CRUCIBLEGOLD
LIMITED

ABN 64 089 145 424

Annual Report
30 June 2012

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CORPORATE DIRECTORY

CRUCIBLE BOARD
Tim Fry
Non-Executive Chairman

Peter Pawlowitsch
Simon Coxhell
Executive Directors

Ken Richards
Michel Mian
Non Executive Directors

Ian Hobson
Company Secretary

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STOCK EXCHANGE
Crucible Gold Ltd shares are
listed on the Australian Securities Exchange

ASX Code: CUG

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SOLICITOR
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Perth WA 6000

BANKER
ANZ Bank
118 Victoria Street
Bunbury WA 6230

Dear Shareholders

The board and management of your company, Crucible Gold Ltd ("Crucible Gold" or "The Company"), has been busy since relisting in October 2011, building a strong team in West Africa, adding new projects and commencing an active exploration program.

The Company has established an office in the commercial capital of Cote d'Ivoire, Abidjan, which it uses as a base to support all of its exploration across the region.

In Cote d'Ivoire, since listing Crucible Gold has added three more project areas to its original five, totalling over 5200km² which the Company has completed a first pass review of the properties. The results from this has enabled the Company to rationalise its position, withdrawing five of those applications and lodging nine more new applications over ground that had recently been relinquished. The Company now has over 3800km² under application. Unfortunately the process of having the applications granted has taken longer than envisaged but the Company is optimistic that they will be granted in the near future, and drill testing of a number of gold anomalies can commence.

In January 2012, the Company secured a joint venture over the Poya project in Burkina Faso. This project is in the Hounde Greenstone Belt where a first pass soil program confirmed the projects prospectivity. In June of 2012, the Company completed a second phase of sampling and from these results has defined some clear drill targets, which will form the basis on the Company's maiden drilling campaign once the wet season finishes in October this year.

The Company is excited by the potential of its projects in West Africa and the commencement of its maiden, drilling program in the second half of 2012.

On behalf of the Board, I would like to thank all staff and contractors for their contribution to the continuing development of the Company. I would also like to thank our shareholders for their support. We have made considerable progress since relisting, and we look forward to sharing further positive developments in the year ahead.

Yours faithfully

Tim Fry
Chairman

Crucible Gold Limited (Crucible Gold or the Company) is a West African focused gold explorer. The Company currently has twelve applications for licenses in Cote d'Ivoire and a joint venture in Burkina Faso.

Crucible Gold has had an active exploration program in its first year, having completed a first review of all its project areas. Drill targets have been defined on a number of its projects. The Company will be commencing its maiden drill program on its Burkina Faso Poya project on the completion of the wet season and on its Ivorian projects once the licenses are granted.

CORPORATE

During the year:

(i) the Company lodged a Notice of Meeting on 22nd July 2011, to approve the acquisition of the West African gold projects and change the Company's focus to gold exploration in West Africa. As part of the process the capital of the Company was consolidated on a one for eighty basis. The Company also changed its name from Olea Australis Ltd to Crucible Gold Ltd. Shares and options to be issued as part of the meeting were
   a. 1,000,000 fully paid ordinary shares
   b. 6,500,000 $0.40 options expiring on 12th April 2014
   c. 2,200,000 $0.40 options expiring on 26th September 2014
   d. 25,250,000 performance shares
   e. 1,250,000 performance options;

(ii) the Company lodged a Prospectus with ASIC on 16th August 2011, to raise funds for exploration in West Africa for the issue of 15,000,000 fully paid ordinary shares at $0.20 each, raising $3,000,000 (before expenses of the issue);

(iii) on 30th August 2011, the shareholders approved all the resolutions and the Company was suspended from quotation on the ASX Ltd;

(iv) on 19th October 2011 the company was admitted to the official list of ASX Limited and official quotation of the company's securities commenced on 24 October 2011;

(v) on 29th October the Company secured three more applications in Cote d'Ivoire and Michel Mian joined the board as a Non-Executive Director;

(vi) on 13th December 2011 issued 1,000,000 $0.40 options expiring on 13th December 2014;

(vii) on 24th February issued 500,000 $0.40 options expiring on 23rd February 2015;

(viii) on 6th March the Company terminated its Joint Venture in Ghana.

EXPLORATION ACTIVITIES SUMMARY

Crucible Gold's exploration focus in 2011/12 has been on completing a first review of all its properties with the aim of defining drill targets.

Poya Project – Burkina Faso

Crucible Gold has the right to acquire an 88.89% interest in the Poya Gold Exploration License covering 111 square kilometres of prospective Birimian volcanic. The licence is situated in central Burkina Faso within the Hounde Greenstone Belt.

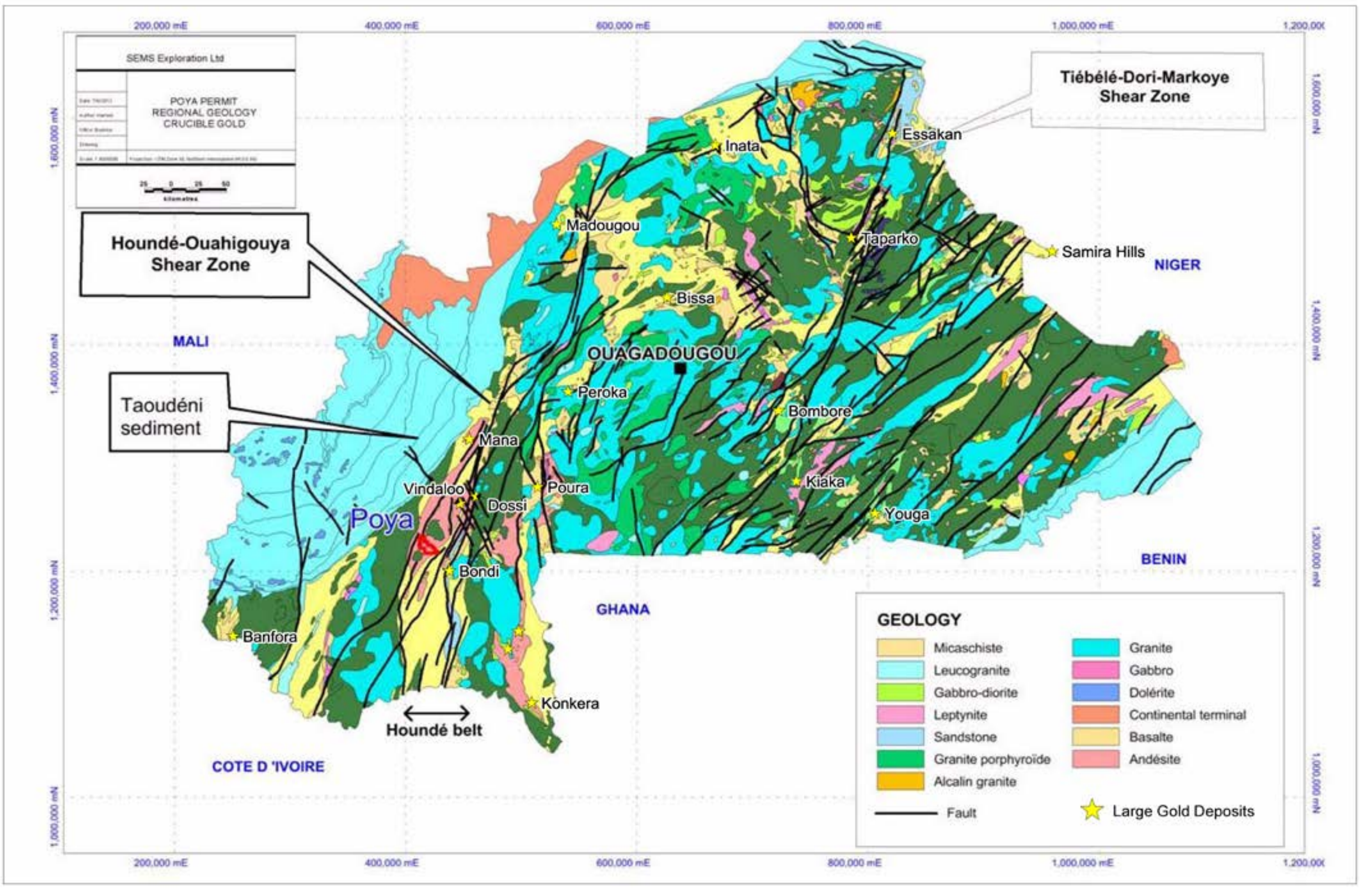

Figure 1: Simplified regional geological and structural map of Burkina Faso

During April a regional soil sampling program was undertaken with a total of 562 soil samples collected on a systematic 1000m X 200m grid pattern over the entire tenement area. The samples were submitted to SGS laboratory in Ouagadougou for 2 kilogram bottle roll with AAS gold finish (1 ppb detection limit). A number of extensive artisanal workings were observed and mapped during the sampling work, where locals were observed mining quartz rich zones within an interbedded sequence of intermediate mafic rocks and thin siltstones and sediments. Both northeast and northwest trending quartz zones and shears/faults were observed.

A large number of anomalous zones (+20 ppb Au) have been defined from the wide spaced gold results. In general the artisanal workings are defined by a plus 20 or 50 ppb gold contour and some of the anomalies associated with the known workings extend over 5 kilometres in strike length and greater than 600 metres in width.

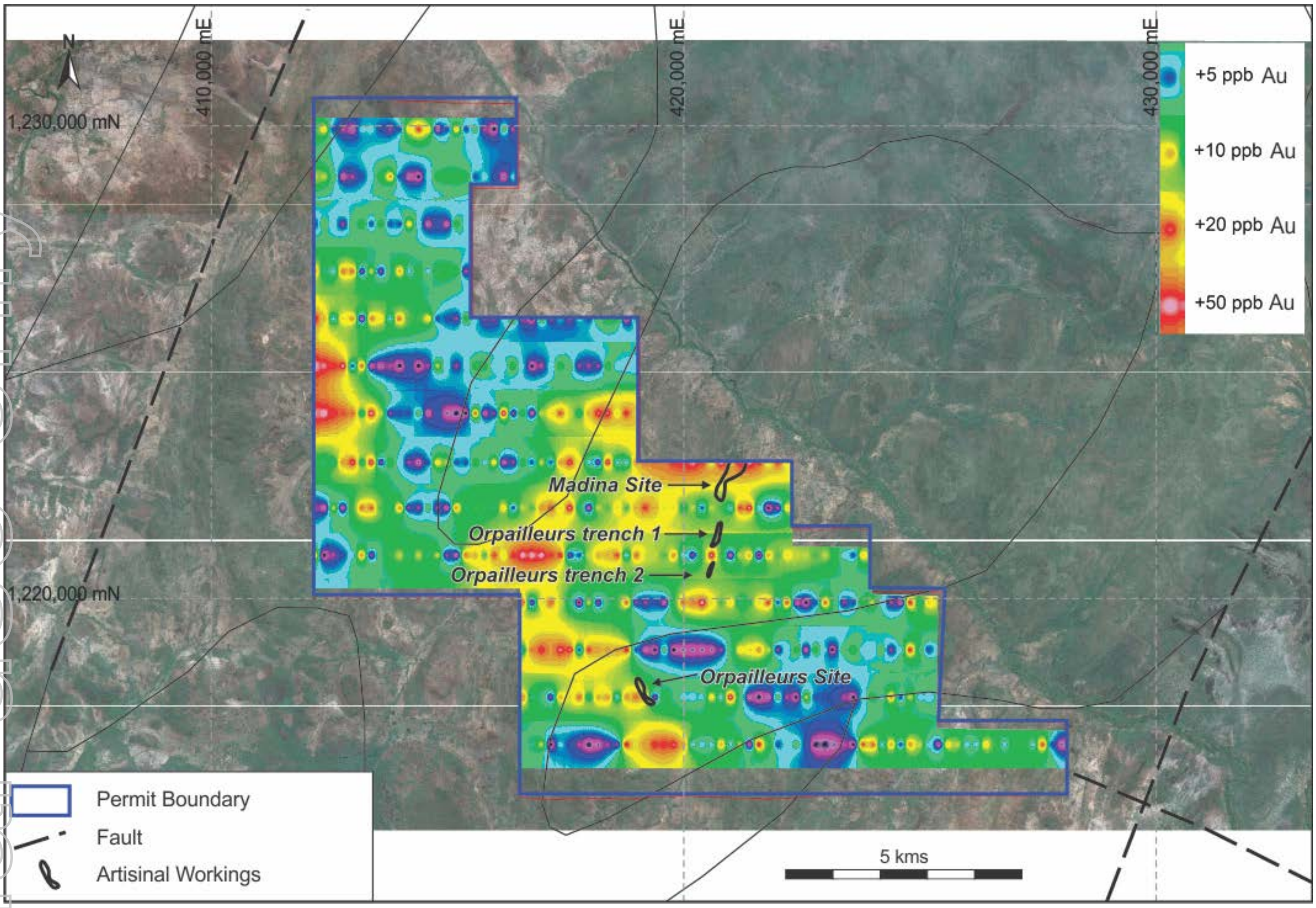

Figure 2: Imaged Gold Results: Poya

During June the Company undertook a regolith/lithology mapping programme coupled with some systematic sampling of any potential mineralisation and workings with a view to tightening up on potential drill targets. The results from this program are still pending.

The Company is planning to commence a drilling program to test the gold geochemical anomalies and zones of artisanal workings following the cessation of the wet season in Burkina Faso.

Cote d'Ivoire – Applications

The Company had 8 large exploration licence applications located within the Birimian Greenstone sequence in Cote d'Ivoire considered prospective for gold mineralisation.

During the year, the Company has completed GIS data interpretation incorporating aeromagnetics, mapped and interpreted geology and landsat review. A number of interesting areas were defined from this work and work programs designed to allow a first pass review and evaluation have been conducted. All tenement areas have been visited and sampling completed in numerous areas. Results returned from the sampling programs have allowed Crucible Gold to rationalise its tenement holdings with three of the eight licence applications retained. Following granting of the licences the company will seek approval for drill testing of the more significant gold anomalies.

During the year the Company applied for an additional nine licences covering 2,615 square kilometres. In conjunction with the retained licence applications, the Company now has a total of twelve licence applications covering 3,814 square kilometres in Cote d'Ivoire.

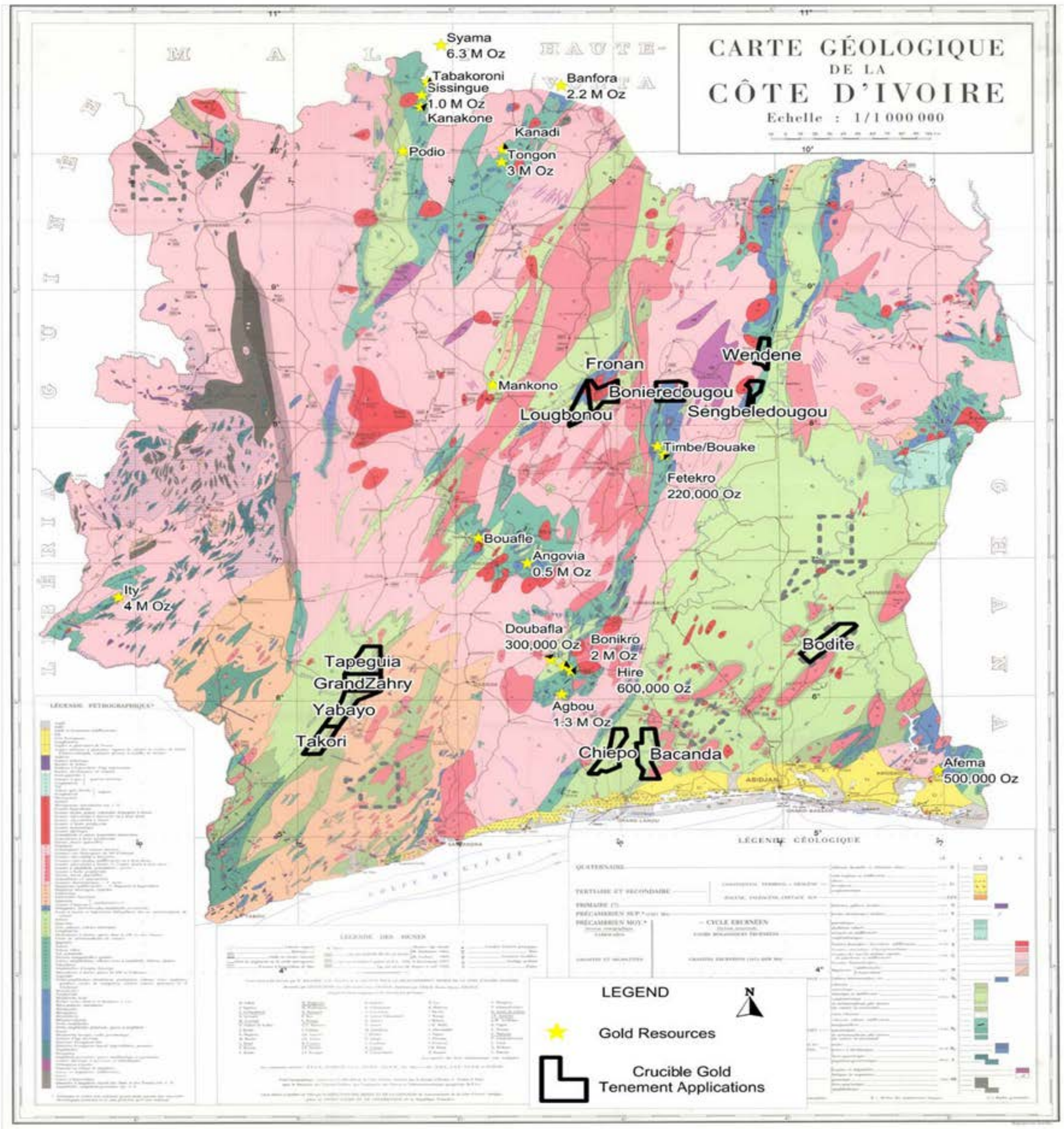

Figure 3: Cote d' Ivoire Tenement Applications

The Company understands that the government has started renewing existing licenses and once this is complete they will start processing new applications.

The comments regarding the geology, prospectivity and exploration results, in this document, have been made by Simon Coxhell (Member Australasian Institute of Mining and Metallurgy), who is a consultant and director employed by Crucible Gold Ltd. Mr Coxhell has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as Competent Persons as defined in the 2004 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

Your directors present their report for the financial year ended 30 June 2012.

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

NAMES	POSITION	APPOINTED/RESIGNED
Mr Tim Fry	Chairman	Appointed 20 September 2011
Mr Peter Pawlowitsch	Managing Director	Appointed20 September 2011
Mr Ken Richards	Non-executive Director	
Mr Simon Coxhell	Non-executive Director	Appointed 17 October 2011
Mr Michel Mian	Non-Executive Director	Appointed 28 November 2011
Mr Trevor Clohessy	Chairman	Resigned 26 September 2011
Mr Ian Murie	Non-executive Director	Resigned 17 October 2011

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

COMPANY SECRETARY
Mr Ian Hobson was appointed as company secretary on 17 October 2011 and holds a Bachelor of Business degree and is a Chartered Accountant and Chartered Secretary. Mr Hobson provides company secretary services and corporate, management and accounting advice to a number of listed public companies involved in the resource, mining services and oil and gas industries.

Mr Alan Sutton resigned as company secretary on 17 October 2011.

PRINCIPAL ACTIVITIES
The principal activities of Crucible Gold Limited consisted of exploration for gold and other mineral resources. The company had previously been involved in the agricultural sector and was previously named Olea Australis Limited.

OPERATING RESULTS
The loss from ordinary activities after providing for income tax amounted to $2,296,773 (2011: $305,694). The increase in the loss was largely due to the change in operations from being inactive in the agriculture sector to a new active focus on gold exploration in West Africa.

REVIEW OF OPERATIONS
During the year the shareholders of the Company approved a number of initiatives that changed the company's focus to exploring for gold in West Africa.

The Birimian Greenstone belts of West Africa have already yielded many world-class, multi-million ounce gold discoveries, and there are significant areas that remain unexplored. The Company has appointed Tim Fry, Simon Coxhell, Michel Mian and Peter Pawlowitsch as directors to join other experienced practitioners to explore for gold in this highly prospective region.

In January 2012 the Company entered into a joint venture to acquire an 88% interest in the Poya gold exploration license in Burkina Faso, and commenced exploration activities during the period.

DIVIDENDS PAID OR RECOMMENDED
No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

FINANCIAL POSITION

As at 30 June 2012 the company had cash and cash equivalents on hand of $2,138,737 (2011: $1,394,116). Net assets have increased by $1,414,804 to $2,750,724, largely due to the capital raising of $3,000,000 carried out during the year.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

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

Westaf was party to a head of agreement with the Ghanaian company Obomeng Appolonia Mining Company Limited to acquire a gold project in Ghana with the payment of a USD 50,000 option fee. During the period the Company decided to terminate this agreement.

The Company also acquired all of the issued capital of JEM Resources Pty Ltd which owns 90% of the shares in Major Star SA, a company registered in Cote d'Ivoire that has lodged applications for 5 exploration licences over land in Cote d'Ivoire.

Consideration for this acquisition was provided by the issue of:

- 5,000,000 options to acquire shares at 40 cents each within three years
- 24,000,000 performance shares in two tranches of 12,000,000 each

Elmscreek Pty Ltd was granted 200,000 options at 40 cents within 3 years for introducing the parties involved in the new business ventures.

During the period the Company raised $3,000,000 through the issue of 15,000,000 shares at 20 cents each.

The Company changed its name from Olea Australis Limited during the period, and undertook a capital consolidation on the basis of 1 share for every 80 held.

The new executive directors Peter Pawlowitsch and Simon Coxhell were granted 2,000,000 and 1,000,000 options respectively to acquire shares at 40 cents each within 3 years of issue date.

In January 2012, the Company entered into a Joint Venture agreement for 88% of the Poya project in Burkina Faso.

EVENTS SUBSEQUENT TO BALANCE DATE

In August 2012 a new license was acquired by Crucible's 90% subsidiary Major Sun Mining Company Limited in the Birimian prospective zone in northern Ghana. First pass geochemistry will commence following engagement with the local community.

Otherwise, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

ENVIRONMENTAL ISSUES

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

INFORMATION ON DIRECTORS

Mr Tim Fry	Chairman
Experience	Mr Fry was formerly Executive General Manager – West Africa for Lihir Gold Ltd, an ASX listed gold producer with annual production in excess of 1 million ounces and operations in Australia, Papua New Guinea and Cote d'Ivoire. In his role as Executive General Manager with Lihir, Mr Fry had responsibility for operations, business development in the region and a significant gold exploration programme in excess of US$30 million. He subsequently held a key leadership role as part of the integration team following the Lihir merger with Newcrest Mining Ltd in mid 2010. Prior to joining Lihir, Mr Fry was President of Dyno Nobel Asia Pacific (2002-2008), a company he had been with since 1992. As part of Dyno Nobel's global management team he played an integral role in steering the company through European private equity ownership, sale to a Macquarie Bank lead consortium in 2005, listing on the ASX in early 2006 to the subsequent sale of the business to Incitec Pivot Ltd in June 2008. Mr Fry has extensive experience in the mining, resources and civil engineering industries and has a B. Eng (Hons) degree in Mining, ACSM, MAICD.
Interest in Shares and Options	450,000 ordinary shares (50,000 of these shares are held indirectly) 9,850,000 performance shares 2,300,000 options 250,000 performance options
Directorships held in other listed entities during the three years prior to the current year	Mr Fry holds no other directorships of ASX listed companies currently or during the last three years.
Mr Peter Pawlowitsch	Executive Director
Experience	Mr Pawlowitsch holds a Bachelor of Commerce from the University of Western Australia, is a current member of the Certified Practising Accountants of Australia and also holds a Master of Business Administration from Curtin University. These qualifications have underpinned more than ten years' experience in the accounting profession and more recently in business management and the evaluation of businesses and mining projects. In his role as Executive Director of Comdek Ltd (now Resource Generation Ltd) and Maverick Energy Ltd (now Triangle Energy Ltd), he was instrumental in formulating the change in strategic direction of both companies. This

	involved the recapitalisation of both companies and the sourcing, evaluation and acquisition of new projects in the resources sector.
Interest in Shares and Options	450,000 shares 2,050,000 performance shares 2,675,000 options 250,000 performance options All shares and options are held indirectly.
Directorships held in other listed entities during the three years prior to the current year	Mr Pawlowitsch is also a director of Ventnor Resources Ltd and Bannon Ltd, both ASX-listed companies, and held no other directorships during the last three years.
Mr Ken Richards	Non-Executive Director
Experience	Mr Richards has in excess of 20 years' experience as a Managing Director in various companies listed and unlisted and in various industries. He holds a Bachelor of Commerce and Master of Business Administration degrees from the University of Western Australia. He is a fellow of the Australian Institute of Company Directors and a fellow of the Financial Services Institute of Australasia.
Interest in Shares and options	628,880 ordinary shares
Directorships held in other listed entities during the three years prior to the current year	Mr Richards is the managing director of Leaf Energy Ltd which is listed on the ASX and held no other directorships of ASX listed companies during the last three years.
Mr Simon Coxhell	Executive Director (appointed 17 October 2011)
Experience	Simon Coxhell is a geologist with a Bachelor of Science and Masters Qualifying from James Cook University, Townsville. Mr Coxhell has over 25 years experience encompassing all aspects of the resource sector including exploration, development and mining. Mr Coxhell has evaluated and assessed numerous projects across many commodities including gold, copper, iron ore, diamonds, vanadium ,rare earths, mineral sands, garnet and oil shale. Also completing many JORC compliant resource estimates for gold, mineral sands, garnet, rare earths, oil shale and vanadium resources. Mr Coxhell has been a member of AUSIMM since 1993.
Interest in Shares and Options	10,000 ordinary shares held directly and 40,000 ordinary shares and 1,000,000 options exercisable at 40 cents on or before 13 December 2014 held indirectly.
Directorships held in other listed entities during the three years prior to the current year	Mr Coxhell is a former executive director of ASX listed companies Venus Resources Ltd, Navigator Resources Ltd and Cohiba Minerals Ltd.

Mr Michel Mian	Non-Executive Director
Experience	Mr Mian is an Economist by training, and has been involved in the exploration & mining sector from 1996 to 2009, first with Equigold Cote d'Ivoire as President Director General & Chairman of the board. Mr Mian played a key role in securing the significant land package for Equigold (in excess of 18,000 km2) and the subsequent discovery of the 2.9 MOz, Bonikro deposit. From 2009 to 2010 Mr Mian was President of Lihir Gold Cote d'Ivoire and following the merger of Lihir Gold Ltd and Newcrest Mining Ltd, Mr Mian took on the role as President of Newcrest Cote d'Ivoire from September 2010 to December 2011. Newcrest Mining Ltd, presently now operates the Bonikro mine and has an extensive exploration programme in the country. Mr Mian has been awarded the following honorific medals for his community and business services: Gold Medal for the Best African Manager in Madrid in 2006; Gold Medal for the award 2007 at Meridian Hotel in Paris; his company has been granted the award for the excellence of service quality. Officer of National Order of Cote d'Ivoire by his Excellency the Head of State for services rendered to Cote d'Ivoire.
Interest in Shares and Options	250,000 ordinary shares held directly 2,000,000 consideration options held indirectly 9,600,000 performance shares held indirectly
Directorships held in other listed entities during the three years prior to the current year	Mr Mian held no other directorships of ASX listed companies during the last three years.
Mr Trevor Clohessy	Chairman Resigned 26 September 2011 Mr Clohessy is a past member of the Institute of Chartered Accountants and holds a Bachelor of Business (Accounting) degree from Curtin University of Technology. He currently holds no other ASX listed directorhips, and he was previously a director of the publicly listed Rubik Financial Limited and Integrated Group Limited during the last three years as well as a number of unlisted companies in the agribusiness sector.
Mr Ian Murie	Non-executive Director Resigned 17 October 2011

Mr Murie runs a small commercial legal practice and has been admitted for over 30 years, He holds a Bachelor of Law degree from the University of Western Australia and is a Notary Public. During the last three years he was the Chairman of publicly listed company Excalibur Mining Corporation Limited, currently holds no other ASX listed company directorships and is the director of a number of unlisted companies.

REMUNERATION REPORT (AUDITED)

Non-executive and executive directors – see pages 10 to 12 above

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders, and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- capital management.

The Company has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Alignment to shareholders' interests:

- focuses on exploration success as the creation of shareholder value and returns
- attracts and retains high calibre executives.

Alignment to program participants' interests:

- rewards capability and experience
- reflects competitive reward for contribution to growth in shareholder wealth
- provides a clear structure for earning rewards
- provides recognition for contribution.

The framework currently consists of fixed salaries and options.

The overall level of executive reward takes into account the performance of the company. The company is involved in mineral exploration and did not derive a profit and therefore growth in earnings is not considered relevant. Shareholder wealth is dependent upon exploration success and has fluctuated accordingly. During the same period, average executive remuneration has been maintained in accordance with industry standards.

NON-EXECUTIVE DIRECTORS

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board to ensure non-executive directors' fees and payments are appropriate and in line with the market. The Chairman is not present at any discussions relating to determination of his own remuneration.

DIRECTORS' FEES

The current base remuneration has not been reviewed given the short period of time since the appointment of directors. Directors' remuneration is inclusive of committee fees.

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The total maximum currently stands at $250,000.

RETIREMENT ALLOWANCES FOR DIRECTORS

There is no provision for retirement allowances for non-executive directors.

EXECUTIVE PAY

The executive pay and reward framework has three components:

I. base pay and benefits
II. long-term incentives through participation in the Employee Share Option Scheme
III. other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration;

I. Base pay

Structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There is no guaranteed base pay increases included in any senior executives' contracts.

Executives may receive benefits including memberships, car allowances and reasonable entertainment.

II. Incentives

There is no formal Employee Share Option Scheme. Any allotments of options to executives are considered by the Board depending on individual performance. Performance remuneration is not related to company performance. The Company is still in exploration and development phase.

III. Other

Directors and employees are permitted to nominate a superannuation fund of their choice to receive superannuation contribution.

IV. Service Agreements

Contracts held with the executive directors and key management personnel are outlined below.

EMPLOYMENT DETAILS OF MEMBERS OF KEY MANAGEMENT PERSONNEL AND OTHER EXECUTIVES

The following table provides employment details of persons who were, during the financial year, members of key management personnel of Crucible Gold Limited

KEY MANAGEMENT PERSONNEL	POSITION HELD AS AT 30 JUNE 2012	CONTRACT DETAILS (DURATION & TERMINATION)	OPTIONS %	FIXED SALARY/ FEES %	TOTAL %
Peter Pawlowitsch	Executive Director	Paid an annual director's fee of $30,000 plus statutory superannuation. There is no duration or termination benefit payable. .	64	36	100
Simon Coxhell	Executive Director	A consultancy fee is payable to Coxsrocks Pty Ltd, which is associated with Mr Coxhell. The contract expires 16 October 2013. The contract stipulates a payment of $10,000 per month for 10 days work, plus $1,000 per day for additional work carried out. There is no termination benefit payable, and no superannuation contributions are made.	45	55	100

The Directors received options as part of their remuneration package, options are issued with an exercise price above the share price to act as an incentive to increase shareholder wealth.

The employment terms and conditions of key management personnel are formalised in contracts of employment.

Remuneration Details

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the key management personnel of Crucible Gold:

		Cash Salary, fees and leave $	Cash Bonus $	Other $	Post-Employment Benefits- Super-annuation $	Share Based Payments - Options $	Total $
Key Management Personnel							
Mr Tim Fry (appointed 20 September 2011) (1)	2012	77,305	-	-	5,063	-	82,368
Mr Peter Pawlowitsch (appointed 20 September 2011) (1)	2012	93,571	-	-	7,431	177,074	278,076
Mr Ken Richards	2012	80,074	40,000	-	12,680	-	132,754
	2011	118,964	-	(40,000)	-	-	78,964
Mr Simon Coxhell (appointed 17 October 2011) (1)	2012	125,000	-	-	-	100,691	225,691
Mr Michel Mian (appointed 28 November 2011)	2012	19,075	-	-	-	-	19,075
	2011	-	-	-	-	-	-
Mr Trevor Clohessy (resigned 26 September 2011)	2012	-	-	-	-	-	-
	2011	-	-	-	25,000	-	25,000
Mr Ian Murie (resigned 17 October 2011)	2012	10,000	-	-	-	-	10,000
	2011	27,000					27,000
Mr Tony Pitt (resigned 22 November 2010)	2011	-	-	-	-	-	-
Total Key Management Personnel	2012	405,025	40,000	-	25,174	277,765	747,964
	2011	145,964	-	(40,000)	25,000	-	130,964

(1) Includes consulting fees paid to associated companies

Cash Bonuses, Performance-related Bonuses and Share-based Payments

The terms and conditions relating to options and bonuses granted as remuneration during the year to key management personnel and other executives during the year are as follows:

Key Management Personnel	Remuneration type	Vesting and Grant date	Grant Value $	Percentage vested/paid during the year %	Percentage forfeited during year %	Percentage remaining as unvested %
Peter Pawlowitsch	Incentive	26 September 2011	177,074	100%	-	-
Simon Coxhell	Incentive	13 December 2011	100,691	100%	-	-

All options were issued by Crucible Gold Limited and entitle the holder to 1 ordinary share in Crucible Gold Limited for each option exercised.

There have not been any alterations to the terms or conditions of any grants since grant date.
A bonus of $40,000 was paid to Ken Richards during the year as part of the terms of resignation as an executive director.

Description of Options Issued as Remuneration

Details of the options granted as remuneration to those key management personnel and executives listed in the previous table are as follows:

Grant Date	Expiry Date	Entitlement On Exercise	Vested %	Exercise Price $	Value per option at grant date $	Performance Achieved
26 September 2011	26 September 2014	2,000,000 shares	100%	40c	$0.0885	n/a
13 December 2011	13 December 2014	1,000,000 shares	100%	40c	$0.1007	n/a

The options outlined above all vested on the grant date. The assessed value at grant date of options to the individuals is included in the remuneration tables above. Fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The Company has not used remuneration consultants to determine levels of remuneration.

NAME	NUMBER OF OPTIONS GRANTED DURING YEAR	Grant DATE	Vested	Value of options at grant date $	Lapsed DURING YEAR
Peter Pawlowitsch	2,000,000	26 September 2011	100%	177,074	0
Simon Coxhell	1,000,000	13 December 2011	100%	100,691	0

The Company received more than 57% of "yes" votes on its remuneration report at the 2011 annual general meeting. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

This is the end of the remuneration report.

Meetings of Directors

During the financial year, 9 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mr Tim Fry	5	5
Mr Peter Pawlowitsch	6	6
Mr Ken Richards	9	8
Mr Simon Coxhell	5	5
Mr Michel Mian	4	3
Mr Trevor Clohessy	4	4
Mr Ian Murie	5	2

Indemnifying Officers or Auditors

Crucible Gold Limited has paid premiums to insure directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of director of Crucible Gold Limited, other than conduct involving a wilful breach of duty in relation to Crucible Gold Limited.

Options

At the date of this report, the unissued ordinary shares of Crucible Gold Limited under option, including those options issued during the year and since 30 June 2012 to the date of this report, are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
14 April 2011	14 April 2014	0.40	6,500,000
26 September 2011	26 September 2014	0.40	2,200,000
26 September 2011	3 years after performance milestones met	0.40	1,250,000
13 December 2011	13 December 2014	0.40	1,000,000
23 February 2012	23 February 2015	0.40	500,000
			11,450,000

During the year ended 30 June 2012, no ordinary shares of Crucible Gold Limited were issued on the exercise of options granted.

Proceedings on Behalf of Company

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

Crucible Gold Limited was not a party to any such proceedings during the year.

Non-audit Services

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

- all non-audit services are reviewed and approved by the board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees were paid to the external auditors during the year ended 30 June 2012:

	2012 $	2011 $
Auditing or reviewing the financial report	36,728	16,000
Taxation services	4,560	-
Fees paid to the auditors of the Company	41,288	16,000
Fees paid to other auditors	27,500	-
Total fees paid to the auditors	68,788	16,000

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on page 20 of the Annual report.

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

Peter Pawlowitsch
Executive Director
Dated: 27 September 2012

Tel: +8 6382 4600
Fax: +8 6382 4601
www.bdo.com.au

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

27 September 2012

The Directors
Crucible Gold Limited
Suite 5, 95 Hay Street
SUBIACO WA 6008

Dear Sirs,

DECLARATION OF INDEPENDENCE BY PETER TOLL TO THE DIRECTORS OF CRUCIBLE GOLD LIMITED

As lead auditor of Crucible Gold Limited for the period ended 30 June 2012, 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; and
- any applicable code of professional conduct in relation to the audit.

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

Peter Toll
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia

BOARD COMPOSITION

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

The independent directors of the Company are Tim Fry, Ken Richards and Michel Mian.

When determining the independent status of a Director the Board used the Guidelines detailed in the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations.

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.

Principle 1:	**Lay solid foundations for management and oversight**		
1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions	**A**	Matters reserved for the board are included in the Board Charter, a copy of which is available on the Company's website.
1.2	Companies should disclose the process for evaluating the performance of senior executives	**A**	The Board's policy is to perform annual verbal reviews of the effectiveness of the Board, its committees, individual directors, and senior executives. All directors have an opportunity to contribute to the review process. The performance criteria take into account each director's contribution to setting the direction, strategy and financial objectives of the Group, and monitoring compliance with regulatory requirements and ethical standards. The Board may undergo periodic formal assessment processes, including assessment of the Board's committees, where applicable. An independent third party consultant may be used to facilitate the assessment. An informal process of Board review is outlined in the Nomination Committee Charter.
1.3	Companies should provide the information indicated in the Guide to reporting on Principle 1	**A**	Evaluations of the Board and executives did not occur during the year as set out above.
Principle 2:	**Structure the board to add value**		
2.1	A majority of the board should be independent directors	**A**	The board compromises five directors, three of whom are independent (Tim Fry, Ken Richards and Michel Mian).
2.2	The chair should be an independent director	**A**	The Chairman Tim Fry is an independent director.
2.3	The roles of chair and chief executive officer should not be exercised by the same individual	**A**	
2.4	The board should establish a nomination committee	**N/A**	The directors consider that given the small size of the company and the board that the functions of this committee are best dealt with by the entire board.
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors	**A**	Satisfied. Board Performance Evaluation Policy is available at www.cruciblegold.com.au in the Corporate Governance section

A = Adopted
N/A = Not adopted

	ASX Principle	Status	Reference/comment
2.6	Companies should provide the information indicated in the Guide to reporting on Principle 2	**A**	The skills and experience of Directors as well as their period of office are set out in the Company's Annual Report (Directors' Report) and on its website. A statement as to the Company's materiality threshold can be found in the Board Charter on the Company's website.
Principle 3:	**Promote ethical and responsible decision-making**		
3.1	Companies should establish a code of conduct and disclose the code	**A**	The Company has established a Code of Conduct which can be viewed on its website.
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them	**N/A**	The Company has adopted a diversity policy which can be viewed on its website. The Company recognises that a diverse and talented workforce is a competitive advantage and encourages a culture that embraces diversity. However, the policy does not include requirements for the board to establish measurable objectives for achieving gender diversity. Given the Company's size and stage of development as an exploration company, the board does not think it is yet appropriate to include measurable objectives in relation to gender. As the Company grows and requires more employees, the Company will review this policy and amend as appropriate.
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them	**N/A**	The Company has adopted a diversity policy which can be viewed on its website. The Company recognises that a diverse and talented workforce is a competitive advantage and encourages a culture that embraces diversity. However, the policy does not include requirements for the board to establish measurable objectives for achieving gender diversity. Given the Company's size and stage of development as an exploration company, the board does not think it is yet appropriate to include measurable objectives in relation to gender. As the Company grows and requires more employees, the Company will review this policy and amend as appropriate.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	**A**	The proportion of women employees in the whole organisation is 50%. There are currently no women in senior executive positions. There are currently no women on the board.
3.5	Companies should provide the information indicated in the Guide to reporting on Principle 3	**A**	
Principle 4:	**Safeguard integrity in financial reporting**		
4.1	The board should establish an audit committee	**A**	The Audit Committee Charter is available on the Company's website. The directors consider that given the small size of the company and the board that the functions of this committee are best dealt with by the entire board.
4.2	The audit committee should be structured so that it:		
	• consists only of non-executive directors	**N/A**	
	• consists of a majority of independent directors	**N/A**	
	• is chaired by an independent chair, who is not chair of the board	**N/A**	
	• has at least three members	**N/A**	

A = Adopted
N/A = Not adopted

	ASX Principle	Status	Reference/comment
4.3	The audit committee should have a formal charter	**A**	A copy of the Audit Committee Charter is available on the company website.
4.4	Companies should provide the information indicated in the Guide to reporting on Principle 4	**N/A**	.
Principle 5:	**Make timely and balanced disclosure**		
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies	**A**	The Company has established written procedures to ensure compliance with ASX Listing Rule disclosure and accountability of senior executives for compliance. The policy can be found on the Company's website.
5.2	Companies should provide the information indicated in the Guide to reporting on Principle 5	**A**	The Board receives monthly updates on the status of the Company's activities and any new or proposed activities. Disclosure is reviewed as a routine agenda item at each Board Meeting which are held every two months.
Principle 6:	**Respect the rights of shareholders**		
6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy	**A**	In line with adherence to continuous disclosure requirements of ASX all shareholders are kept informed of major developments affecting the Company. This disclosure is through regular shareholder communications including the Annual Report, Quarterly Reports, the Company website and the distributions of specific releases covering major transactions and events or other price sensitive information.
6.2	Companies should provide the information indicated in the Guide to reporting on Principle 6	**A**	The Company has formulated a Communication Policy which can be viewed on the Company website.
Principle 7:	**Recognise and manage risk**		
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies	**A**	The Board has established policies and practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Company's risk profile. This includes assessing, monitoring and managing operational, financial reporting, and compliance risks for the Group. The Company's Risk Management Policy can be viewed on the Company website.
7.2	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks	**A**	The Company's Risk Management Policy can be viewed on the Company website. The board recognises its responsibility for identifying areas of significant business risk and ensuring that arrangements are in place to adequately manage these risks. This issue is regularly reviewed at board meetings and a risk management culture is encouraged amongst employees and contractors.

A = Adopted
N/A = Not adopted

	ASX Principle	Status	Reference/comment
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks	**A**	Assurance received.
7.4	Companies should provide the information indicated in the Guide to reporting on Principle 7	**A**	
Principle 8:	**Remunerate fairly and responsibly**		
8.1	The board should establish a remuneration committee	**N/A**	The directors consider that given the small size of the company and the board that the functions of this committee are best dealt with by the entire board.
8.2	The remuneration committee should be structured so that it:		
	consists of a majority of independent directors	**N/A**	
	is chaired by an independent chair	**N/A**	
	has at least three members.		
8.3	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives	**A**	Refer to the Remuneration Report in the Company's Annual Report.
8.4	Companies should provide the information indicated in the Guide to reporting on Principle 8	**A**	The executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits.

A = Adopted
N/A = Not adopted

Further information about the Company's corporate governance practices is set out on the Company's website at www.cruciblegold.com.au.

	NOTE	2012 $	2011 $
Income from continuing operations	2	128,001	69,986
		128,001	69,986
Employee benefits expense		(692,995)	-
Depreciation expense		(9,424)	-
Administrative expenses		(684,576)	(359,478)
Exploration expenditure write off		(517,212)	-
Impairment of exploration assets held for sale	8	(99,962)	-
Impairment of investments		(379,577)	-
Marketing costs		-	(2,174)
Occupancy costs		(41,028)	(14,028)
(Loss) before income taxes		(2,296,773)	(305,694)
Income tax expense	3	-	-
Other comprehensive income		-	-
Total comprehensive loss for the year		(2,296,773)	(305,694)
Loss from continuing operations attributable to:			
Members of the parent entity		(2,241,592)	(305,694)
Non-controlling interests		(55,181)	-
		(2,296,773)	(305,694)
Loss per share			
From continuing operations:			
Basic loss per share (cents) attributable to ordinary equity holders of the company	12	(0.0933)	(0.042)
Diluted loss per share (cents)	12	n/a	n/a

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

	NOTE	2012 $	2011 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,138,737	1,394,116
Trade and other receivables	5	27,622	21,314
Other assets	7	54,982	-
TOTAL CURRENT ASSETS		2,221,341	1,415,430
NON-CURRENT ASSETS			
Property, plant and equipment	6	110,648	-
Exploration expenditure	8	494,291	-
TOTAL NON-CURRENT ASSETS		604,939	-
TOTAL ASSETS		2,826,280	1,415,430
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	75,556	79,510
TOTAL CURRENT LIABILITIES		75,556	79,510
TOTAL LIABILITIES		75,556	79,510
NET ASSETS		2,750,724	1,335,920
EQUITY			
Issued capital	10	8,639,816	5,815,733
Reserves	11	923,943	555,219
Accumulated losses		(6,759,435)	(5,035,032)
Capital and reserves attributable to owners of the company		2,804,324	1,335,920
Non-controlling interests	25	(53,600)	-
Total equity		2,750,724	1,335,920

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

2012

	Ordinary Shares $	Accumulated Losses $	Reserves $	Non Controlling Interests $	Total $
Balance at 1 July 2011	5,815,733	(5,035,032)	555,219	-	1,335,920
Loss attributable to members of the parent entity	-	(2,296,773)	-	-	(2,296,773)
Loss attributable to non-controlling interests	-	-	-	55,181	55,181
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive loss for the year	-	(2,296,773)	-	55,181	(2,241,592)
Transactions with owners in their capacity as owners					
Adjustment for acquisition of subsidiaries	-	(38,030)	-	-	(38,030)
Write off reserves to accumulated losses	-	555,219	(555,219)	-	-
Shares issued during the year	3,215,810	-	-	(1,581)	3,214,229
Transaction costs	(390,146)	-	-	-	(390,146)
Options issued during year	-	-	923,943	-	923,943
Sub-total	2,826,664	(1,779,584)	368,724	53,600	1,468,404
Balance at 30 June 2012	8,641,397	(6,814,616)	923,943	53,600	2,750,724

2011

	Ordinary Shares $	Accumulated Losses $	Reserves $	Total $
Balance at 1 July 2010	5,565,733	(4,729,338)	555,219	1,391,614
Loss attributable to members of the parent entity	-	(305,694)	-	(305,694)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	(305,694)	-	(305,694)
Transactions with owners in their capacity as owners				
Shares issued during the year	250,000	-	-	250,000
Sub-total	250,000	(305,694)	-	(55,694)
Balance at 30 June 2011	5,815,733	(5,035,032)	555,219	1,335,920

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

	NOTE	2012 $	2011 $
CASH FROM OPERATING ACTIVITIES:			
Payments to suppliers and employees		(1,221,876)	(452,471)
Interest received		125,541	66,313
Net cash used in operating activities	21	(1,096,335)	(386,158)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		(120,074)	-
Acquisition of cash		5,581	-
Acquisition cost of subsidiaries, net of cash acquired ?		(46,772)	-
Exploration and evaluation expenditure		(625,340)	-
Net cash used by investing activities		(786,605)	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of shares		3,000,000	250,000
Payment of share issue costs		(372,439)	-
Net cash provided by financing activities		2,627,561	250,000
OTHER ACTIVITIES:			
Net increase/ (decrease) in cash held		744,621	(136,158)
Cash and cash equivalents at beginning of year		1,394,116	1,530,274
Cash and cash equivalents at end of financial year		2,138,737	1,394,116

These financial statements should be read in conjunction with the accompanying notes

This financial report includes the financial statements and notes of Crucible Gold Limited (the company).

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Crucible Gold Limited is a company limited by shares, incorporated and domiciled in Australia. During the year the Company changed its name from Olea Australis Limited.

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

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

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

These financial statements are presented in Australian dollars, rounded to the nearest dollar.

GOING CONCERN

The financial report does not include any adjustments relating to the recoverability or classification of recorded amounts or classification of liabilities that might be necessary should Crucible Gold Limited not be able to continue as a going concern. The directors are satisfied that the Company is a going concern as cash reserves are sufficient to fund ongoing operations for the foreseeable future and access to further funding would be available through the financial markets.

(A) REVENUE RECOGNITION

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

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

(B) PRINCIPLES OF CONSOLIDATION

SUBSIDIARIES

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Crucible Gold Limited (“Company” or “parent entity”) as at 30 June 2012 and the results of all subsidiaries for the year then ended. Crucible Gold Ltd and its subsidiaries together are referred to in these financial statements as the Group or the consolidated entity.

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

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

The acquisition method of accounting is used to account for business combinations by the Group.

1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(C) PRINCIPLES OF CONSOLIDATION

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

(D) Foreign Currency Translation

(i) Functional and presentation currency

The consolidated financial statements are presented in Australian dollars, which is Crucible Gold Limited 's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities, denominated in foreign currencies, are recognised in profit or loss.

(iii) Foreign operations

The assets and liabilities of foreign operations are translated to the functional currency as exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the dates of the transactions.

Foreign currency difference are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the translation reserve in equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(E) FINANCE INCOME

Finance income comprises interest income earned on funds invested in bank accounts and call deposits. Interest is recognised on an accruals basis in the income statement, using the effective interest method.

(F) INCOME TAX

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

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

(G) EMPLOYEE BENEFITS

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(H) PROVISIONS

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

(I) BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the group recognises any non-controlling interest in the acquired asset either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred and the amount of any non-controlling interest in the acquire over the fair value of the net identifiable assets acquired is recorded as goodwill, If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(J) CASH AND CASH EQUIVALENTS

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

(K) TRADE RECEIVABLES

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used wjn there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of the discounting is immaterial.

The amount of the impairment losses is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance has been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(L) FINANCIAL INSTRUMENTS

Initial recognition and measurement

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

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

Classification and subsequent measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

(a) the amount at which the financial asset or financial liability is measured at initial recognition;
(b) less principal repayments;
(c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
(d) less any reduction for impairment.

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

1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The company does not designate any interest as being subject to the requirements of accounting standards specifically applicable to financial instruments.

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

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

(ii) Loans and receivables

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. All other loans and receivables are classified as non-current assets.

(iii) Financial liabilities

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

Convertible notes are issued from the Company and are convertible at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a convertible note is recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the convertible note as a whole and the fair value of the liability component.

Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

DERECOGNITION

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

(M) PROPERTY, PLANT AND EQUIPMENT

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

PLANT AND EQUIPMENT

Plant and equipment are measured on the cost basis.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEPRECIATION

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

The estimated useful lives used for each class of depreciable assets are:

CLASS OF FIXED ASSET	USEFUL LIFE
Exploration Equipment	4 years
Furniture, Fixtures and Fittings	4 years
Computer Equipment	3 years
Computer Software	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

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

Property, plant and equipment is derecognised and removed from the statement of financial position on disposal or when no future economic benefits are expected. Gains and losses from derecognition are measured as the difference between the net disposal proceeds, if any, and the carrying amount and are recognised in profit or loss.

Subsequent costs are included in the property, plant and equipment's carrying value or recognised as a separate asset when it is probable that future economic benefits associated with the item will be realised and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss.

(N) EXPLORATION AND DEVELOPMENT EXPENDITURE

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

i) the rights to tenure of the area of interest are current; and
ii) at least one of the following conditions is also met:
   a. the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
   b. exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are occurring.

1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

(O) IMPAIRMENT OF ASSETS

At each reporting date, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including, dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

Non-financial assets, other than inventories, deferred tax assets, assets from employee benefits, investment properties, biological assets, and deferred acquisition costs, are assessed for any indication of impairment at the end of each reporting period. Any indication of impairment requires formal testing of impairment by comparing the carrying amount of the asset to an estimate of the recoverable amount of the asset. An impairment loss is calculated as the amount by which the carrying amount of the asset exceeds the recoverable amount of the asset.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment annually regardless of whether there is any indication of impairment.

The recoverable amount is the greater of the asset's fair value less costs to sell and its value in use. The asset's value in use is calculated as the estimated future cash flows discounted to their present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks associated with the asset. Assets that cannot be tested individually for impairment, are grouped together into the smallest group of assets that generates cash inflows (the asset's cash-generating unit).

Impairment losses are recognised in profit or loss. Impairment losses are allocated first, to reduce the carrying amount of any goodwill allocated to cash-generating units, and then to other assets of the group on a pro-rata basis.

1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Assets other than goodwill are assessed at the end of each reporting period to determine whether previously recognised impairment losses may no longer exist or may have decreased. Impairment losses recognised in prior periods for assets other than goodwill are reversed up to the carrying amounts that would have been determined had no impairment loss been recognised in prior periods.

(P) TRADE AND OTHER PAYABLES

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(Q) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(R) CONTRIBUTED EQUITY

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(S) EARNINGS PER SHARE

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted earnings per share

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

(T) SHARE-BASED PAYMENT TRANSACTIONS

Employees of the Company receive remuneration in the form of share-based payment transactions, whereby employees render services in exchange for equity instruments ("equity-settled transactions").

When the goods or services acquired in a share-based payment transaction do not qualify for recognition as assets, they are recognised as expenses.

The cost of equity-settled transactions and the corresponding increase in equity is measured at the fair value of the goods or services acquired. Where the fair value of the goods or services received cannot be reliably estimated, the fair value is determined indirectly by the fair value of the equity instruments using the Black Scholes option valuation technique.

1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Equity-settled transactions that vest after employees complete a specified period of service are recognised as services received during the vesting period with a corresponding increase in equity.

(U) NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less cost to sell. For non-current assets to be classified as held for sale, they must be available for immediate sale in the present condition and their sale must be highly probable. Non-current assets are not depreciated while they are classified as held for sale. Non-current assets classified as held for sale are presented separately on the face of the statement of financial position, in current assets.

(V) CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

KEY ESTIMATES – IMPAIRMENT

The company assesses impairment at the end of the reporting period by evaluating conditions specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

KEY JUDGMENTS - EXPLORATION AND EVALUATION EXPENDITURE

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

KEY JUDGEMENTS - SHARE-BASED PAYMENT TRANSACTIONS

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes method. The related assumptions are detailed in note 24. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Shares and options were issued as part of the acquisition of African subsidiary companies. The fair value is determined using the Black-Scholes method, and the related assumptions are outlined in note 24.

Performance based shares were granted as part of the acquisition of subsidiary companies in West Africa. No value has been brought to account as at this stage that the options have not vested and the performance hurdles in relation to these options are considered to have a low probability of achievement within the three year timeframes.

KEY JUDGEMENTS – ACQUISITION OF SUBSIDIARIES

The Company acquired subsidiaries during the financial year. The group is not being treated as a business combination as the companies acquired had not yet started operations. If it had been, it is not considered that there would be a material difference in the financial statements.

1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

(W) NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE PERIODS

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2012 reporting periods. The Group's assessment of the impact of these new standards and interpretations is set out below. New standards and interpretations not mentioned are considered unlikely to impact on the financial reporting of the Group.

AASB 9: Financial Instruments (December 2010) (applicable for annual reporting periods commencing on or after 1 January 2013)

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Group has not yet determined any potential impact on the financial statements.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

AASB 2010–7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2011) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to periods beginning on or after 1 January 2013)

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the entity adopts AASB 9.

As noted above, the Group has not yet determined any potential impact on the financial statements from adopting AASB 9.

1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

AASB 2010–8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012)

This Standard makes amendments to AASB 112: Income Taxes.

The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140: Investment Property.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments brought in by this Standard also incorporate Interpretation 121 into AASB 112.

The amendments are not expected to impact the Group.

AASB 2010–9: Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1] (applies to periods beginning on or after 1 July 2011/1 January 2013)

This Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards.

The amendments brought in by this Standard provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.

Furthermore, the amendments brought in by this Standard also provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.

This Standard is not expected to impact the Group.

AASB 2010–10: Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters [AASB 2009–11 & AASB 2011–7] (applies to periods beginning on or after 1 January 2013)

This Standard makes amendments to AASB 2009–11: Amendments to Australian Accounting Standards arising from AASB 9, and AASB 2011–7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

The amendments brought in by this Standard ultimately affect AASB 1: First-time Adoption of Australian Accounting Standards and provide relief for first-time adopters from having to reconstruct transactions that occurred before their transition date.

1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

[The amendments to AASB 2009–11 will only affect early adopters of AASB 2009–11 (and AASB 9: Financial Instruments that was issued in December 2009) as it has been superseded by AASB 2010–7.]

This Standard is not expected to impact the Group.

AASB 1054: Australian Additional Disclosures (applies to periods beginning on or after 1 January 2013)

This Standard is as a consequence of phase 1 of the joint Trans-Tasman Convergence project of the AASB and FRSB.

This Standard relocates all Australian specific disclosures from other standards to one place and revises disclosures in the following areas:

- compliance with Australian Accounting Standards;
- the statutory basis or reporting framework for financial statements;
- whether the financial statements are general purpose or special purpose;
- audit fees; and
- imputation credits.

This Standard is not expected to impact the Group.

AASB 10: Consolidated Financial Statements (applies to periods beginning on or after 1 January 2013)

This Standard establishes a new control model that applies to all entities. It replaces parts of AASB 127 Consolidated and Separate Financial Statements dealing with the accounting for consolidated financial statements and Interpretation 112Consolidation – Special Purpose Entities.

The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights and when holding less than a majority voting rights may give control. This Standard is not expected to impact the Group.

AASB 11: Joint Arrangements (applies to periods beginning on or after 1 January 2013)

This Standard replaces AASB 131 Interests in Joint Ventures and Interpretation 113 Jointly-Controlled Entities – Non-monetary Contributions by Ventures. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition, AASB 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves is accounted for by recognising the share of those assets and obligations. Joint ventures that give the venturers a right to the net assets is accounted for using the equity method. This may result in a change in the accounting for the joint arrangements held by the Group.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

AASB 12: Disclosures of Interests in Other Entities (applies to periods beginning on or after 1 January 2013)

This Standard includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structures entities. New disclosures have been introduced about the judgements made by management to determine whether control exists, and to require summarised information about joint arrangements, associates and structured entities and subsidiaries with non-controlling interests. The Group has not yet determined any potential impact on the financial statements.

AASB 13: Fair Value Measurement (applies to periods beginning on or after 1 January 2013)

This Standard establishes a single source of guidance under AASB for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value under AASB when fair value is required or permitted by AASB. Application of this definition may result in different fair values being determined for the relevant assets.

AASB 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined. The Group has not yet determined any potential impact on the financial statements.

AASB 119: Employee Benefits (applicable for annual reporting periods commencing on or after 1 January 2013)

The main change introduced by this standard is to revise the accounting for defined benefit plans. The amendment removes the options for accounting for the liability, and requires that the liabilities arising from such plans is recognized in full with actuarial gains and losses being recognized in other comprehensive income. It also revised the method of calculating the return on plan assets. The definition of short-term benefits has been revised, meaning some annual leave entitlements may become long-term in nature with a revised measurement. Similarly the timing for recognising a provision for termination benefits has been revised, such that provisions can only be recognised when the offer cannot be withdrawn.

Consequential amendments were also made to other standards via AASB 2011-10.

(X) PARENT ENTITY FINANCIAL INFORMATION

The financial information for the parent entity, Crucible Gold Ltd, disclosed in note 24 has been prepared on the same basis as the consolidated financial statements.

	2012 $	2011 $

2 LOSS FOR THE YEAR

	2012 $	2011 $
Interest income	124,196	69,986
Other Income	3,805	-
Income from continuing operations	128,001	69,986
Other Expenses:		
Share based payments	330,792	-

3 INCOME TAX EXPENSE

(A) The components of tax expense comprise:

	2012 $	2011 $
Current tax	-	-
Deferred tax	-	-

(B) The prima facie tax on loss before income tax is reconciled to the income tax as follows:

	2012 $	2011 $
Loss from continuing operations before tax	(2,293,773)	(305,693)
Prima facie tax payable on loss before income tax at 30% (2011: 30%)	(688,132)	(91,708)
Tax effect of amounts not deductible (taxable) in calculating taxable income	106,015	-
Deferred tax asset not brought to account on tax losses and temporary differences	582,117	91,708
Income tax expense/(benefit)	-	-

(C) Unrecognised Deferred Tax Assets

	2012 $	2011 $
Unrecognised DTA		
Timing differences	103,249	20,606
Tax losses - revenue	1,301,575	865,690
	1,404,824	886,296
Unrecognised DTL		
Offset against Deferred Tax Liabilities recognised	(698)	-
Deferred Tax Assets not brought to account	1,404,125	886,296

(D) Unrecognised Deferred Tax Liabilities

	2012 $	2011 $
Timing differences	(698)	-
Offset by Deferred Tax Assets recognised	698	-
	-	-

	2012 $	2011 $

4 CASH AND CASH EQUIVALENTS

	2012 $	2011 $
Cash on hand	2,138,737	1,394,116
	2,138,737	1,394,116

The company's exposure to interest rate risk is outlined in note 13.

5 TRADE AND OTHER RECEIVABLES

	2012 $	2011 $
CURRENT		
Trade receivables	2,829	-
Prepayments	2,463	10,309
Other receivables	22,330	11,005
	27,622	21,314

Trade and other receivables are all due within three months of this report and no impairment provision has been made.

Information about credit and liquidity risk is outlined in note 13.

Prepayments consist of prepaid insurance and ASX listing fees.

6 PROPERTY, PLANT AND EQUIPMENT

	2012 $	2011 $
PLANT AND EQUIPMENT		
- at cost	120,072	-
- accumulated depreciation	(9,424)	-
Total property, plant and equipment	110,648	-

MOVEMENTS IN CARRYING AMOUNTS

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

	COMPUTER EQUIPMENT $	OFFICE RENOV-ATIONS $	FURNITURE $	PLANT & EQUIPMENT $	TOTAL $
Balance at 30 June 2012					
Balance at the beginning of the year	-	-	-	-	-
Additions	8,208	24,558	28,848	58,848	120,072
Depreciation expense	(1,156)	(1,946)	(2,063)	(4,260)	(9,424)
Carrying amount at the end of 30 June 2012	7,052	22,612	26,784	54,199	110,648
Balance at 30 June 2011					
Balance at the beginning of the year	-	-	-	-	-
Additions	-	-	-	-	-
Depreciation expense	-	-	-	-	-
Carrying amount at the end of the 30 June 2011	-	-	-	-	-

	2012 $	2011 $

7 Other Assets

	2012 $	2011 $
CURRENT		
Loans receivable	45,959	-
Guarantees	9,023	
	54,982	-

The loan represents expenditure incurred on the group's office in Abidjan, Côte d'Ivoire on behalf of the landlord. Rent due on the premises will be offset against the loan, and interest charged on the outstanding balance**.**

Risk management policies in regard to credit and currency risk are outlined in note 13.

8 Exploration Expenditure

	2012 $	2011 $
Balance at beginning of the year	-	-
Non-current assets classified as held for sale	-	-
Purchase of exploration assets	831,937	-
Expenditure during the year	92,141	-
Impairment	(429,787)	-
Exploration expenditure at cost	494,291	-

The recoverability of the carrying amount of the transaction and evaluation assets are dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

9 Trade and Other Payables

	2012 $	2011 $
CURRENT		
Trade payables	38,569	-
Other payables	34,170	73,320
Employee benefits	2,817	6,190
	75,556	79,510

All payables are expected to be settled within 12 months.
Risk management policies in regard to liquidity and currency risk are outlined in note 13.

	2012 $	2011 $
Movement in employee benefits provision		
Opening balance	6,190	4,837
Utilised	(6,190)	-
Arising during the year	2,817	1,452
Closing balance	2,817	6,190

10 Issued Capital

	2012 $	2011 $
26,114,640 (2011: 809,183,423) Ordinary shares	9,031,543	5,815,713
Share issue costs written off against share capital	(390,146)	-
	8,641,397	5,815,713

10 ISSUED CAPITAL (CONTINUED)

	No.	$
ORDINARY SHARES		
Balance at 1 July 2010	709,183,423	5,565,733
Placement – 9 May 2011 at $0.0025	100,000,000	250,000
Balance at 30 June 2011	809,183,423	5,815,733
Capital consolidation 14 September 2011 at 1:80	10,114,640	5,815,733
Issue pursuant to prospectus dated 16 August 2011 at 20 cents	15,000,000	3,000,000
Issue as part consideration for acquisition of Westaf Pty Ltd on 26 September 2011	1,000,000	200,000
Unissued shares	-	14,229
Share issue costs	-	(390,146)
	26,114,640	8,639,816
PERFORMANCE SHARES		
Issue to vendors of Westaf Pty Ltd on 26 September 2011	1,250,000	-
Issue to vendors of JEM Resources Pty Ltd on 26 September 2011	24,000,000	-
	25,250,000	-

The performance shares automatically convert into ordinary shares on the satisfaction of certain milestones expiring 26 September 2014. No value has been brought to account as the milestones are considered to have a low probability of being achieved within the timeframe.

OPTIONS

(i) For information relating to share options issued to key management personnel during the financial year, refer to Note 16.

CAPITAL RISK MANAGEMENT

The group's objectives when managing capital are to safeguard the ability to continue as a going concern, so that benefits to stakeholders and an optimum capital structure are maintained.
In order to maintain or adjust the capital structure, the company may return capital to shareholders, issue new shares or options or sell assets.

11 RESERVES AND ACCUMULATED LOSSES

(I) OPTION RESERVE

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

	No.	$
Balance at 30 June 2011	-	-
Grant of options to P Pawlowitsch	2,000,000	177,074
Grant of options to Elmscreek Pty Ltd for introduction fee	200,000	17,707
Grant of options as consideration for Westaf acquisition	1,500,000	132,805
Grant of options as consideration for JEM acquisition	5,000,000	442,639
Grant of options to S Coxhell	1,000,000	100,691
Grant of options to E Kinnan	500,000	53,027
Balance at 30 June 2012	10,200,000	923,943

	2012 $	2011 $

11 RESERVES AND ACCUMULATED LOSSES (CONTINUED)

(II) SHARE OPTION PREMIUM RESERVE

Opening balance	555,219	555,219
Transfer to accumulated losses brought forward	(555,219)	-
Closing balance	-	555,219

(III) ACCUMULATED LOSSES

Opening balance	(5,035,032)	(4,729,338)
Total comprehensive loss for the year	(2,296,773)	(305,694)
Adjustment for acquisition of subsidiaries	(38,030)	-
Write off option premium reserve	555,219	-
Closing balance	(6,814,616)	(5,035,032)

12 EARNINGS PER SHARE

Loss used to calculate basic EPS	(2,296,773)	(305,694)
Loss used in calculation of dilutive EPS	N/a	N/a

Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2012 No.	2011 No.
Weighted average number of ordinary shares outstanding during the year - No. used in calculating basic EPS	22,267,645	723,703,971

13 FINANCIAL RISK MANAGEMENT

Financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	WEIGHTED AVERAGE INTEREST RATE (%)	NOTE	2012 $	2011 $
Financial Assets				
Cash and cash equivalents	3.25	4	2,138,737	1,394,116
Total current trade and other receivables	-	5,7	82,605	21,314
Total Financial Assets			2,221,342	1,415,430
Financial Liabilities				
Trade and other payables	-	9	72,739	73,320
Total Financial Liabilities			2,102,779	1,342,110

The carrying amounts of these financial instruments approximate their fair values.

13 FINANCIAL RISK MANAGEMENT (CONTINUED)

FINANCIAL RISK MANAGEMENT POLICIES

Exposure to key financial risks is managed in accordance with the Group's risk management policy with the objective to ensure that the financial risks inherent in mineral exploration activities are identified and then managed or kept as low as reasonably practicable.

The main financial risks that arise in the normal course of business are market risk (including currency risk and interest rate risk), credit risk and liquidity risk. Different methods are used to measure and manage these risk exposures. Liquidity risk is monitored through the ongoing review of available cash and future commitments for exploration expenditure. Exposure to liquidity risk is limited by anticipating liquidity shortages and ensures capital can be raise in advance of shortages. Interest rate risk is managed by limiting the amount interest bearing loans entered into by the company. It is the Board's policy that no speculative trading in financial instruments be undertaken so as to limit expose to price risk.

Primary responsibility for identification and control of financial risks rests with the Company Secretary, under the authority of the Board. The Board is apprised of these risks from time to time and agrees any policies that may be undertaken to manage any of the risks identified.

Details of the significant accounting policies and methods adopted, including criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each financial instrument are disclosed in Note 1 to the financial statements. The carrying values less the impairment allowance for receivables and payables are assumed to approximate fair values due to their short term nature. Cash and cash equivalents are subject to variable interest rates.

SPECIFIC FINANCIAL RISK EXPOSURES AND MANAGEMENT

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the company.

The company trades only with recognised, creditworthy third parties.

The company has no customers and consequently no significant exposure to bad debts or other credit risks.

With respect to credit risk arising from financial assets, which comprise cash and cash equivalents and receivables, the exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. At 30 June 2012 cash and deposits were held with ANZ Bank, a AAA credit rated bank.

(b) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash reserves to meet the ongoing operational requirements of the business. It is the company's policy to maintain sufficient funds in cash and cash equivalents. Furthermore, the company monitors its ongoing research and development cash requirements and raises equity funding as and when appropriate to meet such planned requirements. The company has no undrawn financing facilities. Trade and other payables, the only financial liability of the company, are due within 3 months.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

13 FINANCIAL RISK MANAGEMENT (CONTINUED)

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

Financial liability and financial asset maturity analysis

	WITHIN 1 YEAR		1 TO 5 YEARS		TOTAL CONTRACTUAL CASH FLOW	
	2012 $	2011 $	2012 $	2011 $	2012 $	2011 $
Financial liabilities due for payment						
Trade and other receivables	82,605	21,314	-	-	82,605	21,314
Total contractual outflows	82,605	21,314	-	-	82,605	21,314
Total expected outflows	82,605	21,314	-	-	82,605	21,314
Financial assets - cash flows realisable						
Trade and other payables	72,739	79,510	-	-	72,739	79,510
Total anticipated inflows	72,739	79,510	-	-	72,739	79,510
Net (outflow)/inflow on financial instruments	9,866	(58,196)	-	-	9,866	(58,196)

(c) Market risk

i. Interest rate risk

The company's cash-flow interest rate risk primarily arises from cash at bank and deposits subject to market bank rates. At 30 June 2012, the company does not have any borrowings. The company does not enter into hedges. An increase/ (decrease) in interest rates by 1% during the whole of the respective periods would have led to an increase/(decrease) in both equity and losses of less than $10,000. 1% was thought to be appropriate because it represents four 0.25 basis point rate rises/falls, which is appropriate in the recent economic climate.

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iii. Currency risk

The Company operates in West Africa and is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the Central African Franc (XOF).

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting,

Due to the small scale of the Company's foreign operations at this stage, the group does not hedge foreign exchange exposure.

14 OPERATING SEGMENTS

IDENTIFICATION OF REPORTABLE SEGMENTS

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis that it has only one main operating segment, which involves the exploration of mineral resources, presently solely in West Africa. All the Group's activities are interrelated, and discrete financial information is reported to the Board of Directors as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment.

The financial results from this segment are equivalent to the financial statements of the Group as a whole.

The accounting policies applied for internal purposes are consistent with those applied in the preparation of these financial statements.

	CORPORATE		GOLD WEST AFRICA		TOTAL	
	30 JUN 2012 $	30 JUN 2011 $	30 JUN 2012 $	30 JUN 2011 $	30 JUN 2012 $	30 JUN 2011 $
Segment income						
Revenue	126,595	69,986	1,406	-	128,101	69,986
Administration expenses	(1,412,775)	(375,680)	(15,247)	-	(1,428,002)	(375,680)
Exploration expenditure	-	-	(517,212)	-	(517,212)	-
Impairment of capitalised exploration expenditure	-	-	(99,962)	-	(99,692)	-
Impairment of investments	(379,577)	-	-	-	(379,577)	-

	30 JUN 2012 $	30 JUN 2011 $	30 JUN 2012 $	30 JUN 2011 $	30 JUN 2012 $	30 JUN 2011 $
Exploration expenditure	-	-	494,291	-	494,291	-
Total assets	2,090,606	1,415,430	735,674	-	2,826,280	1,415,430
Plant and Equipment	3,693	-	106,955	-	110,648	-
Current liabilities	(75,556)	(79,510)	-	-	(75,556)	(79,510)

15 INTERESTS OF KEY MANAGEMENT PERSONNEL

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of Crucible Gold Limited's key management personnel for the year ended 30 June 2012.

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

	2012 $	2011 $
Short-term employee benefits	560,679	105,964
Post-employment benefits	25,174	25,000
Share-based payments	330,792	-
	916,645	130,964

15 Interests of Key Management Personnel (continued)

Key Management Personnel Options and Rights Holdings

The number of options over ordinary shares held by each key management person of Crucible Gold Limited during the financial year is as follows:

	Balance at beginning of year	Granted as remuneration during the year	Exercised during the year	Other changes during the year	Balance at end of year	Vested during the year	Vested and exercisable	Vested and unexercisable
30 June 2012								
Mr Tim Fry	-	-	-	2,550,000	2,550,000	2,550,000	2,300,000	250,000
Mr Peter Pawlowitsch	-	2,000,000	-	925,000	2,925,000	2,925,000	2,675,000	250,000
Mr Ken Richards	-	-	-	-	-	-	-	-
Mr Simon Coxhell	-	1,000,000	-	-	1,000,000	1,000,000	1,000,000	-
Mr Michel Mian	-	-	-	2,000,000	2,000,000	2,000,000	2,000,000	-
Mr Trevor Clohessy	-	-	-	-	-	-	-	-
Mr Ian Murie	-	-	-	-	-	-	-	-
	-	3,000,000	-	5,475,000	8,475,000	8,475,000	7,975,000	500,000

No options were held by key management personnel during the year ended 30 June 2011.

Key Management Personnel Shareholdings

The number of ordinary shares in Crucible Gold Limited held by each key management person of Crucible Gold Limited during the financial year is as follows:

	Balance at beginning of year	Granted as remuneration during the year	Issued on exercise of options during the year	Other changes during the year	Balance at end of year
30 June 2012					
Mr Tim Fry	-	-	-	450,000	450,000
Mr Peter Pawlowitsch	-	-	-	450,000	450,000
Mr Ken Richards (1)	30,310,336	-	-	(29,681,456)	628,880
Mr Simon Coxhell	-	-	-	50,000	50,000
Mr Michel Mian	-	-	-	250,000	250,000
Mr Trevor Clohessy (resigned 26 September 2011)	36,233,798			(36,233,798)	-
Mr Ian Murie (resigned 17 October 2011)	555,556			(555,556)	-
	67,099,690	-	-	(65,270,810)	1,828,880

(1) The 80:1 capital reconstruction resulted in Mr Richards's shareholding being consolidated to 378,880, and he acquired a further 250,000 shares . There are no shares beneficially held.

15 INTERESTS OF KEY MANAGEMENT PERSONNEL (CONTINUED)

	BALANCE AT BEGINNING OF YEAR	GRANTED AS REMUNERATION DURING THE YEAR	ISSUED ON EXERCISE OF OPTIONS DURING THE YEAR	OTHER CHANGES DURING THE YEAR	BALANCE AT END OF YEAR
30 June 2011					
Mr Trevor Clohessy	36,233,798	-	-	-	36,233,798
Mr Ken Richards	30,310,336	-	-	-	30,310,336
Mr Ian Murie	555,556	-	-	-	555,556
Mr Tony Pitt (resigned 22 November 2010)	92,500,000	-	-	(92,500,000)	-
	159,599,690	-	-	(92,500,000)	67,099,690

OTHER KEY MANAGEMENT PERSONNEL TRANSACTIONS

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with key management personnel, refer to Note 19: Related Party Transactions.

	2012 $	2011 $
16 AUDITORS' REMUNERATION		
Remuneration of the auditor of the company for:		
Audit services	36,728	16,000
Taxation advice	4,560	-
	41,288	16,000
Payments to other auditors		
Investigating Accountant's Report	27,500	-
Total remuneration to auditors	68,788	16,000

17 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There has been no change in contingent liabilities and assets since the last annual reporting date.

18 RELATED PARTY TRANSACTIONS

Ken Richards

During the year the Company paid Richards Lyon Strategic Management Pty Ltd (a company associated with Ken Richards) a fee for professional management consulting services provided and expenses incurred by its principal, Mr Ken Richard for the half year. This amounted to $16,857 (2011:$47,364). These fees were paid on commercial terms and no balances were outstanding at the end of the year.

Tim Fry

During the year the Company paid $17,055 to Tim Fry for consulting and expenses incurred (2011: $Nil) prior to his appointment as director.

Consulting fees of $4,000 were paid to EBF Management Pty Ltd, a company associated with Mr Fry.

All payments were made on commercial terms and there were no balances outstanding at the end of the year.

18 RELATED PARTY TRANSACTIONS (CONTINUED)

Peter Pawlowitsch
During the year the Company paid $71,071 to Gyoen Pty Ltd (a company associated with Peter Pawlowitsch) a fee for consulting and expenses incurred, plus $5,406 in superannuation (2011: $Nil). The Company has an agreement with Gyoen Pty Ltd for consultancy services for a fee of $87,300 per annum.

Payments totalling $11,500 were paid to Ventnor Resources Ltd, a company associated with Mr Pawlowitsch, for rent for the Company's West Perth offices.

Payments totalling $630 were paid to Avitus Capital Ltd, a company associated with Mr Pawlowitsch, for consulting fees (not provided by Mr Pawlowitsch).

All payments were made on commercial terms and there were no balances outstanding at the end of the year.

Tim Fry and Peter Pawlowitsch are associated with Westaf Pty Ltd and JEM Resources Pty Ltd. As outlined in the prospectus dated 16 August 2011, the Company acquired 100% of both of these companies by the payment of the following consideration:

- The issue of 1,000,000 shares, 1,500,000 options, 1,250,000 performance shares and 1,250,000 performance options to the Westaf vendors
- The issue of 5,000,000 options and 24,000,000 performance shares to the JEM vendors

Simon Coxhell
During the year the Company paid $125,000 to Coxsrocks Pty Ltd (a company associated with Simon Coxhell) a fee for consulting and expenses incurred (2011: $Nil). The consultancy agreement stipulates an amount of $10,000 per 10 days per month for the provision of technical geological services with a further fee of $1,000 per day for additional work carried out.

All payments were made on commercial terms and there were no balances outstanding at the end of the year.

Michel Mian
During the year the Company paid an amount of approximately $11,677 to TD Continental, a company associated with Mr Mian, for car rental. This payment was on commercial terms and there were no balances outstanding at the end of the year.

During the year, the Company paid $36,298 to Mr Mian for reimbursement of exploration expenditure incurred on the Precious Deeps Joint Venture in Cote d'Ivoire.

As part of the acquisition of JEM Resources Pty Ltd, associates of Mr Mian were issued with 2,000,000 options and 9,600,000 performance shares.

There are no loans to directors or key management personnel at 30 June 2012.

19 ACQUISITION OF SUBSIDIARIES

On 30 August 2011 shareholders of the Company approved the acquisition of 100% of the shares of two subsidiary companies, Westaf Pty Ltd and JEM Resources Pty Ltd.

Westaf Pty Ltd, after payment of an option fee, had exclusive right to explore, prospect and investigate a gold project in Ghana.

JEM Resources Pty Ltd holds 90% of the shares in Major Star SA, a company registered in Cote d'Ivoire that has lodged applications for 5 exploration licences over land in Cote d'Ivoire.

The transaction was not considered a business combination as the assets acquired were the shares in companies which had yet to start operations.

Details of the fair value of assets and liabilities acquired as at 30 September 2011 are as follows:

Westaf Pty Ltd

	NUMBER	PRICE	$
Purchase consideration comprises		-	
Shares granted to vendors	1,000,000	$0.20	200,000
Options granted to vendors	1,500,000	$0.0885	132,804
Performance shares	1,250,000	-	-
Performance options	1,250,000	-	-
Option fee as per agreement			46,772
Cost of investment			379,576
Net assets acquired:			
Capitalised development cost incurred			34,697
Loan receivable to JEM			15,503
Exploration asset			329,376
Net identifiable assets			379,576

The value of this investment was impaired to nil value on the relinquishment of interests in Ghana during the year. The performance milestone for the performance shares and options was the definition of a JORC compliant inferred gold resource of which the Company's share was at least 250,000 oz within three years of the grant date. No value was attributed to the performance shares or options, as the performance milestones are considered unlikely to be met.

19 ACQUISITION OF SUBSIDIARIES (CONTINUED)

JEM Resources Pty Ltd

	NUMBER	PRICE	$
Purchase consideration comprises		-	
Options granted to vendors	5,000,000	$0.0885	442,685
Performance shares	24,000,000	-	-
Cost of investment			442,685
Net assets acquired:			
Cheque account			3,928
Petty cash			1,653
Bonds and loans			33,745
Investment in Major Star			18,972
Loan payable to Westaf			(15,503)
Equity			(21,028)
Retained earnings			18,768
Exploration asset			402,150
Net identifiable assets			442,685

The performance shares are divided into 2 equal tranches of 12 million shares. The first tranche of 12 million performance shares will convert to ordinary shares on the granting of 3 of the 5 exploration licences applied for in Cote d'Ivoire. The second tranche will convert on the granting of the last 2 exploration licences. Alternatively, the performance shares will convert on the delineation of a JORC compliant inferred gold resource of which Crucible's shares is at least 250,000 oz. No value has been placed on these performance shares as it is considered that the timing is uncertain, therefore the probability of achieving the milestones is difficult to ascertain.

20 SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(c):

NAME	COUNTRY OF INCORPORATION	CLASS OF SHARES	EQUITY HOLDING	
			2012 %	2011 %
Westaf Pty Ltd	Australia	Ordinary	100	-
JEM Resources Pty Ltd	Australia	Ordinary	100	-
Major Star SA	Côte d'Ivoire	Ordinary	90	-
Major Sun Mining Company Ltd	Ghana	Ordinary	90	-
Cote Gold Pty Ltd	Australia	Ordinary	100	-
Queen Gold Pty Ltd	Australia	Ordinary	100	-

21 Cash Flow Information

	2012 $	2011 $
(a) Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Net loss for the period	(2,296,773)	(305,694)
Non-cash flows in profit		
Depreciation	9,424	-
Share based payments	330,792	-
Exploration written off	529,628	-
Investments written off	379,577	-
Loans written off	12,541	
Foreign exchange	3,165	-
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	(61,291)	(6,112)
(Increase)/provision for annual leave	3,373	1,452
Increase/(decrease) in trade payables and accruals	(6,771)	(75,804)
Net cash outflows from operating activities	(1,096,335)	(386,158)

22 Share-Based Payments

The Group does not have an Employee Share or Option Plan.

The Group issued 1,000,000 Vendor shares and 24,000,000 Vendor Performance shares.

The Vendor shares were valued at the market price of the shares on the day of issue, that is, 20 cents.

The Vendor Performance shares had no value applied to them as at 30 June 2012 as the performance hurdles required had not been achieved at that date, and no exploration licences had been granted or gold reserves acquired were held by the company.

The Group granted 5,000,000 vendor options on 26 September 2011 as part of the consideration for the acquisition of JEM Resources Pty Ltd. Using the Black and Scholes Option valuation methodology, the fair value of the options issued were calculated using the following inputs:

Number of options:	5,000,000	Risk free interest rate:	3.38%
Exercise price:	AUD $0.40	Share price at date of issue:	AUD $0.20
Expected exercise date:	12 April 2014	Expected volatility:	100%

Each option was valued at AUD $0.0885

The Group also granted 1,500,000 vendor options on 26 September 2011 as part of the consideration for the acquisition of Westaf Pty Ltd, on the same terms as the options above. Each option was also valued at AUD $ 0.0885 using the same basis of valuation as above.

On the same day, the Group granted 2,000,000 options to acquire fully paid shares in the Company at 40 cents each to Peter Pawlowitsch, and 200,000 options on the same terms to Elmscreek Pty Ltd. Each option was valued at AUD $ 0.0885, using the same basis of valuation as above.

22 SHARE-BASED PAYMENTS (CONTINUED)

On 13 December 2011, the Group granted 1,000,000 options to Simon Coxhell on his appointment as technical director. Using the Black and Scholes Option valuation methodology, the fair value of the options issued were calculated using the following inputs:

Number of options:	1,000,000	Risk free interest rate:	4.75%
Exercise price:	AUD $0.40	Share price at date of issue:	AUD $0.20
Expected exercise date:	13 December 2014	Expected volatility:	100%

Each option was valued at AUD $0.1007

The Group also granted 1,250,000 vendor performance options as part of the consideration for the acquisition of Westaf Pty Ltd. No value has been placed on these options as the performance hurdles had not been achieved at 30 June 2012.

On 23 February 2012, the Group granted 500,000 options to Eric Kinnan on his appointment as exploration manager. Using the Black and Scholes Option valuation methodology, the fair value of the options issued were calculated using the following inputs:

Number of options:	500,000	Risk free interest rate:	3.38%
Exercise price:	AUD $0.40	Share price at date of issue:	AUD $0.21
Expected exercise date:	23 February 2015	Expected volatility:	100%

Each option was valued at AUD $0.1061

The expected volatility was based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

The Black and Scholes Option pricing model was used as the method of valuation for all option issues. Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

A summary of the movements of all Company options issued as share based payments is as follows:

	NUMBER	WEIGHTED AVERAGE EXERCISED PRICE
Opening balance as at 1 July 2010	-	-
Granted	-	-
Options outstanding as at 30 June 2011	**-**	**-**
Granted	11,450,000	$0.40
Options outstanding as at 30 June 2012	**11,450,000**	**$0.40**

The weighted average remaining contractual life of options outstanding at year end was 2.4 years (2011:Nil).

At the end of the financial year, options over ordinary shares on issue are as shown below:

6,500,000	options exercisable at 40 cents and expiring 12 April 2014
2,200,000	options exercisable at 40 cents and expiring 26 September 2014
1,250,000	performance options
1,000,000	options exercisable at 40 cents and expiring 13 December 2014
500,000	options exercisable at 40 cents and expiring 23 February 2015

22 SHARE-BASED PAYMENTS (CONTINUED)

MOVEMENTS IN OPTIONS

DATE	DETAILS	NUMBER OF OPTIONS
	Balance at 30 June 2011	-
1 July 2011	Opening balance	-
26 September 2011	Part consideration for acquisition of JEM Resources Pty Ltd	5,000,000
26 September 2011	Part consideration for acquisition of Westaf Pty Ltd	1,500,000
26 September 2011	Performance options for acquisition of Westaf Pty Ltd	1,250,000
26 September 2011	Director's incentives	2,000,000
26 September 2011	Introduction fee for acquisition of Westaf Pty Ltd	200,000
13 December 2011	Director's incentives	1,000,000
23 February 2012	Employee's incentives	500,000
	Balance at 30 June 2011	**11,450,000**

The expenses from share based payments are disclosed at note 2.

23 EVENTS AFTER THE END OF THE REPORTING PERIOD

In August 2012 a new license was acquired by Crucible's 90% subsidiary Major Sun Mining Company Limited in the Berimian prospective zone in northern Ghana. First pass geochemistry will commence following engagement with the local community.

Otherwise, no matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

The financial report was authorised for issue on 27 September 2012 by the board of directors.

24 PARENT ENTITY FINANCIAL INFORMATION

Summary Financial information
The individual financial statements for the parent entity show the following aggregate amounts:

	2012 $	2011 $
Statement of financial position		
Current assets	2,086,911	1,415,430
Non current assets	1,320,771	-
Total assets	3,407,681	1,415,430
Current liabilities	98,718	79,510
Total liabilities	98,718	79,510
Equity		
Issued capital	8,625,146	5,815,733
Reserves	923,943	555,219
Accumulated losses	(6,240,123)	(5,035,032)
Total equity	3,308,963	1,335,920
Loss for the year	(1,760,756)	(305,694)
Total comprehensive loss	(1,760,756)	(305,694)

The parent entity had no expenditure commitments or contingent liabilities at 30 June 2012 or 30 June 2011.

25 NON-CONTROLLING INTERESTS

Interest in:		
Share capital	(1,581)	-
Reserves	-	-
Retained earnings	55,181	-
	53,600	-

26 COMMITMENTS

The Company's Poya tenements in Burkina Faso require minimum expenditure of 270,000 Central African Francs (CFA) per square kilometre. The Poya tenements cover 112 square kilometres, therefore the annual commitment is 30,240,000 CFA, which at the exchange rate at 30 June 2012 is AUD$ 57,516 per annum.

On 1 January 2012, the Company commenced a new lease for offices in Abidjan, Cote d'Ivoire. The lease is for a three year term with payments of 1,500,000 CFA per quarter in advance. These payments are to be offset against an amount for leasehold improvements that was paid by the Company on behalf of the lessor, which amounted to 25,693,850 CFA. Interest will be charged to the lessor on the outstanding balance by the Company at a rate of 7% per annum for a maximum of 750,000 CFA per month.

At 30 June 2012 the amount owed to the Company was 24,163,418 CFA, which at the exchange rate at 30 June 2012 was AUD$ 45,959.

There were no contingent liabilities at 30 June 2012 or 30 June 2011.

The Company has not declared a dividend.

27 COMPANY DETAILS

The registered office and principal place of business of the company is:

Crucible Gold Limited
Level 5, 95 Hay Street
Subiaco WA 6008

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 25 to 60, are in accordance with the *Corporations Act 2001*, including:

   (a) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

   (b) give a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of it's performance for the financial year ended on that date.

2. The Managing Director and Company Secretary have each declared that:

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

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

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

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

4. Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Standards Board.

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

P. Pawlowitsch

Peter Pawlowitsch
Executive Director

Dated: 27 September 2012

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

Report on the Financial Report

We have audited the accompanying financial report of Crucible Gold Limited, which comprises the consolidated statement of financial position as at 30 June 2012, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period 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 period's end or from time to time during the financial period.

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 Crucible 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 Crucible 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 2012 and of its performance for the period 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 period ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Crucible Gold Limited for the Period ended 30 June 2012 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO

Peter Toll
Director

Perth, Western Australia
Dated this 27th day of September 2012