	(50,000)	710,000
On or before 31 March 2013	(iii)	$0.15	-	2,500,000	-	2,500,000
1 January 2012 – 31 March 2014	(iii)	$0.20	-	2,500,000	-	2,500,000
17 November 2011 – 16 October 2013	(iv)	$0.35	-	470,000	-	470,000
29 November 2011 – 31 March 2013	(v)	$0.20	-	750,000	-	750,000
On or before 31 December 2012	(ii)	$0.08	-	34,800,000	-	34,800,000
			126,460,000	41,020,000	(119,250,000)	48,230,000

(i) 48,535,945 options were exercised prior to 30 June 2011, with the remaining 35,864,055 options subject to exercise or lapse as more particularly detailed in Notes 13 (a), 13(a)(i) and 13(a)(ii) above.

(ii) A term of these 34.8 million options is that in the event they are exercised, one "piggyback" option will be issued for each option exercised. The piggyback options will be exercisable at 8 cents each on or before 31 December 2012.

(iii) These options were issued as partial fee for corporate advisory services.

(iv) 470,000 options were issued under the terms of the Burey Gold Limited Employee Option Plan.

(v) 750,000 options were issued to a director in accordance with shareholder approval granted at the Annual General Meeting held on 25 November 2010.

All the options issued during the year were issued at nil consideration.

None of the options have any voting rights, any entitlement to dividends or any entitlement to the proceeds of liquidation in the event of a winding up.

13. CONTRIBUTED EQUITY (continued)

2010 - Options to take up ordinary shares in the capital of the Company during the previous financial year were granted as follows:

Exercise Period	Note	Exercise Price	Opening Balance 1 July 2009	Options Issued 2009/10	Options Exercised/ Cancelled 2009/10	Closing Balance 30 June 2010
			Number	*Number*	*Number*	*Number*
On or before 31 December 2009	(i)	$0.20	3,250,000	-	(3,250,000)	-
On or before 31 December 2009	(i)	$0.25	3,250,000	-	(3,250,000)	-
On or before 30 June 2011		$0.05	-	85,000,000	(600,000)	84,400,000
On or before 30 June 2011	(ii)	$0.05	-	34,800,000	-	34,800,000
On or before 31 December 2012		$0.05	-	6,500,000	-	6,500,000
On or before 31 December 2012		$0.05	-	760,000	-	760,000
			6,500,000	127,060,000	(7,100,000)	126,460,000

(i) These Directors' options were cancelled during the year.

All the options issued during the year were issued at nil consideration

None of the options have any voting rights, any entitlement to dividends or any entitlement to the proceeds of liquidation in the event of a winding up.

(ii) A term of these 34.8 million options is that in the event they are exercised, one "piggyback" option will be issued for each option exercised. The piggyback options will be exercisable at 8 cents each on or before 31 December 2012.

(c) Terms and conditions of contributed equity

Ordinary Shares:
Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

14. SHARE BASED PAYMENTS EXPENSE

Employee Option Plan -
In August 2007, the Company adopted the Burey Gold Limited Employee Option Plan ("Plan"). The Plan was renewed at the Annual General Meeting held on 25th November 2010. The Plan allows Directors from time to time to invite eligible employees to participate in the Plan and offer options to those eligible persons. The Plan is designed to provide incentives, assist in the recruitment, reward, retention of employees and provide opportunities for employees (both present and future) to participate directly in the equity of the Company. The contractual life of each option granted is three years. There are no cash settlement alternatives. 470,000 options were issued under the plan during the year ended 30 June 2011 (2010: 760,000).

Non Plan based payments
The Company also makes share based payments to consultants and / or service providers from time to time, not under any specific plan. The Burey Gold Limited Employee Option Plan does not allow for issue of options to the directors of the parent entity. Hence, specific shareholder approval is obtained for any share based payments to directors of the parent entity.

The expense recognised in the income statement in relation to share-based payments is disclosed in Note 3.

14. SHARE BASED PAYMENTS EXPENSE (continued)

The following table illustrates the number and weighted average exercise prices of and movements in share options issued during the year under the Plan:

	2011 No.	**2011 Weighted average exercise price**	2010 No.	2010 Weighted average exercise price
Outstanding at the beginning of the year	**760,000**	**$0.05**	-	-
Granted during the year	**470,000**	**$0.35**	760,000	$0.05
Forfeited during the year	**-**	**-**	-	-
Exercised during the year	**(50,000)**	**$0.05**	-	-
Expired during the year	**-**	**-**	-	-
Outstanding at the end of the year	**1,180,000**	**$0.17**	760,000	$0.05

The outstanding balance as at 30 June 2011 is represented by:

Number	**Exercise period**	**Exercise price**
710,000	On or before 31 December 2012	$0.05
470,000	17 November 2011 - 16 October 2013	$0.35
1,180,000		

The fair value of the equity-settled share options granted under the Plan is estimated as at the date of grant using the Black Scholes model taking into account the terms and conditions upon which the options were granted. The weighted average fair value of options granted under the Plan during the year was $0.187 (2010: $0.029).

Other share based payments, not under any plans, are as follows (with additional information provided in Note 14 above):

	2011 Number	**2011 $**	2010 Number	2010 $
Options to directors for services (i)	**-**	**-**	6,500,000	135,306
Options to director, Mr Nigel Ferguson (ii)	**750,000**	**153,750**	-	-
Options to consultants (valued at the fair value of services received)	**5,000,000**	**392,500**	-	-

(i) The directors' options vested immediately.
(ii) These options vest on 29 November 2011. Burey has recognised an expense of $95,199 for the period ended 30 June 2011.

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Black Scholes model taking into account the terms and conditions upon which the options were granted. The fair value of options issued is calculated by reference to the market value of the shares trading on the Australian Securities Exchange (ASX) on or around the date of grant.

The weighted average fair value of options granted during the financial year ended 30 June 2011 was $0.10 each (2010: $0.02).

The following table lists the inputs to the model used for the years ended 30 June 2011 and 30 June 2010 respectively:

	2011	**2010**
Volatility (%)	120-125	130
Risk-free interest rate (%) - range	4.89-5.13	3.5 - 4.81
Expected life of option (years)	2.5-3.5	3
Exercise price (cents)	15, 20 & 35	5
Weighted average share price at grant date (cents)	15	4

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

15. RESERVES

	Consolidated 2011 $	2010 $
Option Premium (Note 15a)	**1,617,682**	1,174,532
Foreign Currency Translation (Note 15b)	**(1,343,548)**	(207,432)
	274,134	967,100

(a) **Movement During the Year – Option Premium**		
Opening balance	**1,174,532**	1,017,465
Issue of directors options	**95,199**	135,306
Issue of employee / consultants options	**347,951**	21,761
Closing balance	**1,617,682**	1,174,532
(b) **Movement During the Year – Foreign Currency Translation**		
Opening balance	**(207,432)**	60,866
Foreign currency translation differences	**(1,136,116)**	(268,298)
Closing balance	**(1,343,548)**	(207,432)

Nature and purpose of reserves

Option Premium Reserve

The option premium reserve is used to recognise the grant date fair value of options issued to employees and others but not exercised (share-based payments). Also included in the option premium reserve are amounts received in consideration for the issue of options to subscribe for ordinary shares in the Company.

Foreign Currency Translation Reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

16. FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from their use of financial instruments:
- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

(a) 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.

(i) Investments

The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have an acceptable credit rating.

(ii) Receivables

As the Group operates in the mineral exploration sector rather than trading, it does not have trade receivables and therefore is not exposed to credit risk in relation to trade receivables.

Presently, the Group undertakes exploration and evaluation activities in Australia and West Africa. At the reporting date there were no significant concentrations of credit risk.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Company does not have any material risk exposure to any single debtor or group of debtors. All bank deposits in Australia, Ghana and Guinea are held in AA rated banks.

16. FINANCIAL RISK MANAGEMENT (continued)

(b) 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.

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

Due to the nature of the Group's activities and the present lack of operating revenue, the Company has to raise additional capital from time to time in order to fund its exploration activities. The decision on how and when the Company will raise future capital will depend on market conditions existing at that time and the level of forecast activity and expenditure.

Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of at least three to six months, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following table details the Group's expected maturity for its non-derivative financial liabilities. These have been drawn up based on undiscounted contractual maturities of the financial liabilities based on the earliest date on which the Group can be required to pay.

	Less than 6 months $	6 – 12 months $	Over 1 year $	Total $
Group at 30 June 2011				
Financial Liabilities:				
Current:				
Trade and other payables	527,252	-	-	527,252
Total Financial Assets	527,252	-	-	527,252
Group at 30 June 2010				
Financial Liabilities:				
Current:				
Trade and other payables	157,110	-	-	157,110
Total Financial Assets	157,110	-	-	157,110

(c) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign exchange risk

The Group is exposed to foreign exchange risk on investments, purchases and borrowings that are denominated in a currency other than the respective functional currency of Group entities, primarily the Australian dollar (AUD). The currencies in which these transactions are primarily denominated are AUD, GHS and USD.

The Group has not entered into any derivative financial instruments to hedge such transactions and anticipated future receipts or payments that are denominated in a foreign currency.

16. FINANCIAL RISK MANAGEMENT (continued)

(ii) Exposure to foreign exchange risk

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the balance date explained in Australian dollars are as follows:

	Notes	30 June 2011		30 June 2010	
		Assets	**Liabilities**	Assets	Liabilities
		$	**$**	$	$
United States Dollar		**804,135**	**382,901**	800,896	109,060
Ghanaian New Cedi		**17,039**	**5,216**	11,002	4,267
Guinea Francs		**16,550**	**1,913**	-	-
		837,724	**390,030**	811,898	113,327

The following significant exchange rates applied during the year:

	Notes	Average rate		Reporting date spot rate	
		2011	2010	**2011**	2010
		$	$	**$**	$
United States Dollar		**0.99**	0.88	**1.06**	0.86
Ghanaian New Cedi		**1.48**	1.28	**1.61**	1.25

(iii) Sensitivity analysis

A 10 percent strengthening (based on forward exchange rates) of the Australian dollar against the above currencies at 30 June would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Notes	Consolidated	
		2011	2010
		$	$
(Profit) or loss	(i)	**73,426**	69,180
Equity	(ii)	**(32,699)**	(5,711)

(i) this is mainly attributable to the exposure on USD cash
(ii) this is mainly related to the translation of foreign operations at reporting date

A 10 percent weakening (based on forward exchange rates) of the Australian dollar against the above currencies at 30 June would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

(iv) Interest Risk

The Group's exposure to the risk of changes in market interest rate relates primarily to the Group's cash and cash equivalents.

The Group may be exposed to interest rate risk through primary financial assets and liabilities. The following table summarises interest rate risk for the consolidated entity, together with effective interest rates as at balance date.

16. FINANCIAL RISK MANAGEMENT (continued)

2011	**Weighted Average effective interest rate**	**Floating interest rate**	**Fixed interest rate maturing in: 1 year or less**	**Fixed interest rate maturing in: Over 1 year**	**Non-interest bearing**	**Total**
		$	**$**	**$**	**$**	**$**
Financial Assets:						
Current:						
Cash and cash equivalents	5.24%	4,588,695	3,750,000	-	807,729	9,146,424
Receivables		-	-	-	1,034,695	1,034,695
Total Financial Assets		4,588,695	3,750,000	-	1,842,424	10,181,119
Financial Liabilities:						
Current:						
Trade and other payables		-	-	-	527,252	527,252
Total Financial Liabilities		-	-	-	527,252	527,252

2010	**Weighted Average effective interest rate**	**Floating interest rate**	**Fixed interest rate maturing in: 1 year or less**	**Fixed interest rate maturing in: Over 1 year**	**Non-interest bearing**	**Total**
		$	**$**	**$**	**$**	**$**
Financial Assets:						
Current:						
Cash and cash equivalents	2.91%	1,611,563	-	-	760,984	2,372,547
Receivables		-	-	-	29,960	29,960
Total Financial Assets		1,611,563	-	-	790,944	2,402,507
Financial Liabilities:						
Current:						
Trade and other payables		-	-	-	157,110	157,110
Total Financial Liabilities		-	-	-	157,110	157,110

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

The Group holds working capital in transaction accounts at variable interest rates. If the interest rates had increased or decreased by 100 basis points (100bps) from the year end rates (based on forward treasury rates) with all other variables held constant, profit would increase or decrease by $91,464.

16. FINANCIAL RISK MANAGEMENT (continued)

The following table summarises the sensitivity of the Group's financial assets to interest rate risk.

2011		**Interest rate risk**			
		-100 bps		+100 bps	
	Carrying Amount	Profit	Equity	Profit	Equity
	$	$	$	$	$
Financial assets					
Cash and cash equivalents	9,146,424	(91,464)	(91,464)	91,464	91,464
Total increase / (decrease)		(91,464)	(91,464)	91,464	91,464

2010		**Interest rate risk**			
		-100 bps		+100 bps	
	Carrying Amount	Profit	Equity	Profit	Equity
	$	$	$	$	$
Financial assets					
Cash and cash equivalents	2,372,547	(23,725)	(23,725)	23,725	23,725
Total increase / (decrease)		(23,725)	(23,725)	23,725	23,725

(d) Net fair values

For assets and other liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial statements.

(e) Capital risk management

Management controls the capital of the Group in order to ensure that the Group can fund its operations on an efficient and timely basis and continue as a going concern.

There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's cash projections up to twelve months in the future and any associated financial risks. Management will adjust the Group's capital structure in response to changes in these risks and in the market.

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

17. COMMITMENTS

There were no capital commitments, not provided for in the financial statements as at 30 June 2011, other than:

With respect to the Group's mineral property interests in Guinea, statutory expenditure commitments specified by the mining legislation are nominal in monetary terms. However, as part of mineral licence application and renewal requirements, the Group submits budgeted exploration expenditure. In assessing subsequent renewal applications, the mining authorities review actual expenditure against budgets previously submitted. These budget amounts do not become legal obligations of the Group and actual expenditure may and does vary depending on the outcome of actual exploration programs, and the costs and results from those programs.

18. CONTINGENCIES

There were no contingent liabilities of the consolidated entity not provided for in the financial statements at 30 June 2011.

19. INTERESTS IN JOINT VENTURES

Burey and Redport Limited have formed a 50/50 unincorporated joint venture (Kintyre East Joint Venture) in respect of exploration for uranium in the Kintyre East area of Western Australia. This joint venture had not become effective at year end.

20. STATEMENTS OF CASH FLOWS

(a) Reconciliation of loss after income tax to net cash outflow from operating activities

	Consolidated 2011 $	Consolidated 2010 $
Loss after income tax	**(994,650)**	(495,910)
Add back non-cash items:		
Depreciation	**4,845**	5,878
Exploration expenditure written off	**17,663**	16,086
Share based payments expense	**443,150**	157,067
Net exchange differences	**189,644**	-
Change in assets and liabilities:		
Decrease / (Increase) in receivables	**(35,219)**	(41,896)
Increase / (Decrease) in operating payables	**39,998**	(26,723)
Net cash outflow from operating activities	**(334,569)**	(385,498)

(b) Non-Cash Financing and Investing Activities

There were no non-cash financing and investing activities during the financial year ended 30 June 2011 (2010: Nil).

21. KEY MANAGEMENT PERSONNEL DISCLOSURES

The following were key management personnel of the consolidated entity at any time during the year and unless otherwise indicated were key management personnel for the year:

Executive Directors	**Non Executive Directors**
Mr Bruce Stainforth	Mr Ron Gajewski
Mr Nigel Ferguson (part-time)	Mr Susmit Shah
	Mr Kevin Thomson (appointed 23 February 2011)

Other than the Directors of the Company disclosed above, there were no other executives who have direct responsibility for the strategic direction and operational management of the consolidated entity.

The key management personnel compensation included in 'salaries and wages' are as follows:

	Consolidated	
	2011	2010
	$	$
Short-term employee benefits	**349,825**	341,869
Post-employment benefits	**1,800**	1,800
Share-based payments	**153,750**	135,306
	505,375	478,975

Apart from the details disclosed in this note, no Director has entered into a material contract with the Company or the Group since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year-end.

Loans to key management personnel and their related parties

There were no loans outstanding at the reporting date to key management personnel and their related parties.

Share holdings

The numbers of shares in the Company held during the financial period by Directors, including shares held by entities they control, are set out below:

30 June 2011	**Balance at 1 July 2010**	**Received as Remuneration**	**Options Exercised ***	**Other Movements**	**Balance at 30 June 2011**
Parent entity directors					
Ron Gajewski	8,582,949	-	4,000,000	817,052	13,400,001
Bruce Stainforth	1,000,000	-	-	-	1,000,000
Nigel Ferguson	100,001	-	-	-	100,001
Susmit Shah	1,300,000	-	800,000	-	2,100,000
Kevin Thomson	-	-	-	-	-

* The options exercised were not granted as remuneration.

30 June 2010	**Balance at 1 July 2009**	**Received as Remuneration**	**Options Exercised**	**Other Movements**	**Balance at 30 June 2010**
Parent entity directors					
Ron Gajewski	2,900,001	-	-	5,682,948	8,582,949
Bruce Stainforth	1,000,000	-	-	-	1,000,000
Nigel Ferguson	100,001	-	-	-	100,001
Susmit Shah	500,000	-	-	800,000	1,300,000

(i) Other movements refer to shares purchased or sold during the financial year. Messrs Gajewski and Shah participated in the August 2009 placement following shareholder approval received on 14 August 2009.

21. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

Option holdings

The numbers of options in the Company held during the financial period by Directors, including shares held by entities they control, are set out below:

30 June 2011	Balance at 1 July 2010	Received as Remuneration (i)	Options Exercised	Other Movements	Balance at 30 June 2011	Vested and Exercisable at Year End	Unvested At Year End
Parent entity directors							
Ron Gajewski	4,500,000	-	(4,000,000)	-	500,000	500,000	-
Bruce Stainforth	5,000,000	-	-	-	5,000,000	5,000,000	-
Nigel Ferguson	500,000	750,000	-	-	1,250,000	500,000	750,000
Susmit Shah	1,300,000	-	(800,000)	-	500,000	500,000	-

30 June 2010	Balance at 1 July 2009	Received as Remuneration (i)	Options Expired or Cancelled	Other Movements (ii)	Balance at 30 June 2010	Vested and Exercisable at Year End	Unvested At Year End
Parent entity directors							
Ron Gajewski	1,500,000	500,000	(1,500,000)	4,000,000	4,500,000	4,500,000	-
Bruce Stainforth	3,000,000	5,000,000	(3,000,000)	-	5,000,000	5,000,000	-
Nigel Ferguson	1,000,000	500,000	(1,000,000)	-	500,000	500,000	-
Susmit Shah	1,000,000	500,000	(1,000,000)	800,000	1,300,000	1,300,000	-

(i) The options issued to directors during the 2011 and 2010 financial years were issued as a reward for past services and as incentive for future performance.

(ii) Other movements refer to participation in the August 2009 placement following shareholder approval received on 14 August 2009.

Other transactions with key management personnel

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

	Consolidated	
	2011	2010
	$	$
Accounting, secretarial and corporate service fees paid or payable to Corporate Consultants Pty Ltd, a company in which Mr Gajewski and Mr Shah are directors and have beneficial interests.	**160,618**	96,428
Balances due to Directors and Director Related Entities at year end		
- included in trade creditors and accruals	**61,181**	74,785

22. RELATED PARTY TRANSACTIONS

(a) Key Management Personnel

Disclosures relating to key management personnel are set out in Note 21.

(b) Parent entity

Burey Gold Limited is the ultimate parent entity.

23. PARENT ENTITY DISCLOSURES

Financial position

	2011	2010
	$	$
Assets		
Current assets	**9,827,979**	2,181,988
Non-current assets	**7,473,885**	5,116,149
Total assets	**17,301,864**	7,298,137
Liabilities		
Current liabilities	**137,222**	43,782
Non-current liabilities	**-**	-
Total liabilities	**137,222**	43,782
Equity		
Issued capital	**23,149,870**	11,502,520
Accumulated losses	**(7,602,910)**	(5,422,697)
Reserves		
Option premium reserve	**1,617,682**	1,174,532
Total equity	**17,164,642**	7,254,355

Financial performance

	2011	2010
	$	$
Loss for the year	**2,180,213**	441,762
Other comprehensive income	**-**	-
Total comprehensive loss	**2,180,213**	441,762

Contingent liabilities of the parent entity

The parent entity does not have any contingent liabilities.

For details on commitments, see Note 17.

Commitments for the acquisition of property, plant and equipment by the parent entity

The parent entity has not made any commitments for the acquisition of property, plant and equipment.

23. PARENT ENTITY DISCLOSURES (continued)

Interest in Subsidiaries

		Place of Incorporation	**Consolidated Entity Interest 2011**	**Consolidated Entity Interest** 2010	**Class of Shares**
Parent Entity			**%**	%	
Burey Gold Ltd		Australia			
Subsidiary					
Burey Gold (Ghana) Ltd	Ord	Ghana	**100**	100	Ord
Burey Gold Guinee sarl	Ord	Guinea	**100**	100	Ord
Burey Resources Pty Ltd	Ord	Australia	**100**	100	Ord

24. EVENTS OCCURRING AFTER THE REPORTING DATE

There are no matters or circumstances that have arisen since 30 June 2011 that have or may significantly affect the operations, results, or state of affairs of the consolidated entity in future financial years.

In the opinion of the Directors:

(a) The financial statements and the notes and the additional disclosures included in the directors' report designated as audited of the consolidated entity are in accordance with the Corporations Act 2001, including:

(i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

(ii) Complying with Accounting Standards (including Australian Accounting Standards) and Corporations Regulations 2001; and

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

c) The financial statements and notes thereto include an explicit and unreserved statement of compliance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2011.

Signed in accordance with a resolution of the Directors made pursuant to s 295(5) of the Corporations Act 2001.

On behalf of the Board

R N Gajewski
Chairman

Dated at Perth on the 30th day of September 2011

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Australia

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BUREY GOLD LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Burey Gold Limited, which comprises the consolidated statement of financial position as at 30 June 2011, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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*, which has been given to the directors of Burey Gold Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

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

  (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

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

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

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2011. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Burey Gold Limited for the year ended 30 June 2011 complies with section 300A of the *Corporations Act 2001*.

BDO Audit WA Pty Ltd

BDO Audit

C Burton

Chris Burton
Director

Perth, Western Australia
Dated this 30th day of September 2011

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of Directors of Burey Gold Limited is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of Burey Gold Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Company has adopted appropriate systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs. To the extent they are applicable and given its size and circumstances the Company has adopted the Eight Essential Corporate Governance Principles and Recommendations ("Recommendations"), as published by ASX Corporate Governance Council (“CGC’).

The Company's directors are fully cognisant of the Corporate Governance Principles and Recommendations published by CGC and have adopted those recommendations where they are appropriate to the Company's circumstances.

However, a number of those principles and recommendations are directed towards listed companies considerably larger than Burey Gold Limited, whose circumstances and requirements accordingly differ markedly from the Company's. For example, the nature of the Company's operations and the size of its staff mean that a number of the board committees and other governance structures recommended by the CGC are not only unnecessary in Burey's case, but the effort and expense required to establish and maintain them would, in the directors' view, be an unjustified diversion of shareholders' funds.

As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance structures will be given further consideration.

The Board sets out below its "if not, why not" report in relation to those matters of corporate governance where the Company's practices depart from the Recommendations.

The Company’s corporate governance practices were in place throughout the financial year ended 30 June 2011 and were compliant, unless otherwise stated, with the CGC’s principles and recommendations, which are noted below. The Board as a whole is involved in matters where larger Boards would ordinarily operate through sub-committees. For these reasons, some of the best practices recommended by CGC are not cost effective for adoption in a small company environment.

Principle 1.	Lay solid foundations for management and oversight
Principle 2.	Structure the board to add value
Principle 3.	Promote ethical and responsible decision making
Principle 4.	Safeguard integrity in financial reporting
Principle 5.	Make timely and balanced disclosure
Principle 6.	Respect the rights of shareholders
Principle 7.	Recognise and manage risk
Principle 8.	Remunerate fairly and responsibly

Principle 1 Recommendation 1.1

<u>Notification of Departure:</u>

The Company has not formally disclosed the functions reserved to the Board and those delegated to senior executives as the Company does not have any senior executives (who are not also directors) at this time. The appointment of non-executive directors to the Board is not formalised in writing by way of a letter or other agreement.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES (continued)

Explanation for Departure:

The Board recognises the importance of distinguishing between the respective roles and responsibilities of the Board and senior executives. The Board has established an informal framework for the management of the Company and the roles and responsibilities of the Board and senior executives. Due to the small size of the Board and of the Company, the Board do not think that it is necessary to formally document the roles of Board and management until such time as senior executives are employed, as it believes that these roles are being carried out in practice and are clearly understood by all members of the Board. The Board is responsible for the strategic direction of the Company, establishing goals for management and monitoring the achievement of these goals, monitoring the overall corporate governance of the Company, reviewing and monitoring risk and ensuring that shareholder value is increased.

The Company had one executive, being the Managing Director, and one part-time executive director. The Managing Director is responsible for ensuring that the Company achieves the goals established by the Board.

The appointment of non-executive directors is formalised in accordance with the regulatory requirements and the Company's constitution.

Principle 1 Recommendations 1.2 and 1.3

As mentioned above, the Company has one executive, being the Managing Director and one part-time executive director. The Company has no senior executives other than these two Directors at this stage.

Principle 2 Recommendations 2.1 and 2.2

Notification of departure

Mr Ron Gajewski, previously the executive chair, is not independent in accordance with the test of independence as set out in Box 2.1 of the ASX Corporate Governance Principles and Recommendations. In addition the Company does not have a majority of independent directors.

Explanation for departure

The Board considers that the current composition of the Board is adequate for the Company's current size and operations, and includes an appropriate mix of skills and expertise, relevant to the Company's business. The current Board structure presently consists of the non-executive chairman, the managing director, a part-time executive director and two non-executive directors, since the appointment of Mr Thomson. The Company considers that each of the directors possess skills and experience suitable for building the Company. The Board takes the responsibilities of best practice in corporate governance seriously. It is the Board's intention to review its composition on a continual basis as the Company's expands its activities and greater demands and skills amongst directors become necessary.

Principle 2 Recommendation 2.4 and Principle 4 Recommendations 4.1

Notification of Departure

Separate audit and nomination committees have not been formed.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES (continued)

Explanation for Departure
The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

In particular, the full Board considers those matters that would usually be the responsibility of an audit committee and a nomination committee. The Board considers that, at this stage, no efficiencies or other benefits would be gained by establishing a separate audit committee or a separate nomination committee.

Principle 3 Recommendation 3.1

Notification of Departure:

The Company has not established a formal code of conduct.

Explanation for Departure:

The Board considers that its business practices as set by the Board are the equivalent of a code of conduct. Due to the small size of the Company and lack of complexity in its activities, the Board is involved in most aspects of the Company's activities. The directors have a history of working with public listed companies and, notwithstanding the absence of a formal code of conduct, are familiar with listing rules, legal requirements and general requirements for ethical behaviour and integrity in decision making, including trading in the Company's securities.

Principle 5 Recommendation 5.1

Notification of Departure:

The Company has not established written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability for compliance.

Explanation for Departure:

The Company's directors have a long history of involvement with public listed companies and are familiar with disclosure requirements of the ASX listing rules.

The Company has in place informal procedures which it believes are sufficient for ensuring compliance with ASX Listing Rule disclosure requirements and accountability for compliance. The Board has nominated the non-executive chairman and the company secretary as being responsible for all matters relating to disclosure.

Principle 6 Recommendation 6.1

Notification of Departure:

The Company has not established a formal shareholder communication strategy.

Explanation for Departure:

While the Company has not established a formal shareholder communication strategy, it intends to actively communicate with its shareholders in order to identify the expectations of its shareholders and actively promote shareholder involvement in the Company. It will achieve this by posting on its website copies of all information which is lodged with the ASX. Shareholders with internet access are encouraged to provide their email addresses to receive electronic copies of information distributed by the Company. Alternatively, hard copies of information distributed by the Company will be available on request.

The Company's auditors are required to attend the Company's AGM to answer any questions put to them by the shareholders.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES (continued)

Principle 7 Recommendation 7.1

Notification of Departure:

The Company has an informal risk oversight and management policy and internal compliance and control system.

Explanation for Departure:

The Board does not currently have formal procedures in place but is aware of the various risks that affect the Company and its particular business. As the Company develops, the Board will develop appropriate procedures to deal with risk oversight and management and internal compliance, taking into account the size of the Company and the stage of development of its projects.

Principle 8 Recommendation 8.1

Notification of Departure:

The Company has not established a remuneration committee and does not have in place a formal process for evaluation of the Board, individual directors and key executives.

Explanation for Departure:

Evaluating the Board and individual directors is on an informal basis at regular intervals until such time as the size of the Board warrants a formal process for implementation and key executives are employed.

Principle 8 Recommendation 8.2

Notification of Departure:

The Company has in the past granted options to non-executive directors and the Board considers it appropriate to do so again in the future.

Explanation for Departure:

For small companies, particularly those involved in mineral exploration, the focus generally is on maximising the proportion of funds spent on exploration as opposed to corporate and administration. Thus in order to do so and conserve cash and attract good calibre candidates, the Board considers it necessary to grant options to non-executive directors as part of their remuneration packages.

The shareholder information set out below was applicable as at 21 September 2011.

Substantial shareholders

An extract of the Company's register of substantial shareholders is set out below.

Shareholder	Number of Shares
Perseus Mining Limited	81,500,000

Distribution of equity security holders

Size of Holding	Ordinary Shares	Unlisted Options
1 to 1,000	24	-
1,001 to 5,000	137	-
5,001 to 10,000	210	-
10,001 to 100,000	838	14
100,001 and over	299	9
	1,508	23

The number of shareholdings comprising less than a marketable parcel was 231.

Twenty Largest Shareholders as at 21 September 2011	Number of Shares	% Held
Perseus Mining Ltd	81,500,000	23.008
JP Morgan Nominees Australia Limited	64,787,320	18.290
Vienna Holdings Pty Ltd	13,000,000	3.670
HSBC Custody Nominees (Australia) Limited	10,428,506	2.944
Macquarie Bank Limited	10,000,000	2.823
Mr Michael Lynch	8,310,000	2.346
Sell Power Pty Ltd	7,017,400	1.981
P R Perry Nominees Pty Ltd	5,630,000	1.589
Technica Pty Ltd	2,835,000	0.800
Hawkestone Oil Pty Ltd	2,781,000	0.785
Mr Michael Davies	2,600,000	0.734
St Barnabas Investments Pty Ltd	2,580,483	0.728
Yarandi Investments Pty Ltd	2,416,909	0.682
Merriwee Pty Ltd	2,000,000	0.565
Mr Grant Thomas Paterson	1,850,000	0.522
Funding Securities Pty Ltd	1,600,000	0.452
Mr S & Mrs S Shah	1,600,000	0.452
Mr J T & Mrs E A Gerritzen	1,600,000	0.452
Spring Plains Past Co (Vic) Pty Ltd	1,500,000	0.423
Mr George Demourtzidis	1,478,000	0.417
	225,514,618	63.663

On-market buy-back

There is no current on-market buy-back.

Unquoted equity securities

Class	Number	Holders
Options – exercisable at 8 cents each on or before 31 December 2012	34,800,000	Perseus Mining Limited
Options - exercisable at 5 cents on or before 31 December 2012	6,500,000	Directors - B Stainforth (5,000,000) R Gajewski (500,000), N Ferguson (500,000), S Shah (500,000)
Options - exercisable at 5 cents each and expiring on 31 December 2012	710,000	Issued under the Company's Employee Option Plan
Options – exercisable at 15 cents each and expiring 31 March 2013	2,500,000	BGF Equities Pty Ltd
Options – exercisable at 20 cents each and expiring 31 March 2014	2,500,000	BGF Equities Pty Ltd
Options – exercisable at 20 cents each and expiring 31 March 2013	750,000	Director – N Ferguson
Option – exercisable at 35 cents each and expiring 16 October 2013	470,000	Issued under the Company's Employee Option Plan

Potential Change in Control

Pursuant to an agreement between the Company and Perseus Mining Limited ("Perseus) on or around 2 March 2010, Perseus agreed to subscribe for a total of 34,800,000 shares and 34,800,000 options in the Company (together with the right to receive a further 34,800,000 "piggyback" options on the exercise of the initial 34,800,000 options).

At a meeting held on 25 June 2010, the Company's shareholders approved the issue of shares and options to Perseus as required under the terms of the agreement referred to above and also approved the issue of shares upon the future exercise of these options (inclusive of the piggyback options) in accordance with Item 7, Section 611 of the Corporations Act.

The issue of shares upon the exercise of options could result in Perseus's interest in the Company's issued shares exceeding 20%. In June 2011, Perseus exercised its holding of 34,800,000 options in the Company and was consequently issued 34,800,000 "piggyback" options.

Perseus's interest in issued shares at present: 23.01%

Perseus's voting power could be in the range 23.01% to 29.90%, if Perseus exercises all its piggyback options and no other shares are issued by the Company.

Mineral Interests held at 21 September 2011 are as follows:-
Guinea, West Africa

Location	*Concession name and type*	*Registered Holder*	*File Number*	*Burey's current equity interest*	*Maximum equity interest capable of being earned*	*Notes*
Guinea	Mansounia Exploration Permit	Caspian Oil & Gas Ltd	A2009/009/DIGM /CPDM to February 2011	-	85%	1,2,3,9
Guinea	Balatindi Exploration Permit	Africa Banawa Mining SARLU	A2009/022/DIGM /CPDM to February 2011	-	90%	4,5,9
Guinea	Dion Koulai Exploration Permit	Claude Consulting and Exploration Guinea (2CE) SARL	A2009/159/DIGM /CPDM to July 2012	80%	80%	4,6
Guinea	Kossanke Exploration Permit	Societe Nonsimba Gold Fields sarl	A2009/139/DIGM /CPDM to July 2012	-	95%	4,7
Guinea	Sabiri Mira	Claude Consulting and Exploration Guinea (2CE) SARL	-	-	80%	4,6, 10
Guinea	Celine Exploration Permit	Societe Bossoba SARLU	A2010/152/DIGM /CPDM to June 2012	-	95%	4,8

Notes:
1. Under the terms of the Mansounia Agreement, the Burey Group can earn an interest of 70% in the Mansounia property in the Republic of Guinea, West Africa by sole funding exploration expenditure up to completion of a bankable feasibility study (BFS). Thereafter, the Company's interest could increase to 85%, if Caspian and its local partner ("Vendor") elect to convert their 15% participating interest to an 8% net profit interest.
2. The Government of Guinea has a 15% free-carried beneficial interest in the Mansounia Joint Venture (Government Interest). The Government Interest is carried within the Vendor's portion of the Pre-BFS Interests.
3. Upon completion and delivery of the first BFS, the Company must pay US$500,000 to Caspian.
4. If a decision is made to start mining operations, the relevant parties must enter into a new agreement, a mining title will be required and a new Guinean company must be formed. The Government of Guinea must be allocated 15% of the shares of the new company, such interest to be free carried.
5. Burey has an option to acquire an initial 90% interest in the named property and is responsible for sole funding exploration on the property after exercise of the option. Burey has the right to acquire a further 5% by payment of US$500,000 and the remaining 5% by granting a 1% net smelter royalty. The Government of Guinea's statutory 15% free-carried beneficial interest on commencement of production would be adjusted against Burey's interest.
6. Burey is responsible for sole funding exploration on this property. The Government of Guinea's 15% interest upon commencement of mining would be adjusted pro-rata against Burey's and local partner's 80% and 20% interests respectively.
7. Burey has the right to earn an initial 60% interest by sole funding exploration expenditure for an aggregate amount of US$2 million. By continuing to sole fund exploration to conclusion of a positive feasibility study, Burey's interest will increase to 80%. Thereafter, Burey has the right to acquire 15% from the licence holder's 20% and the licence holder can elect to retain a free carried interest of 5% or convert that to a royalty interest (Burey's percentage interests are before taking into account the Guinea Government's statutory 15% interest at the mining stage).
8. Burey has entered into an agreement to earn an initial 60% interest by sole funding exploration expenditure for an aggregate amount of US$750,000. By continuing to sole fund exploration to conclusion of a positive feasibility study, Burey's interest will increase to 80%. Thereafter, Burey has the right to acquire 15% from the licence holder's 20% and the licence holder can elect to retain a free carried interest of 5% or convert that to a royalty interest (Burey's percentage interests are before taking into account the Guinea Government's statutory 15% interest at the mining stage).
9. Application for renewal of these permits within the terms of their issue has been made in accordance with the mining legislation, with the Government's process pending at the date of this Report.
10. Permit has been recommended for grant, awaiting Ministerial approval.