

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**A.B.N. 99 107 541 453**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2009**

## Corporate Directory

### **Directors**

Gary Castledine – Non Executive Chairman  
Anthony Short – Non Executive Director  
Gordon Sklenka – Non Executive Director  
Robert Hyndes– Non Executive Director  
Geoff Gander – Non Executive Director

### **Company Secretary**

Robert Hyndes

### **Registered and Principle Office**

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West Perth WA 6005  
Telephone: (+61 8) 63895700

Email [info@vectorresources.com.au](mailto:info@vectorresources.com.au)

Website [www.vectorresources.com.au](http://www.vectorresources.com.au)

### **Postal Address**

PO Box 1922  
West Perth WA 6872

### **Auditors**

Grant Thornton (WA) Partnership  
Chartered Accountants  
Level 2  
10 Kings Park Road  
West Perth WA 6005

### **Share Registry**

Advanced Share Registry Services  
150 Stirling Hwy  
Nedlands WA 6009

Telephone: (+61 8) 9389 8033

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ABN 99 107 541 453

ASX Code VEC

ASX Code VECO

**VECTOR RESOURCES LIMITED**  
**A.B.N. 99 107 541 453**

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## **VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES DIRECTORS' REPORT**

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Your directors present their report on the Company and its controlled entities for the financial year ended 30 June 2009.

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

Gary Castledine – Non Executive Chairman – appointed 24 February 2009.

Anthony Short – Non executive Director

Gordon Sklenka – Non executive Director

Geoff Gander - Non executive Director – appointed 24 February 2009.

Robert Hyndes – Non executive Director – appointed 24 February 2009.

Roland Berzins – Non executive Director – appointed 4 October 2005 resigned 24 February 2009.

Marion Bolivar – Non executive Director – appointed 10 September 2008 resigned 24 February 2009.

Alex Bajada - - Non executive Director – appointed 19 February 2009 resigned 24 February 2009.

Bruce McLeod - - Non executive Director – appointed 9 October 2009 resigned 24 February 2009.

Ian Murie – Non executive Director – appointed 19 February 2009 resigned 24 February 2009.

John Jordan – Non executive Director – appointed 19 February 2009 resigned 24 February 2009.

Roland Berzins – Company Secretary appointed 4 October 2005 resigned 1 July 2009

Robert Hyndes – Company Secretary appointed 1 July 2009

### **PRINCIPAL ACTIVITIES**

The principal activity of the Group is to identify and acquire interest in and value - add to mineral exploration and mining opportunities both in Australia and overseas.

### **EMPLOYEES**

The Group had no employees as at 30 June 2009, however consultants are engaged to assist the Board in managing the companies activities (2008: three employees)

### **REVIEW OF OPERATIONS**

#### **Nabberu Project**

During the year the Company undertook ground based surveys and an RC Drilling program at Ivan Well (E69/2062). The assay results showed surficial concentrate of oxide iron mineralisation at all holes grading 40-50% Fe, underlain by hematitic and magnetic mineralisation with grading of 22-28% Fem with low S, P and Al impurities but moderately high silica content. This and subsequent metallurgical test work on the magnetite bodies intersected have shown that each of the five exploration licences held by the Company at Nabberu has the potential to host economic tonnages of this style of mineralisation.

This clearly establishes the historically held view that the Frere Formation was not capable of hosting massive iron mineralisation is clearly incorrect.

In addition, during the third quarter the Company undertook a work program to further investigate the manganese potential of the Blue Cliffs and Blue Nugget prospects in Miss Fairbairn Hills region (E69/2063) – a total of 70 rock samples have been collected with a number of encouraging results including a peak manganese result of 41% from the Blue Nugget prospect.

The Company will continue to maintain and preserve the Nabberu portfolio of tenements.

#### **Colombian Mining Corporation – Magdalena Iron Sands Project**

The acquisition of the Magdalena Iron Sands Project was terminated on the 5 December 2008. On the 18 September 2009 the Company, Colombian Mining Corporation and the vendors of the Magdalena Iron Sands project reached a settlement and executed a mutual Deed of Settlement and Release.

#### **General Meeting of Shareholders – 20 February 2009**

On 22 December 2008 and 6 January 2009, respectively, two separate shareholder groups requisitioned a General Meeting of Shareholders under Section 249D of the Corporations Act, 2001 each seeking to remove certain directors from the Company. As a result a General Meeting was called and held on 20 February 2009, however prior to completion the meeting was adjourned. On 24 February 2009 the requisitioning parties withdrew their respective requisitions and the General Meeting was cancelled.

## **VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES DIRECTORS' REPORT**

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This resulted in the reconstitution of the Board to the directors currently holding office.

### **New Opportunities**

The Company continues to focus on identifying and securing 'company making' projects and opportunities. The Board has adopted a rigorous methodology for screening and reviewing potential projects.

### **Result;**

The net loss of the Group after income tax for the year amounted to \$(3,182,542) (2008: loss of \$436,926).

### **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

During the year there was no significant change in the state of affairs of the Group other than that referred to in the financial statements or notes thereto.

The Group's issued capital did not change during the year (2008: increased by \$13,033,591).

### **EVENTS SUBSEQUENT TO BALANCE DATE**

There has not been any matter or circumstance other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year that has significantly effected, or may significantly effect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years, other than:

On 18 September 2009 the Company entered into a confidential settlement and executed a mutual Deed of Settlement and Release with Colombian Mining Corporation and the Vendors of the Magdalena Project in Colombia.

### **DIVIDENDS**

There were no dividends paid or declared during or since the end of the financial year.

### **LIKELY DEVELOPMENTS**

The Group will continue mineral exploration activity on its exploration projects with the objective of identifying commercial resources.

The ultimate aim is to increase shareholders wealth by succeeding in the discovery of major mineral deposits.

### **ENVIRONMENTAL REGULATIONS**

The Group has a policy of at least complying, but in most cases exceeding its environmental performance obligations. No environmental breaches have been notified by any government agency during the year ended 30 June 2009. The Board believes that the Company has adequate systems in place for the management of its environmental regulations.

### **DIRECTOR'S QUALIFICATIONS AND EXPERIENCE**

#### **Gary Castledine – Non Executive Chairman**

Mr. Gary Castledine was appointed a director of the Company on 24 February 2009.

Mr Castledine has over 12 years experience in stockbroking and capital markets. He is a founding director and the head of corporate with Indian Ocean Capital in Perth, Western Australia, a specialist boutique securities dealer and corporate advisory firm.

His wealth of experience has enabled him to gather an extensive suite of clients in a corporate advisory role which has seen him involved in many capital raisings and IPO's across a spectrum of industries. He is currently a Practitioner Member of the Securities and Derivatives Industry Association (SDIA).

#### **Interest in Securities**

Mr. Castledine has a direct interest in 1,275,000 ordinary shares and 1,600,000 Options

#### **Directorships held in other listed companies over the last 3 years**

Nil.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES  
DIRECTORS' REPORT**

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**Mr. Anthony Short – Non Executive Director**

Mr. Anthony Short was appointed a director of the Company on 6<sup>th</sup> January 2004.

Mr Short has over 16 years experience in the administration and management of listed public companies. He has extensive experience at board level in the management and formation of public companies in the areas of gold mining, drilling and oil and gas in the USA. Mr. Short has held the position of Chairman, Managing Director and CFO in a number of listed public companies and has also acted as corporate advisor on a number of public company listings and transactions. Mr. Short is currently a director of ASX listed companies Regal Resources Limited, Advance Energy Limited, and Palace Resources Limited

**Interest in Securities**

Mr. Short has a direct interest in 3,209,100 ordinary shares and 5,004,550 Options

**Directorships held in other listed companies over the last 3 years:**

Regal Resources Limited – 10 September 2003 to present

Palace Resources Limited – 9 September 2003 to present

Advance Energy Ltd – 14 November 2004 to present

Odin Energy Limited – 19 March 2007 to 23 February 2009

**Mr. Gordon Sklenka – Executive Director**

Mr. Gordon Sklenka was appointed a director of the Company on 6<sup>th</sup> January 2004.

Mr Sklenka has over 15 years experience in corporate finance in the areas of capital raisings, IPOs, acquisitions and project finance in the resources and technology sectors. Mr. Sklenka has worked with a number of listed public companies in both Australia and Canada and developed extensive experience in company formation, capital raising and project acquisition. Mr. Sklenka is also currently a Director of Advance Energy Limited, AXG Mining Limited, Tribune Resources NL and Rand Mining NL.

**Interest in Securities**

Mr. Sklenka has a direct interest in 3,209,100 ordinary shares and 5,004,550 Options

**Directorships held in other listed companies over the last 3 years**

AXG Mining Limited – appointed 16 February to present

Tribune Resources NL – appointed 16 August 2004 to present

Rand Mining NL – appointed 16 August 2004 to present

Advance Energy Limited – 14 November 2004 to present

Regal Resources Limited – 10 September 2009 to 17 June 2009

**Mr Geoff Gander**

Mr. Geoff Gander was appointed a director of the Company on 24 February 2009

Mr. Gander works as an industry consultant to a range of private and public companies and has extensive experience in corporate restructuring and the identification of assets for public companies. Mr Gander holds a Bachelor of Commerce Degree from the University of Western Australia and along with his Non Executive Director role at Vector Resources Limited, he is also Chairman of the ASX listed Jupiter Energy Limited (ASX: JPR) and Equatorial Coal Limited (ASX: EQX).

**Interest in Securities**

Mr. Gander has a direct interest in 38,120 ordinary shares and 75,000 Options

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES  
DIRECTORS' REPORT**

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**Directorships held in other listed companies over the last 3 years;**

Jupiter Energy Limited – appointed 27 January 2005

Equatorial Coal Limited – appointed 3 August 2006

Decmil Group Limited (formerly Paladio Group Ltd) – 2004 to 2006

Lindian Resources Ltd (formerly VPH Limited) – 2003 to 2006

Australian Gold Investments Ltd 2007 – 2008

Australian Waterwise Solutions Ltd – 2006 to 2007

Biron Apparel Ltd – 2007 to 2007

3Q Holdings Ltd – 2004 to 2007

**Mr. Robert Hyndes**

Mr. Robert Hyndes was appointed a director of the Company on 24 February 2009

Mr Hyndes has a corporate finance and management consulting background with experience in Australia, the UK, the US and Asia. He has provided strategy and consulting services across a range of industries including technology, resources and professional services. Mr Hyndes graduated from Curtin University of Technology in Western Australia with a Bachelor of Commerce with a double major in Economics and Marketing.

**Interest in Securities**

Mr. Hyndes has a direct interest in 216,130 Options

**Directorships held in other listed companies over the last 3 years;**

Cape Range Wireless Limited – appointed 29 January 2008 – resigned 30 May 2008

Red Sky Energy Limited – appointed 18 February 2009

Astro Diamond Mines NL – appointed 18 May 2009

**Mr. Roland Berzins– Non Executive Director**

Mr. Roland Berzins was appointed a director of the Company on 4<sup>th</sup> October 2005, resigned 24 February 2009.

**Mr. Mario Bolivar – Non Executive Director**

Mr. Mario Bolivar was appointed a director of the Company on 10 September 2008, resigned 24 February 2009.

**Mr Alex Bajada – Non Executive Director**

Mr. Alex Bajada was appointed a director of the Company on 19 February 2009, resigned 24 February 2009.

**Mr Bruce McLeod – Non Executive Director**

Mr. Bruce McLeod was appointed a director of the Company on 9 October 2008, resigned 24 February 2009.

**Mr Ian Murie – Non Executive Director**

Mr. Ian Murie was appointed a director of the Company on 19 February 2009, resigned 24 February 2009.

**Mr John Jordan – Non Executive Director**

Mr. John Jordan was appointed a director of the Company on 19 February 2009, resigned 24 February 2009.

**COMPANY SECRETARY**

The following persons held the position of Company Secretary at the end of the financial year:

**Mr Robert Hyndes**

Mr. Robert Hyndes was appointed a secretary of the Company on 24 February 2009

**Mr. Roland Berzins**

Mr Roland Berzins resigned as Company Secretary on 1 July 2009

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES  
DIRECTORS' REPORT**

**MEETINGS OF DIRECTOR'S**

During the financial year, 12 meetings of directors were held. Attendances by each Director during the year were:

	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
Gary Castledine	2	2
Anthony Short	12	12
Gordon Sklenka	12	12
Geoff Gander	2	2
Robert Hyndes	2	2
Roland Berzins	11	11
Mario Bolivar	2	2
Alex Bajada	1	1
Bruce McLeod	4	4
Ian Murie	1	1
John Jordan	1	1

**NON – AUDIT SERVICES**

The board has considered the non-audit services provided by Grant Thornton (WA) Partnership and is satisfied that the services provided by Grant Thornton (WA ) Partnership is compatible with, and did not compromise, the auditors independence requirements of the Corporation Act 2001 for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the Board to ensure they do not impact the integrity and objectives of the auditor.
- The non-audit services provided do not undermine the general principles relating to the auditors independence in accordance with APES 110: Code of ethics for Professional Accountants by the Accounting professional and Ethics Standard Board as they did not involve reviewing or auditing the auditors own work, acting as an advocate for the Company or jointly sharing risk and reward.

Details of the amount paid or accrued to the auditor of the Company, Grant Thornton (WA) partnership, and its related practices for audit and non-audit services provided during the year are set out below:

	2009	2008
	\$	\$
<b>Statutory Audit</b>		
Audit and review of financial reports	35,150	29,000
<b>Other Assurance Services</b>		
IAR	-	8,000
<b>Other Services</b>		
Tax Compliance services	5,090	-
Audit of shareholder proxies	7,025	-
<b>Total</b>	<b>47,265</b>	<b>37,000</b>

**AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

The auditor's independence declaration is set out on page 14 and forms part of the Directors' report for the year ended 30 June 2009.

**PROCEEDINGS ON BEHALF OF THE COMPANY**

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

No proceedings have been brought or intervened in on behalf of the Company under section 237 of the Corporations Act 2001.

## **VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES DIRECTORS' REPORT**

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### **REMUNERATION REPORT (AUDITED)**

This report outlines the remuneration arrangements in place for Directors and other Key Management Personnel of the Company in accordance with the *Corporations Act 2001* and its regulations. It also provides the remuneration disclosures required by paragraphs Aus 25.4 to Aus 25.7.2 of AASB 124 *Related Party Disclosures*, which have been transferred to the Remuneration Report in accordance with Corporations Regulation 2M.6.04. These remuneration disclosures have been audited.

For the purposes of this report, Key Management Personnel ("KMP") of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly. The Company did not have any other key management personnel other than its directors.

For the purposes of this remuneration report, the term 'executive' encompasses the Non Executive Directors of the Company.

### **Remuneration Philosophy**

The performance of the Company depends upon the quality of its Directors and executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and executives.

To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives; and
- Link executive rewards to shareholder value.

The Board as a whole is responsible for considering remuneration policies and packages applicable both to board members and senior executives of the Company. The Board remuneration policy is to ensure the remuneration package, which is not linked to the performance of the Company, properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

### **Remuneration Structure**

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

### **Non-Executive Director Remuneration**

#### **Objective**

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

#### **Structure**

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive Directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed. The current aggregate remuneration is \$150,000 per year.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers advice from external consultants as well as the fees paid to non-executive Directors of comparable companies when undertaking the annual review process. Each Director receives a fee for being a Director of the Company.

Non-executive directors are encouraged by the Board to hold shares in the Company (purchased by the Director on market). It is considered good governance for Directors to have a stake in the Company on whose board he or she sits.

The remuneration of non-executive Directors for the period ending 30 June 2009 is detailed below.

### **Managing Director and Executive Remuneration Structure**

Based on the current stage in the Company's development, its size, structure and strategies, the Board considers that the key performance indicator in assessing the performance of Executives and their contribution towards increasing shareholder value is share price performance over the review period.

Individual and Company operating targets associated with traditional financial and non-financial measures are difficult to set given the small number of Executives and their need to be flexible and multi-tasked, as the Company responds to a continually changing business environment. Consequently, a formal process of defining Key Performance Indicators (KPI's) and setting targets against the KPI's has not been adopted at the present time.

## **VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES DIRECTORS' REPORT**

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Remuneration consists of the following key elements:

- Fixed remuneration;
- Variable remuneration;
- Short term incentives (STI); and
- Long term incentives (LTI).

The proportion of fixed remuneration and variable remuneration is established for each executive by the Board.

### **Fixed Remuneration**

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration is reviewed annually by the Board having regard to the Company and individual performance, relevant comparable remuneration in the mining exploration industry and external advice. Executives receive their fixed remuneration in cash.

There are no fringe benefits at the present time.

### **Variable Remuneration – Short Term Incentive (STI)**

The objective of the STI is to link the increase in shareholder value over the year with the remuneration received by the Executives charged with achieving that increase. The total potential STI available is set at a level so as to provide sufficient incentive to the Executives to achieve the performance goals and such that the cost to the Company is reasonable in the circumstances.

Annual STI payments granted to each executive depend on their performance over the preceding year and are based on recommendations from the Chief Executive Officer and/or the Chairman following collaboration with the Board. Typically included are measures such as contribution to strategic initiatives, risk management and leadership/team contribution.

The aggregate of annual STI payments available for Executives across the Company is subject to the approval of the Board. Payments are usually delivered as a cash bonus. There were no STI payments during the financial year.

### **Variable Remuneration – Long Term Incentive (LTI)**

The objective of the LTI plan is to reward Executives in a manner which aligns the element of remuneration with the creation of shareholder wealth. As such LTI's are made to Executives who are able to influence the generation of shareholder wealth and thus have an impact on the Company's performance.

The level of LTI granted is, in turn, dependent on the Company's recent share price performance, the seniority of the Executive and the responsibilities the Executive assumes in the Company.

LTI grants to Executives are delivered in the form of employee share options. These options are issued at an exercise price determined by the Board at the time of issue. The employee share options are issued in accordance with the Company's Share Option Plan.

Typically, the grant of LTI's occurs at the commencement of employment or in the event that the individual receives a promotion and, as such, is not subsequently affected by the individual's performance over time. However, under certain circumstances, including breach of employment conditions, the Directors may cause the options to expire prior to their vesting date. In addition, individual performance is more commonly rewarded over time through STI's.

There were no LTI payments during the financial year.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**DIRECTORS' REPORT**

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**Remuneration of key management personnel**

**Remuneration for the year ended 30 June 2009**

**2009**

**Directors**

Name	Primary		Post	Equity	Total
	Consulting	Director	Employment		
	Fees *	Fees	Superannuation Contribution		
	\$	\$	\$	\$	\$
Gary Castledine	4,668	12,466	-	-	17,134
Anthony Short	88,668	32,000	-	-	120,668
Gordon Sklenka	106,501	26,167	-	-	132,668
Geoff Gander	9,164	8,466	-	-	17,630
Robert Hyndes	15,184	8,466	-	-	23,650
Roland Berzins	103,750	15,429	11,887	-	131,066
Alex Bajada	79,867	576	-	-	80,443
Bruce McLeod	20,332	-	-	-	20,332
Ian Murie	1,115	385	-	-	1,500
John Jordan	88,992	385	-	-	89,377
Mario Bolivar	-	-	-	-	-
<b>Total</b>	<b>518,241</b>	<b>104,340</b>	<b>11,887</b>	<b>-</b>	<b>634,468</b>

\* Consulting fees

Details of the associated entities that received the consulting fees are

- Anthony Short - Cumberland Investments (WA) Pty Ltd
- Gordon Sklenka- Formaine Pty Ltd
- Geoff Gander- Symdean Pty Ltd
- Robert Hyndes- Splendour Investments Pty Ltd
- Alex Bajada- Spartan Nominees Pty Ltd
- Bruce McLeod- Eastern & Pacific Capital Pty Ltd
- John Jordan- Churchlands Consulting Pty Ltd

Director's appointment/resignation

Gary Castledine – Non Executive Chairman – appointed 24 February 2009.

Anthony Short – Non executive Director – appointed 6 January 2004.

Gordon Sklenka – Non executive Director – appointed 6 January 2004.

Geoff Gander - Non executive Director – appointed 24 February 2009.

Robert Hyndes – Non executive Director – appointed 24 February 2009.

Roland Berzins – Non executive Director – appointed 4 October 2005 resigned 24 February 2009.

Mario Bolivar – Non executive Director – appointed 10 September 2008 resigned 24 February 2009.

Alex Bajada - - Non executive Director – appointed 19 February 2009 resigned 24 February 2009.

Bruce McLeod - - Non executive Director – appointed 9 October 2009 resigned 24 February 2009.

Ian Murie – Non executive Director – appointed 19 February 2009 resigned 24 February 2009.

John Jordan – Non executive Director – appointed 19 February 2009 resigned 24 February 2009.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES  
DIRECTORS' REPORT**

**Remuneration for the year ended 30 June 2008**

**2008**

**Directors**

Name	Primary		Post Employment	Equity	Total
	Base Entitlement and Fees	Other	Superannuation Contribution		
	\$	\$	\$	\$	\$
Anthony Short	110,000	18,000	-	-	128,000
Gordon Sklenka	125,000	12,000	-	-	137,000
Roland Berzins	112,500	12,000	10,125	-	134,625
<b>Total</b>	<b>347,500</b>	<b>42,000</b>	<b>10,125</b>	<b>-</b>	<b>399,625</b>

The Company did not have any other key management personnel for 2008 and 2009.

**Compensation Options Granted and vested during the year as part of emoluments**

No compensation options were issued to the Directors during the year (2008 Nil).

**Shareholdings – 2009**

(c) Share and Option Holdings

Number of Shares held by Directors and Specified Executives

<b>Directors</b>	Balance 01.07.08	Received as Remuneration	Options Exercised	Net Change Other*	Balance 30.06.09
Gary Castledine~	-	-	-	1,275,000	1,275,000
Anthony Short	3,209,100	-	-	-	3,209,100
Gordon Sklenka	3,209,100	-	-	-	3,209,100
Geoff Gander~	-	-	-	38,120	38,120
Robert Hyndes~	-	-	-	-	-
Roland Berzins #	1,929,150	-	-	(1,929,150)	-
Alex Bajada #	1,500,000	-	-	(1,500,000)	-
Bruce McLeod #	-	-	-	-	-
Ian Murie #	250,000	-	-	(250,000)	-
John Jordan #	-	-	-	-	-
Mario Bolivar #	-	-	-	-	-
<b>Total</b>	<b>10,097,350</b>	<b>-</b>	<b>-</b>	<b>(2,366,030)</b>	<b>7,731,320</b>

\*Net Change other refers to shares purchased or sold during the financial year.

~ Change due to the appointment of Director during the year.

# Net change due to Director resigning during the year.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**DIRECTORS' REPORT**

**Option holdings – 2009**

Number of Options held by Directors and Specified Executives

<b>Directors</b>	Balance 01.07.08	Received as Remuneration	Options Exercised	Net Change Other*	Balance 30.06.09
Gary Castledine ~	-	-	-	1,600,000	1,600,000
Anthony Short	5,004,550	-	-	-	5,004,550
Gordon Sklenka	5,004,550	-	-	-	5,004,550
Geoff Gander ~	-	-	-	75,000	75,000
Robert Hyndes ~	-	-	-	216,130	216,130
Roland Berzins #	3,214,575	-	-	(3,214,575)	-
Alex Bajada #	2,085,602	-	-	(2,085,602)	-
Bruce McLeod #	-	-	-	-	-
Ian Murie #	325,000	-	-	(325,000)	-
John Jordan #	-	-	-	-	-
Mario Bolivar #	-	-	-	-	-
<b>Total</b>	<b>15,634,277</b>	<b>-</b>	<b>-</b>	<b>(3,734,047)</b>	<b>11,900,230</b>

\* Net Change other refers to shares purchased or sold during the financial year.

~ Change due to the appointment of Director during the year.

# Change due to Director resigning during the year.

Currently 104,886,666 options are on issue (2008: 104,886,666).

**Shareholdings – 2008**

Number of Shares held by Directors and Specified Executives

<b>Directors</b>	Balance 01.07.07	Received as Remuneration	Options Exercised	Net Change Other*	Balance 30.06.08
Anthony Short	3,209,100	-	-	-	3,209,100
Gordon Sklenka	3,209,100	-	-	-	3,209,100
Mario Bolivar	-	-	-	-	-
Roland Berzins	1,299,150	-	-	630,000	1,929,150
<b>Total</b>	<b>7,717,350</b>	<b>-</b>	<b>-</b>	<b>630,000</b>	<b>8,347,250</b>

\* Net Change other refers to shares purchased or sold during the financial year.

**Option holdings – 2008**

Number of Options held by Directors and Specified Executives

<b>Directors</b>	Balance 01.07.07	Received as Remuneration	Options Exercised	Net Change Other*	Balance 30.06.08
Anthony Short	-	-	-	5,004,550	5,004,550
Gordon Sklenka	-	-	-	5,004,550	5,004,550
Mario Bolivar	-	-	-	-	-
Roland Berzins	-	-	-	3,214,575	3,214,575
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,223,675</b>	<b>13,223,675</b>

\* Net Change Other refers to options purchased or sold during the financial year.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES  
DIRECTORS' REPORT**

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(d) Transactions with directors personally related entities

There were no transactions with specified directors and executives and their personally related entities other than as detailed in note 24 to the Financial Statements.

**INDEMNIFYING AND INSURANCE OF DIRECTORS AND OFFICERS**

During the current financial year, the Company did not pay any premium to insure the directors and officers of the Company against liabilities of costs and expenses incurred by them in defending and legal proceedings arising out of their conduct whilst acting in the capacity of directors or officers of the Company.

**OPTIONS AND UNISSUED SHARE UNDER OPTIONS**

At the date of this report 104,886,666 options (2008: 104,886,666) have been issued by the Company and the number of unissued ordinary shares of the Company under option is 104,886,666 (2008: 104, 886,666).

There have been no issue of ordinary shares as a result of the exercise of options during or since the end of the financial year.

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



Gary Castledine

**Chairman**

DATED at PERTH this 30th day of September 2009

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**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF VECTOR RESOURCES LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Vector Resources Limited for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b No contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON (WA) PARTNERSHIP  
Chartered Accountants



M J HILLGROVE  
Partner

Perth, 30 September 2009

Grant Thornton (WA) Partnership ABN 17 735 344 518, a subsidiary or related entity of Grant Thornton Australia Limited ABN 41 127 556 389.

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**Independent Auditor's Report  
To the Members of Vector Resources Limited**

**Report on the Financial Report**

We have audited the accompanying financial report of Vector Resources Limited (the Company) which comprises the balance sheets as at 30 June 2009, and the income statements, statements of changes in equity and cash flow statements for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

**Directors' responsibility for the financial report**

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

**Auditor's responsibility**

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

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

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

**Independence**

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

**Auditor's opinion**

In our opinion:

- a the financial report of Vector Resources Limited is in accordance with the Corporations Act 2001, including:
  - i giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2009 and of their performance for the year ended on that date; and
  - ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a).

**Report on the Remuneration Report**

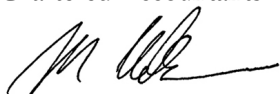
We have audited the Remuneration Report included in pages 8 to 13 of the directors' report for the year ended 30 June 2009. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**Auditor's opinion**

In our opinion the Remuneration Report of Vector Resources Limited for the period ended 30 June 2009, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON (WA) PARTNERSHIP  
Chartered Accountants



M J HILLGROVE  
Partner

Perth, 30 September 2009

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**CORPORATE GOVERNANCE STATEMENT**

The Board of Directors of Vector Resources Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of Vector Resources Limited on behalf of the shareholders by whom they are elected and to whom they are accountable. This statement reports on Vector Resources Limited's key governance principles and practices.

**1. COMPLIANCE WITH BEST PRACTICE RECOMMENDATIONS**

The Company, as a listed entity, must comply with the Corporations Act 2001 and the Australian Securities Exchange (ASX) Listing Rules. The ASX Listing Rules require the Company to report on the extent to which it has followed the Corporate Governance Recommendations published by the ASX Corporate Governance Council (ASXCGC). Where a recommendation has not been followed, that fact is disclosed, together with the reasons for the departure.

For further information on corporate governance policies adopted by the Company, refer to the corporate governance section of our website: [www.vectorresources.com.au](http://www.vectorresources.com.au)

The table below summaries the Company's compliance with the Corporate Governance Council's Recommendations:

Principle #	ASX Corporate Governance Council Recommendations	Reference	Comply
<b>Principle 1</b>	<b>Lay solid foundations for management and oversight</b>		
1.1	Establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	2(a)	Yes
1.2	Disclose the process for evaluating the performance of senior executives.	2(h), 3(b), Remuneration Report	Yes
1.3	Provide the information indicated in the Guide to reporting on principle 1.	2(a), 2(h), 3(b), Remuneration Report	Yes
<b>Principle 2</b>	<b>Structure the Board to add value</b>		
2.1	A majority of the board should be independent directors.	2(e)	No
2.2	The chair should be an independent director.	2(c), 2(e)	No
2.3	The roles of chair and chief executive officer should not be exercised by the same individual.	2(b), 2(c)	Yes
2.4	The board should establish a nomination committee.	2(d)	No
2.5	Disclose the process for evaluating the performance of the board, its committees and individual directors.	2(h)	Yes
2.6	Provide the information indicated in the Guide to reporting on principle 2.	2(b), 2(c), 2(d), 2(e), 2(h)	Yes
<b>Principle 3</b>	<b>Promote ethical and responsible decision-making</b>		
3.1	Establish a code of conduct and disclose the code or a summary as to:		
	<ul style="list-style-type: none"> <li>the practices necessary to maintain confidence in the company's integrity;</li> </ul>	4(a)	Yes
	<ul style="list-style-type: none"> <li>the practices necessary to take into account the company's legal obligations and the reasonable expectations of its stakeholders; and</li> </ul>	4(a)	Yes
	<ul style="list-style-type: none"> <li>the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.</li> </ul>	4(a)	Yes
3.2	Establish a policy concerning trading in company securities by directors, senior executives and employees and disclose the policy or a summary.	4(b)	Yes
3.3	Provide the information indicated in the Guide to reporting on principle 3.	4(a), 4(b)	Yes

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**

<b>Principle #</b>	<b>ASX Corporate Governance Council Recommendations</b>	<b>Reference</b>	<b>Comply</b>
<b>Principle 4</b>	<b>Safeguard integrity in financial reporting</b>		
4.1	The board should establish an audit committee.	3(a)	Yes
4.2	The audit committee should be structured so that it:		
	• consists only of non-executive directors;	3(a)	No
	• consists of a majority of independent directors;	3(a)	No
	• is chaired by an independent chair, who is not chair of the board; and	3(a)	No
	• has at least three members.	39a0	Yes
4.3	The audit committee should have a formal charter	3(a)	Yes
4.4	Provide the information indicated in the Guide to reporting on principle 4.	3(a)	Yes
<b>Principle 5</b>	<b>Make timely and balanced disclosure</b>		
5.1	Establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies.	5(a), 5(b)	Yes
5.2	Provide the information indicated in the Guide to reporting on principle 5.	5(a), 5(b)	Yes
<b>Principle 6</b>	<b>Respect the rights of shareholders</b>		
6.1	Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose the policy or a summary of that policy.	5(a), 5(b)	Yes
6.2	Provide the information indicated in the Guide to reporting on principle 6.	5(a), 5(b)	Yes
<b>Principle 7</b>	<b>Recognise and manage risk</b>		
7.1	Establish policies for the oversight and management of material business risks and disclose a summary of those policies.	6(a)	Yes
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.	6(a), 6(b), 6(d)	Yes
7.3	The board should disclose whether it had received assurance from the chief executive officer and the chief financial officer 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.	6(c)	Yes
7.4	Provide the information indicated in the Guide to reporting on principle 7.	6(a), 6(b), 6(c), 6(d)	Yes
<b>Principle 8</b>	<b>Remunerate fairly and responsibly</b>		
8.1	The board should establish a remuneration committee.	3(b)	No
8.2	Clearly distinguish the structure on non-executive directors' remuneration from that of executive directors and senior executives.	3(b), Remuneration Report	Yes
8.3	Provide the information indicated in the Guide to reporting on principle 8.	3(b)	Yes

## 2. THE BOARD OF DIRECTORS

### (a) Roles and Responsibilities of the Board

The Board is accountable to the shareholders and investors for the overall performance of the Company and takes responsibility for monitoring the Company's business and affairs and setting its strategic direction, establishing and overseeing the Company's financial position.

The Board is responsible for:

- Appointing, evaluating, rewarding and if necessary the removal of the Chief Executive Officer ("CEO") and senior management;
- Development of corporate objectives and strategy with management and approving plans, new investments, major capital and operating expenditures and major funding activities proposed by management;
- Monitoring actual performance against defined performance expectations and reviewing operating information to understand at all times the state of the health of the Company;
- Overseeing the management of business risks, safety and occupational health, environmental issues and community development;
- Satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review;
- Satisfying itself that there are appropriate reporting systems and controls in place to assure the board that proper operational, financial, compliance, risk management and internal control process are in place and functioning appropriately.
- Approving and monitoring financial and other reporting;
- Assuring itself that appropriate audit arrangements are in place;
- Ensuring that the Company acts legally and responsibly on all matters and assuring itself that the Company has adopted a Code of Conduct and that the Company practice is consistent with that Code; and other policies; and
- Reporting to and advising shareholders.

Other than as specifically reserved to the Board, responsibility for the day-to-day management of the Company's business activities is delegated to the Chief Executive Officer and Executive Management.

Currently the role Chief Executive Officer is facilitated by Mr Robert Hyndes until such time as the scale of operations expands sufficiently to warrant a Chief Executive Officer.

### (b) Board Composition

The Directors determine the composition of the Board employing the following principles:

- the Board, in accordance with the Company's constitution must comprise a minimum of three Directors;
- the roles of the Chairman of the Board and of the Chief Executive Officer should be exercised by different individuals;
- the majority of the Board should comprise Directors who are non-executive;
- the Board should represent a broad range of qualifications, experience and expertise considered of benefit to the Company; and
- the Board must be structured in such a way that it has a proper understanding of, and competency in, the current and emerging issues facing the Company, and can effectively review management's decisions.

The Board is currently comprised of four non-executive Directors and one executive Director. Details of the members of the Board, their experience, expertise, qualifications, terms of office and independent status are set out in the Directors' Report of the Annual Report under the heading "Directors".

The Company's constitution requires one-third of the Directors (or the next lowest whole number) to retire by rotation at each Annual General Meeting (AGM). The Directors to retire at each AGM are those who have been longest in office since their last election. Where Directors have served for equal periods, they may agree amongst themselves or determine by lot who will retire. A Director must retire in any event at the third AGM since he or she was last elected or re-elected. Retiring Directors may offer themselves for re-election.

A Director appointed as an additional or casual Director by the Board will hold office until the next AGM when they may be re-elected.

**2. THE BOARD OF DIRECTORS (continued)**

**(c) Chairman and Chief Executive Officer**

The Chairman is responsible for:

- leadership of the Board;
- the efficient organisation and conduct of the Board's functions;
- the promotion of constructive and respectful relations between Board members and between the Board and management;
- contributing to the briefing of Directors in relation to issues arising at Board meetings;
- facilitating the effective contribution of all Board members; and
- committing the time necessary to effectively discharge the role of the Chairman.

The Board does not comply with the ASX Recommendation 2.2 in that the Chairman, whilst a non-executive, is not an independent Director due to his substantial interest in the Company and has within the last three years been a principal of a material professional advisor to the Company (refer to 2(e) Independent Directors). The Board has considered this matter and decided that the non-compliance does not effect the operation of the Company.

The Chief Executive Officer is responsible for:

- implementing the Company's strategies and policies; and
- the day-to-day management of the Company's business activities

The Board specifies that the roles of the Chairman and the Chief Executive Officer are separate roles to be undertaken by separate people.

**(d) Nomination Committee**

The Company does not comply with ASX Recommendation 2.4. The Company is not of a relevant size to consider formation of a nomination committee to deal with the selection and appointment of new Directors and as such a nomination committee has not been formed.

Nominations of new Directors are considered by the full Board in accordance with the Company's "Selection of New Directors Policy".

**(e) Independent Directors**

The Company recognises that independent directors are important in assuring shareholders that the Board is properly fulfilling its role and is diligent in holding senior management accountable for its performance. The Board assesses each of the directors against specific criteria to decide whether they are in a position to exercise independent judgment.

Directors of Vector Resources Limited are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement.

In making this assessment, the Board considers all relevant facts and circumstances. Relationships that the Board will take into consideration when assessing independence are whether a Director:

- is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- is employed, or has previously been employed in an executive capacity by the Company or another Company member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- has within the last three years been a principal of a material professional advisor or a material consultant to the Company or another Company member, or an employee materially associated with the service provided;
- is a material supplier or customer of the Company or other Company member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer; or
- has a material contractual relationship with the Company or another Company member other than as a Director.

The Company does not comply with ASX Recommendation 2.1, there is a majority of non-executive Directors but there is not a majority of independent Directors on the Board.

The Board believes that the Company is not of sufficient size to warrant the inclusion of more independent non-executive Directors in order to meet the ASX recommendation of maintaining a majority of independent non-executive Directors. The Company maintains a mix of Directors from different backgrounds with complementary skills and experience.

In recognition of the importance of independent views and the Board's role in supervising the activities of management the Chairman must be a non-executive director.

**2. THE BOARD OF DIRECTORS (continued)**

**(f) Avoidance of conflicts of interest by a Director**

In order to ensure that any interests of a Director in a particular matter to be considered by the Board are known by each Director, each Director is required by the Company to disclose any relationships, duties or interests held that may give rise to a potential conflict. Directors are required to adhere strictly to constraints on their participation and voting in relation to any matters in which they may have an interest.

**(g) Board access to information and independent advice**

Directors are able to access members of the management team at any time to request relevant information.

There are procedures in place, agreed by the board, to enable Directors, in furtherance of their duties, to seek independent professional advice at the company's expense.

**(h) Review of Board performance**

The performance of the board is reviewed regularly by the Chairman. The Chairman conducts performance evaluations which involve an assessment of each board member's performance against specific and measurable qualitative and quantitative performance criteria. The performance criteria against which directors and executives are assessed is aligned with the financial and non-financial objectives of Vector Resources Limited. Directors whose performance is consistently unsatisfactory may be asked to retire.

**3. BOARD COMMITTEES**

**(a) Audit Committee**

Given the size and scale of the Company's operations the full Board undertakes the role of the Audit Committee. The Audit Committee does not comply with ASX Recommendation 4.2 as only one of the five members are non-executive Directors, only one is considered to be an independent Director (refer 2(e)). The role and responsibilities of the Audit Committee are summarised below.

The Audit Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors. The Board sets aside time to deal with issues and responsibilities usually delegated to the Audit Committee to ensure the integrity of the financial statements of the Company and the independence of the auditor.

The Board reviews the audited annual and half-year financial statements and any reports which accompany published financial statements and recommends their approval to the members. The Board also reviews annually the appointment of the external auditor, their independence and their fees.

The Board is also responsible for establishing policies on risk oversight and management. The Company has not formed a separate Risk Management Committee due to the size and scale of its operations.

**External Auditors**

The Company's policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditor is reviewed annually and applications for tender of external audit services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs. It is auditor's policy to rotate engagement partners on listed companies at least every five years.

An analysis of fees paid to the external auditors, including a break-down of fees for non-audit services, is provided in the notes to the financial statements in the Annual Report.

There is no indemnity provided by the Company to the auditor in respect of any potential liability to third parties.

The external auditor is requested to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and preparation and content of the audit report.

The directors are satisfied that the provision of non-audit services during the year by the auditors is compatible with the general standard of independence for auditors imposed by the Corporations Act.

The directors are satisfied that the provision of the non-audit services did not compromise the auditor's independence requirements of the Corporations Act because the services were provided by persons who were not involved in the audit and the decision as to whether or not to accept the tax planning advice was made by management.

**3. BOARD COMMITTEES (continued)**

**(b) Remuneration Committee**

The role of a Remuneration Committee is to assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and incentive policies for employees.

The Board has not established a separate Remuneration Committee due to the size and scale of its operations. This does not comply with Recommendation 8.1 however the Board as a whole takes responsibility for such issues.

The responsibilities include setting policies for senior officers remuneration, setting the terms and conditions for management, reviewing and making recommendations to the Board on the Company's incentive schemes and superannuation arrangements, reviewing the remuneration of both executive and non-executive directors and undertaking reviews of management's performance.

Non-executive directors are paid their fees out of the maximum aggregate amount approved by shareholders for non-executive director remuneration.

The remuneration received by directors and executives in the current period is contained in the "Remuneration Report" within the Directors' Report of the Annual Report.

**4. ETHICAL AND RESPONSIBLE DECISION MAKING**

**(a) Code of Ethics and Conduct**

The Board endeavours to ensure that the Directors, officers and employees of the Company act with integrity and observe the highest standards of behaviour and business ethics in relation to their corporate activities. The "Code of Conduct" sets out the principles, practices, and standards of personal behaviour the Company expects people to adopt in their daily business activities.

All Directors, officers and employees are required to comply with the Code of Conduct. Senior managers are expected to ensure that employees, contractors, consultants, agents and partners under their supervision are aware of the Company's expectations as set out in the Code of Conduct.

All Directors, officers and employees are expected to:

- a. comply with the law;
- b. act in the best interests of the Company;
- c. be responsible and accountable for their actions; and
- d. observe the ethical principles of fairness, honesty and truthfulness, including prompt disclosure of potential conflicts.

**(b) Policy concerning trading in Company securities**

The Company's "Dealings in Company Shares and Options Policy" applies to all Directors, officers and employees. This policy sets out the restrictions on dealing in securities by people who work for, or are associated with the Company and is intended to assist in maintaining market confidence in the integrity of dealings in the Company's securities. The policy stipulates that the only appropriate time for a Director, officer or employee to deal in the Company's securities is when they are not in possession of price sensitive information that is not generally available to the market.

As a matter of practice, Company shares may only be dealt with by Directors and officers of the Company under the following guidelines:

- a. No trading is permitted in the period of 21 days prior to the announcement to the ASX of the Company's full year and half year results;
- b. Guidelines are to be considered complementary to and not replace the various sections of the Corporations Act 2001 dealing with insider trading; and
- c. Prior approval of the Chairman, or in his absence, the approval of two directors is required prior to any trading being undertaken.

## 5. TIMELY AND BALANCED DISCLOSURE

### (a) Shareholder communication

The Company believes that all shareholders should have equal and timely access to material information about the Company including its financial situation, performance, ownership and governance. The Company's "ASX Disclosure Policy" encourages effective communication with its shareholders by requiring that Company announcements:

- be factual and subject to internal vetting and authorisation before issue;
- be made in a timely manner;
- not omit material information;
- be expressed in a clear and objective manner to allow investors to assess the impact of the information when making investment decisions;
- be in compliance with ASX Listing Rules continuous disclosure requirements; and
- be placed on the Company's website promptly following release.

Shareholders are encouraged to participate in general meetings. Copies of addresses by the Chairman or Chief Executive Officer are disclosed to the market and posted on the Company's website. The Company's external auditor attends the Company's annual general meeting to answer shareholder questions about the conduct of the audit, the preparation and content of the audit report, the accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.

### (b) Continuous disclosure policy

The Company is committed to ensuring that shareholders and the market are provided with full and timely information and that all stakeholders have equal opportunities to receive externally available information issued by the Company. The Company's "ASX Disclosure Policy" described in 5(a) reinforces the Company's commitment to continuous disclosure and outline management's accountabilities and the processes to be followed for ensuring compliance.

The policy also contains guidelines on information that may be price sensitive. The Company Secretary has been nominated as the person responsible for communications with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements with the ASX Listing Rules and overseeing and coordinating information disclosure to the ASX.

## 6. RECOGNISING AND MANAGING RISK

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. The Company's policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Company's business objectives. A written policy in relation to risk oversight and management has been established ("Risk Management and Internal Control Policy"). Considerable importance is placed on maintaining a strong control environment. There is an organisation structure with clearly drawn responsibilities.

### (a) Board oversight of the risk management system

The Board is responsible for approving and overseeing the risk management system. The Board reviews, at least annually, the effectiveness of the implementation of the risk management controls and procedures.

The principle aim of the system of internal control is the management of business risks, with a view to enhancing the value of shareholders' investments and safeguarding assets. Although no system of internal control can provide absolute assurance that the business risks will be fully mitigated, the internal control systems have been designed to meet the Company's specific needs and the risks to which it is exposed.

Annually, the Board is responsible for identifying the risks facing the Company, assessing the risks and ensuring that there are controls for these risks, which are to be designed to ensure that any identified risk is reduced to an acceptable level.

The Board is also responsible for identifying and monitoring areas of significant business risk. Internal control measures currently adopted by the Board include:

- a. monthly reporting to the Board in respect of operations and the Company's financial position, with a comparison of actual results against budget; and
- b. regular reports to the Board by appropriate members of the management team and/or independent advisers, outlining the nature of particular risks and highlighting measures which are either in place or can be adopted to manage or mitigate those risks.

**6. RECOGNISING AND MANAGING RISK (continued)**

**(b) Risk management roles and responsibilities**

The Board is responsible for approving and reviewing the Company's risk management strategy and policy. Executive management is responsible for implementing the Board approved risk management strategy and developing policies, controls, processes and procedures to identify and manage risks in all of the Company's activities.

The board is responsible for satisfying itself that management has developed and implemented a sound system of risk management and internal control.

**(c) Chief Executive Officer and Chief Financial Officer Certification**

The Chief Executive Officer and Chief Financial Officer provide to the Board written certification that in all material respects:

- a. The Company's financial statements present a true and fair view of the Company's financial condition and operational results and are in accordance with relevant accounting standards;
- b. The statement given to the Board on the integrity of the Company's financial statements is founded on a sound system of risk management and internal compliance and controls which implements the policies adopted by the Board; and
- c. The Company's risk management an internal compliance and control system is operating efficiently and effectively in all material respects.

**(d) Internal review and risk evaluation**

Assurance is provided to the Board by executive management on the adequacy and effectiveness of management controls for risk on a regular basis.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES  
DIRECTORS' DECLARATION  
FOR THE YEAR ENDED 30 JUNE 2009**

---

The directors of the Company declare that:

1. the attached financial statements and notes are in accordance with the Corporations Act 2001 and;
  - (a) comply with Accounting Standards; and
  - (b) give a true and fair view of the financial position as at 30 June 2009 and of the performance for the year ended on that date of the Company and Consolidated Group;
  
2. 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; and
  
3. the Chief Executive Officer and Chief Financial Officer have provided the following declaration required by section 295A of the Corporations Act 2001;
  - (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 the 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.

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



**G CASTLEDINE**  
**Chairman**

DATED this 30th day of September 2009

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**INCOME STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	NOTE	CONSOLIDATED		COMPANY	
		YEAR ENDED	YEAR ENDED	YEAR ENDED	YEAR ENDED
		30 JUNE 2009	30 JUNE 2008	30 JUNE 2009	30 JUNE 2008
		\$	\$	\$	\$
Revenues from ordinary activities	5	340,678	564,714	281,942	495,430
Employee benefit expenses		(68,856)	(75,429)	(61,874)	(23,251)
Consulting fees		(561,225)	(527,425)	(560,725)	(527,425)
Compliance and regulatory expenses		(199,855)	(61,256)	(199,643)	(65,053)
Depreciation		(52,444)	(14,917)	(1,415)	(842)
Exploration expenses written off as incurred		(1,158,086)	(6,325)	(1,158,086)	(6,325)
Occupancy costs		(58,438)	(10,254)	(57,850)	(9,493)
Finance costs		(4,420)	(4,574)	(3,555)	(3,156)
Director's fees		(104,339)	(42,000)	(104,339)	(42,000)
Impairment of loan to subsidiaries		-	-	(203,335)	(133,731)
Impairment of assets held for resale		(287,655)	-	(1,620)	-
Promotion and travel		(72,691)	(169,810)	(72,241)	(169,810)
Impairment of other receivables		(804,915)	-	(804,915)	-
Other expenses from ordinary activities	6	(150,296)	(89,650)	(138,100)	(71,902)
(Loss) from ordinary activities before income tax expense		(3,182,542)	(436,926)	(3,085,756)	(557,558)
Income tax benefit/(expense) to ordinary activities	7	-	-	-	-
(Loss) from ordinary activities after income tax benefit		(3,182,542)	(436,926)	(3,085,756)	(557,558)
Basic/diluted loss per Share (\$ per share)	26	(0.03)	(0.006)		

The accompanying notes form a part of the financial statements

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**BALANCE SHEETS**  
**AS AT 30 JUNE 2009**

	NOTE	CONSOLIDATED		COMPANY	
		YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	10	7,525,219	9,930,245	7,495,530	9,835,549
Other receivables	11	245,275	1,108,266	109,345	76,552
Other current assets	12	32,678	29,465	9,097	4,325
<b>TOTAL CURRENT ASSETS</b>		<b>7,803,172</b>	<b>11,067,976</b>	<b>7,613,972</b>	<b>9,916,426</b>
<b>NON-CURRENT ASSETS</b>					
Property, plant & equipment	13	227,998	273,683	3,931	4,799
Financial assets	11	65,146	218,010	1,683,773	1,988,047
Deferred Exploration Expenditure	14	1,242,792	1,215,840	-	566,144
Other non-current assets	12	703	703	380	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,536,639</b>	<b>1,708,236</b>	<b>1,688,084</b>	<b>2,558,990</b>
<b>TOTAL ASSETS</b>		<b>9,339,811</b>	<b>12,776,212</b>	<b>9,302,056</b>	<b>12,475,416</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Trade and other payables	15	126,240	508,640	88,483	177,147
Provisions	16	-	6,250	-	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>126,240</b>	<b>514,890</b>	<b>88,483</b>	<b>177,147</b>
<b>TOTAL LIABILITIES</b>		<b>126,240</b>	<b>514,890</b>	<b>88,483</b>	<b>177,147</b>
<b>NET ASSETS</b>		<b>9,213,571</b>	<b>12,261,322</b>	<b>9,213,573</b>	<b>12,298,269</b>
<b>EQUITY</b>					
Issued capital	17 a, b	13,154,844	13,154,844	13,154,844	13,154,844
Reserves	18	-	(134,791)	-	(1,060)
Accumulated Losses	19	(3,941,273)	(758,731)	(3,941,271)	(855,515)
<b>TOTAL EQUITY</b>		<b>9,213,571</b>	<b>12,261,322</b>	<b>9,213,573</b>	<b>12,298,269</b>

The accompanying notes form part of these financial statements.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**CASH FLOW STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

NOTE	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>				
	287,941	497,214	285,385	495,430
	(2,114,496)	(1,377,726)	(1,883,950)	(945,696)
	(2,492)	(4,574)	(2,492)	(3,156)
21 (ii)	(1,829,047)	(885,086)	(1,601,057)	(453,422)
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>				
	(593,096)	(1,193,008)	-	(566,144)
	(90,832)	(288,598)	(547)	(5,641)
	-	(350,800)	-	-
	16,364	-	-	-
	(667,564)	(1,832,406)	(547)	(571,785)
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>				
	-	13,008,592	-	13,008,592
	-	(711,356)	(830,000)	(2,498,337)
	-	350,000	-	350,000
	(804,915)	-	(804,915)	-
	900,000	-	900,000	-
	(3,500)	-	(3,500)	-
	91,585	12,647,236	(738,415)	10,860,255
	(2,405,026)	9,929,744	(2,340,019)	9,835,048
	9,930,245	501	9,835,549	501
21 (i)	7,525,219	9,930,245	7,495,530	9,835,549

The accompanying notes form part of these financial statements

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**STATEMENTS OF CHANGES IN INCOME AND EXPENSE**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	NOTE	ISSUED CAPITAL \$	RESERVES \$	ACCUMULATED LOSSES \$	TOTAL \$
<b>BALANCE AS AT 30 JUNE 2008</b>		13,154,844	(134,791)	(758,731)	12,261,322
Loss for the period		-	-	(3,182,542)	(3,182,542)
Shares issued during the year		-	-	-	-
Share issue expenses		-	-	-	-
Reappraisal of asset reserve		-	134,791	-	134,791
<b>BALANCE AS AT 30 JUNE 2009</b>		13,154,844	-	(3,941,273)	9,213,571
<b>BALANCE AS AT 30 JUNE 2007</b>		121,253	-	(321,805)	(200,552)
Loss for the period		-	-	(436,926)	(436,926)
Shares issued during the year		14,314,533	-	-	14,314,533
Share issue expenses		(1,280,942)	-	-	(1,280,942)
Reappraisal of asset reserve		-	(134,791)	-	(134,791)
<b>BALANCE AS AT 30 JUNE 2008</b>		13,154,844	(134,791)	(758,731)	12,261,322
<b>COMPANY</b>					
<b>BALANCE AS AT 30 JUNE 2008</b>		13,154,844	(1,060)	(855,515)	12,298,269
Loss for the period		-	-	(3,085,756)	(3,085,756)
Shares issued during the year		-	-	-	-
Share issue expenses		-	-	-	-
Reappraisal of asset reserve		-	1,060	-	1,060
<b>BALANCE AS AT 30 JUNE 2009</b>		13,154,844	-	(3,941,271)	9,213,573
<b>BALANCE AS AT 30 JUNE 2007</b>		121,253	-	(297,957)	(176,704)
Loss for the period		-	-	(557,558)	(557,558)
Shares issued during the year		14,314,533	-	-	14,314,533
Share issue expenses		(1,280,942)	-	-	(1,280,942)
Reappraisal of asset reserve		-	(1,060)	-	(1,060)
<b>BALANCE AS AT 30 JUNE 2008</b>		13,154,844	(1,060)	(855,515)	12,298,269

The accompanying notes form part of these financial statements

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

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**CORPORATE INFORMATION**

The financial report of Vector Resources Limited for the year ended 30 June 2009 was authorised for issue in accordance with a resolution of the Directors on 30<sup>th</sup> September 2009.

Vector Resources Limited is a Company incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange.

The principal activity of the Company is exploration for minerals.

The address of the registered office is Suite 9, 38 Colin Street West Perth WA 6005.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report includes the consolidated financial statement and notes for Vector Resources Ltd and Controlled Entities ('Group') and the separate financial statement and notes of Vector Resources Ltd as an individual parent entity ('Company').

**(a) Basis of preparation**

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

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

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

The financial report is presented in Australian dollars.

**(b) New accounting standards and interpretations**

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The Group has decided against early adoption of these standards. A discussion of those future requirements and their impact on the Group follows:

AASB 3: Business Combinations, AASB 127: Consolidated and Separate Financial Statements, AASB 2008-3: Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 128, 131, 132, 133, 134, 136, 137, 138 & AASB 139 and interpretations 9 & 107] (applicable for annual reporting periods commencing from 1 July 2009) and AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an investment in Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 & AASB 136] (applicable for annual reporting periods commencing from 1 January 2009). These standards are applicable prospectively and so will only affect relevant transactions and consolidations occurring from the date of application. In this regard, its impact on the Group cannot be determined. The following changes to accounting requirements are included:

- acquisition costs incurred in a business combination will no longer be recognised in goodwill but will be expensed unless the cost relates to issuing debt or equity;
- contingent consideration will be measured at fair value at the acquisition date and may only be provisionally accounted for during a period of 12 months after acquisition;
- a gain or loss of control will require the previous ownership interests to be remeasured to their fair value;
- there shall be no gain or loss from transactions affecting a parent's ownership interest of a subsidiary with all transactions required to be accounted for through equity (this will not represent a change to the Group's policy);
- dividends declared out of pre-acquisition profits will not be deducted from the cost of an investment but will be recognised as income;
- impairment of investments in subsidiaries, joint ventures and associates shall be considered when a dividend is paid by the respective investee; and
- where there is, in substance, no change to Group interests, parent entities inserted above existing Groups shall measure the cost of its investments at the carrying amount of its share of the equity items shown in the balance sheet of the original parent at the date of reorganisation. The Group will need to determine whether to maintain its present accounting policy of calculating goodwill acquired based on the present entity's share of net assets acquired or change its policy so goodwill recognised also reflects that of the non-controlling interest.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

AASB 8: Operating Segments and AASB 2007-3: Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023, & AASB 1038] (applicable for annual reporting periods commencing from 1 January 2009). AASB 8 replaces AASB 114 and requires identification of operating segments on the basis of internal reports that are regularly reviewed by the Group's board for the purpose of decision making. While the impact of this standard cannot be assessed at this stage, there is the potential for more segments to be identified. Given the lower economic levels at which segments may be defined, and the fact that cash generating units cannot be bigger than operating segments, impairment calculations may be affected. Management does not presently believe impairment will result however.

AASB 101: Presentation of Financial Statements, AASB2007-8: Amendments to Australian Accounting Standards arising from AASB 101, and AASB 2007-10: Further Amendments to Australian Accounting Standards arising from AASB 101 (all applicable to annual reporting periods commencing from 1 January 2009). The revised AASB 101 and amendments supersede the previous AASB 101 and redefines the composition of financial statements including the inclusion of a statement of comprehensive income. There will be no measurement or recognition impact on the Group. If an entity has made a prior period adjustment or reclassification, a third balance sheet as at the beginning of the comparative period will be required.

AASB 123: Borrowing Costs and AASB 2007-6: Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12] (applicable for annual reporting periods commencing 1 January 2009). The revised AASB 123 has removed the option to expense all borrowing costs and will therefore require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. Management has determined there will be no effect on the Group as a policy of capitalising qualifying borrowing costs has been maintained by the Group.

AASB 2008-1: Amendments to Australian Accounting Standards – Share-based Payments: Vesting Conditions and Cancellations [AASB 2] (applicable for annual reporting periods commencing 1 January 2009). This amendments to AASB 2 clarifies that vesting conditions consist of service and performance conditions only. Other elements of a share-based payment transaction should therefore be considered for the purpose of determining fair value. Cancellations are also required to be treated in the same manner whether cancelled by the entity or another party.

**(c) Changes in accounting policy**

The accounting policies used in the preparation of these financial statements are consistent with those used in previous years.

**(d) Segment reporting**

A business segment is a Company of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments.

**(e) Foreign currency translation**

*(i) Functional and presentation currency*

Both the functional and presentation currency of the Company is Australian dollars (A\$).

*(ii) Transactions and balances*

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the balance sheet date.

All exchange differences in the consolidated financial report are taken to the income statement.

**(f) Plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and any impairment losses.

Costs include expenditures that are directly attributable to the acquisition of the asset.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in

profit and loss as incurred.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

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

Plant, equipment and computers – 3 to 5 years

Buildings improvements 7 years

Motor vehicles 7 years

### *Impairment*

The carrying values of property plant, equipment and motor vehicle are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating unit to which the asset belong are written down to their recoverable amount.

### *Derecognition*

An item of property, plant, equipment and motor vehicle is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

### **(g) Exploration and evaluation expenditure**

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward at cost where rights to tenure of the area of interest are current and;

- i) it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale and/or;
- ii) exploration and evaluation activities are continuing in an area of interest but at balance date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where uncertainty exists as to the future viability of certain areas, the value of the area of interest is written off to the income statement or provided against.

### *Impairment*

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the cash generating unit level whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Any impairment losses are recognised in the income statement.

### **(h) Impairment of assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount of plant and equipment, and exploration and evaluation expenditure is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

An assessment is also made at each reporting date as to whether there is any indication that a previously recognised impairment loss may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

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the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

**(i) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest bearing loans and borrowings in the current liabilities on the balance sheet.

**(j) Trade and other receivables**

Trade and other receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less an allowance for any uncollectible amounts.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts are known to be uncollectible are written off when identified. A provision for impairment is raised when there is objective evidence that the Company will not be able to collect the debts.

**(k) Trade and other payables**

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

**(l) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and, the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

**(m) Leases**

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

**(i) Operating leases**

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense in the income statement on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the financial year in which they are incurred.

**(n) Revenue**

Revenue is measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

*Interest income*

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

**(o) Issued capital**

Issued and paid up capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction in the proceeds received.

**(p) Earnings per share**

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

Diluted earnings per share is calculated as net profit/(loss) attributable to members of the parent adjusted for:

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

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

**(q) Income tax**

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

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

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

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

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

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

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

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

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

**(r) Other taxes**

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

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

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

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

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

**(s) Employee benefits**

*(i) Wages, salaries, annual leave and sick leave*

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

*(ii) Superannuation*

Contributions made by the Group to employee superannuation funds, which are defined contribution plans, are charged as an expense when incurred.

**(t) Principles of Consolidation**

A controlled entity is any entity over which Vector Resources Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the consolidated group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Minority interests, being that portion of the profit or loss and net assets of subsidiaries attributable to equity interests held by persons outside the group, are shown separately within the Equity section of the consolidated Balance Sheet and in the consolidated Income Statement.

*Business Combinations*

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted for by applying the purchase method. The purchase method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and contingent liabilities to be determined as at acquisition date, being the date that control is obtained. Cost is determined as the aggregate of fair values of assets given, equity issued and liabilities assumed in exchange for control together with costs directly attributable to the business combination. Any deferred consideration payable is discounted to present value using the entity's incremental borrowing rate.

Goodwill is recognised initially at the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in profit or loss.

**(u) Comparative Figures**

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

**(v) Rounding of Amounts**

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

**2. Critical Accounting Estimates and Judgments**

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

*Key Estimates — Impairment*

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

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**2. Critical Accounting Estimates and Judgments (Cont.)**

*Key Judgments — Provision for Impairment of Receivables*

Included in current sundry debtors at 30 June 2009 is amounts receivable of \$804,915 (2008: \$1,326,276) The directors believe that as there is doubt on the full recovery of this debt they have provided for impairment against the full amount of the debt as at 30 June 2009.

Included in non current sundry debtors at 30 June 2009 are other financial assets which the Directors have provided for impairment of these of \$287,655 (2008:nil) based on the market value at the year end.

The financial report was authorised for issue on 30 September 2009 by the board of directors.

*Key Judgements – Exploration and Evaluation Expenditure*

The Group's policy for exploration and evaluation is discussed in Note 2(g). The application of this policy requires management to make certain assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sale or exploitation, then the relevant capitalised amount will be written off through the income statement. At the date of this report the Group has sufficient reason to believe rights to explore in specific areas will be granted, expenditure on further exploration for the evaluation of mineral resources in specific areas has been budgeted, exploration in specific areas is on-going and has lead to the discovery of viable quantities of mineral resources and the Group has not decided to discontinue such activity and sufficient data exists to indicate that, although a development in a specific area is likely to proceed, that carrying amount of the exploration and evaluation assets are likely to be recovered in full from successful development or sale. Such capitalised expenditure is carried at reporting date at \$1,242,792 and the amount written off through the profit and loss for projects abandoned amounted to \$1,158,086

*Key judgements – Intra company loans*

Included in the accounts are intercompany loans of \$ 1,683,773 (2008: \$1,987,107). The Directors have assessed the underlying net assets within the subsidiary companies and have made provision for impairment of these loans for the amount of \$203,335 (2008: 133,731).

**3. FINANCIAL RISK MANAGEMENT**

**(a) Financial risk management policies**

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable and loans to and from controlled entities.

The main purpose of non-derivative financial instruments is to raise finance for Group operations.

The group does not trade in Derivatives.

*i Treasury Risk Management*

The Board meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

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

*ii. Financial Risk Exposures and Management*

The main risks the Group is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

*iii Interest rate risk*

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
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*iii. Interest rate risk (cont.)*

At 30 June 2009, the effect on profit / (loss) and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>CHANGE IN PROFIT / (LOSS)</b>				
Increase in interest rate by 1%	28,794	58,816	28,424	58,816
Decrease in interest rate by 1%	(28,794)	(58,816)	(28,424)	(58,816)
<b>CHANGE IN EQUITY</b>				
Increase in interest rate by 1%	28,794	58,816	28,424	58,816
Decrease in interest rate by 1%	(28,794)	(58,816)	(28,424)	(58,816)

The Group's exposure to risks of changes in market interest rates relates primarily to the Company's cash balances. The Board constantly analyses its interest rate exposure. Within this analysis, consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rates.

	FIXED INTEREST RATE							
	FLOATING INTEREST RATE		<1 YEAR		NON-INTEREST BEARING		TOTAL	
	2009	2008	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$
<b>CONSOLIDATED</b>								
<b>FINANCIAL ASSETS</b>								
Cash and cash equivalents	7,525,219	481,383	-	9,448,862	-	-	7,525,219	9,930,245
Receivables		-	-	900,000	245,275	208,266	245,275	1,108,266
Other current assets		-	-	-	20,000	29,465	20,000	29,465
Other non-current assets		-	-	-	65,146	218,010	65,146	218,010
	7,525,219	481,383	-	10,348,862	330,421	455,741	7,855,640	11,285,986
Weighted average interest rate	3.4%	4.90%	13.25%	8.59%	-	-	0.25%	8.22%
<b>FINANCIAL LIABILITIES</b>								
At amortised cost								
Payables	-	-	-	-	126,240	508,640	126,240	508,640
	-	-	-	-	126,240	508,640	126,240	508,640

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
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	FLOATING		FIXED INTEREST		NON-INTEREST		TOTAL	
	INTEREST RATE		RATE		BEARING			
	2009	2008	<1 YEAR	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$

iii. Interest rate risk (cont.)

**COMPANY**

**FINANCIAL ASSETS**

Cash and cash equivalents	7,495,530	386,687	-	9,448,862	-	-	7,495,530	9,835,549
Receivables	-	-	-	-	109,345	76,552	109,345	76,552
Other current assets	-	-	-	-	-	4,325	-	4,325
Other non-current assets	-	-	-	-	380	88,047	380	88,047
	<u>7,495,530</u>	<u>386,687</u>	<u>-</u>	<u>9,448,862</u>	<u>109,725</u>	<u>168,924</u>	<u>7,605,255</u>	<u>10,904,473</u>
Weighted average interest rate	3.4%	4.90%	6.5%	8.59%	-	-	0.25%	8.22%

**FINANCIAL LIABILITIES**

At amortised cost

Trade and other payables	-	-	-	-	88,483	177,147	88,483	177,147
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,483</u>	<u>177,147</u>	<u>88,483</u>	<u>177,147</u>

All trade and other payables within the Group are due in less than one year.

**(b) Credit risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

Receivable balances are monitored on an ongoing basis with the result that the Group does not have a significant exposure to bad debts.

The credit risk for counterparties included in trade and other receivables at 30 June 2008 is detailed below:

	CONSOLIDATED		COMPANY	
	YEAR ENDED	YEAR ENDED	YEAR ENDED	YEAR ENDED
	30 JUNE 2009	30 JUNE 2008	30 JUNE 2009	30 JUNE 2008
	\$	\$	\$	\$
<b>TRADE AND OTHER RECEIVABLES</b>				
Increase in interest rate by 1%	190,431	217,731	60,000	37,768
	119,990	1,118,010	49,725	940
	<u>310,421</u>	<u>1,355,741</u>	<u>109,725</u>	<u>38,708</u>

Trade and other receivables within the Group are expected to be received as follows:

Less than 6 months	245,275	1,127,475	109,345	37,768
6 months to 1 year	-	-	-	-
1 to 5 years	65,146	228,266	380	940
Over 5 years	-	-	-	-
	<u>310,421</u>	<u>1,355,741</u>	<u>109,725</u>	<u>38,708</u>

All receivables are not past due and have not been impaired.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
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**(c) Liquidity risk**

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

**(d) Fair values**

The net fair value of the Group's at call and short term deposits with banks, accounts receivables and payables are in line with the carrying values.

No financial assets and financial liabilities are readily traded on organised markets in standard form other than available for sale financial assets.

The aggregate fair value and carrying amounts of financial assets and financial liabilities at balance date are as follows:

	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>FINANCIAL ASSETS</b>				
Cash and cash equivalents	7,525,219	9,930,245	7,495,530	9,835,549
Trade and other receivables	190,431	217,661	60,000	80,877
Available for sale financial assets	65,850	1,138,080	380	988,047
	<u>7,781,500</u>	<u>11,285,986</u>	<u>7,555,910</u>	<u>10,904,473</u>

The fair values are comparable to their carrying amount.

**FINANCIAL LIABILITIES**

Trade and other payables	126,240	508,640	88,483	177,147
	<u>126,240</u>	<u>508,640</u>	<u>88,483</u>	<u>177,147</u>

**5 REVENUE FROM ORDINARY ACTIVITIES**

**NON-OPERATING ACTIVITIES**

Interest received	340,678	495,214	281,942	493,430
Loan Fee	-	67,500	-	-
Miscellaneous income	-	2,000	-	2,000
	<u>340,678</u>	<u>564,714</u>	<u>281,942</u>	<u>495,430</u>

**6 LOSS FOR THE YEAR**

Loss from ordinary activities before income tax expense has been determined after:

Administration expenses	(634,228)	(293,506)	(776,556)	(212,541)
Exploration expenses	(1,158,086)	(6,325)	(1,158,086)	(6,325)
Impairment of other receivables	(804,915)	-	(804,915)	-
Financing costs	(4,420)	(4,574)	(3,555)	(3,156)
Promotion and travel	(72,691)	(169,810)	(72,241)	(169,810)
Impairment of loans to subsidiaries	-	-	(203,335)	(133,731)
Impairment of assets held for resale	(287,655)	-	(1,620)	-
Consulting fees	(561,225)	(527,425)	(560,725)	(527,425)

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
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	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>7 INCOME TAX</b>				
The prima facie tax on operating loss from ordinary activities before tax is reconciled to the income tax as follows:				
Loss from ordinary activities before income tax benefit	(3,182,542)	(436,926)	(3,085,756)	(557,558)
Prima facie tax (benefit) on operating loss from ordinary activities before tax at 30%	(954,762)	(131,078)	(925,727)	(167,267)
Entertainment expenses	2,639	3,627	2,639	3,627
Depreciation per accounts	15,733	4,475	425	253
Impairment charge	86,297	40,119	61,487	40,119
Write off foreign exploration expenditure	169,843	-	169,843	-
Impairment	241,475	-	241,475	-
Tax effect of permanent differences:				
Tax effect of timing difference	(2,246)	4,031	118	1,667
Share based payments	-	15,000	-	-
Capital costs and other costs deducted	(77,713)	(77,819)	(77,713)	(77,777)
Capitalised exploration expenditure	(177,929)	(188,060)	-	-
Conversion of foreign losses to income losses	(169,843)	-	(169,843)	-
Depreciation per tax	(15,733)	(4,475)	(425)	(253)
Future income tax benefits not brought to account	882,239	334,180	697,721	199,631
	-	-	-	-

This future income tax benefit will only be obtained if:

- (a) future assessable income is derived of a nature and an amount sufficient to enable the benefit;
- (b) the conditions for deductibility imposed by tax legislation continue to be complied with and no changes in the tax legislation adversely affect the company in realising the benefit

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. REMUNERATION OF DIRECTORS AND EXECUTIVES AND RELATED PARTIES DISCLOSURE**

The details of the remuneration of Directors are disclosed in the Director's Report.

	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$

**9 AUDITORS REMUNERATION**

Amounts received or due and receivable  
by the auditors for:

Auditing or reviewing of the financial statements	35,150	29,000	35,150	29,000
Audit of shareholder proxies	7,025	-	7,025	-
Other – tax compliance services	5,090	-	5,090	-
Other – assurance services IAR	-	8,000	-	8,000
	<u>47,265</u>	<u>37,000</u>	<u>47,265</u>	<u>37,000</u>

**10 CASH AND CASH EQUIVALENTS**

Cash at bank	7,525,219	9,930,245	7,495,530	9,835,549
	<u>7,525,219</u>	<u>9,930,245</u>	<u>7,495,530</u>	<u>9,835,549</u>

**11 TRADE AND OTHER RECEIVABLES**

**CURRENT**

Loans – others	-	900,000	-	-
Sundry debtors	1,050,190	208,266	914,260	76,552
Provision for impairment	(804,915)	-	(804,915)	-
	<u>245,275</u>	<u>1,108,266</u>	<u>109,345</u>	<u>76,552</u>

**NON-CURRENT**

Loans – related parties	-	-	1,683,773	1,987,107
Sundry debtors	65,146	218,010	-	940
	<u>65,146</u>	<u>218,010</u>	<u>1,683,773</u>	<u>1,988,047</u>

Sundry debtors includes Colombian Mining Corporation Inc which was in dispute during the year. Subsequent to year end settlement has been reached see note 25.

**12 OTHER ASSETS**

**NON-OPERATING ACTIVITIES**

Other current assets	32,678	29,465	9,097	4,325
	<u>32,678</u>	<u>29,465</u>	<u>9,097</u>	<u>4,325</u>
Other non-current assets	703	703	380	-
	<u>703</u>	<u>703</u>	<u>380</u>	<u>-</u>

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
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	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>13. PROPERTY PLANT AND EQUIPMENT</b>				
<b>Buildings &amp; Improvement</b>				
At cost	194,815	194,815	-	-
Accumulated depreciation	(39,374)	(10,155)	-	-
	155,441	184,660	-	-
<b>Computer Software</b>				
At cost	9,480	9,480	-	-
Accumulated depreciation	(3,685)	(528)	-	-
	5,795	8,952	-	-
<b>Plant &amp; Equipment</b>				
At cost	17,193	17,687	6,189	5,641
Accumulated depreciation	(7,080)	(1,439)	(2,258)	(842)
	10,113	16,248	3,931	4,799
<b>Motor Vehicle</b>				
At cost	58,655	54,718	-	-
Accumulated depreciation	(7,832)	(1,481)	-	-
	50,823	53,237	-	-
<b>Computer Equipment</b>				
At cost	11,900	11,900	-	-
Accumulated depreciation	(6,074)	(1,314)	-	-
	5,826	10,586	-	-
Closing balance	227,998	273,683	3,931	4,799
<i>Property, Plant and Equipment movement in carrying value</i>				
Brought forward at the beginning of year	273,683	-	4,799	-
Additions	27,747	288,600	547	5,641
Written off	(1,586)	-	-	-
Disposals	(22,718)	-	-	-
Depreciation expensed	(52,444)	(14,917)	(1,415)	(842)
Plus: Accumulated depreciation. written back on disposal	3,316	-	-	-
Carried forward property, plant and equipment expenditure	227,998	273,683	3,931	4,799

**PROPERTY PLANT AND EQUIPMENT BY CATEGORY:**

**BUILDINGS AND IMPROVEMENT**

Building and Improvements – Opening balance	184,660	-	-	-
Plus: Additions	-	194,815	-	-
Less: Depreciation	(29,219)	(10,155)	-	-
Closing balance	155,441	184,660	-	-

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
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	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>13. PROPERTY PLANT AND EQUIPMENT (CONT.)</b>				
<b>COMPUTER SOFTWARE</b>				
Computer Software – Opening balance	8,952	-	-	-
Plus: Additions	-	9,480	-	-
Less: Depreciation	(3,157)	(528)	-	-
Closing balance	5,795	8,952	-	-
<b>PLANT AND EQUIPMENT</b>				
Plant and Equipment – Opening balance	16,248	-	4,799	-
Plus: Additions	1,091	17,687	547	5,641
Less: Depreciation	(6,100)	(1,439)	(1,415)	(842)
Less: Disposal	(1,586)	-	-	-
Plus: Accumulated depreciation. written back on disposal	460	-	-	-
Closing balance	10,113	16,248	3,931	4,799
<b>MOTOR VEHICLES</b>				
Motor Vehicles – Opening balance	53,237	-	-	-
Plus: Additions	26,654	54,718	-	-
Less: Depreciation	(9,208)	(1,481)	-	-
Less: Disposal	(22,718)	-	-	-
Plus: Accumulated depreciation. written back on disposal	2,858	-	-	-
Closing balance	50,823	53,237	-	-
<b>COMPUTER EQUIPMENT</b>				
Plant and Equipment – Opening balance	10,586	-	-	-
Plus: Additions	-	11,900	-	-
Less: Depreciation	(4,760)	(1,314)	-	-
Closing balance	5,826	10,586	-	-
<b>TOTAL PROPERTY PLANT AND EQUIPMENT</b>				
Total Property, Plant and Equipment– Opening balance	273,683	-	4,799	-
Plus: Additions	27,745	288,600	547	5,641
Less: Depreciation	(52,444)	(14,917)	(1,415)	(842)
Less: Disposal	(24,304)	-	-	-
Plus: Accumulated depreciation. written back on disposal	3,318	-	-	-
Closing balance	227,998	273,683	3,931	4,799

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
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	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>14. EXPLORATION AND EVALUATION EXPENDITURE</b>				
<b>NON-CURRENT</b>				
Deferred Exploration Expenditure, at cost	1,215,840	646,696	566,144	-
<i>Exploration Expenditure movement</i>				
Brought forward at the beginning of year	1,215,840	22,830	566,144	-
Exploration expenditure capitalised during year- Nabberu	593,095	626,866	-	-
Exploration expenditure capitalised during year - CMC	591,942	566,144	591,942	566,144
Exploration expenditure written off - CMC	(1,158,086)	-	(1,158,086)	-
Carried forward exploration expenditure	1,242,791	1,215,840	-	566,144

The value of the Company's interest in exploration and evaluation expenditure is dependent upon;

- The continuance of the Company's right of tenure of the areas of interest;
- The results of future exploration;

The recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

There may exist on the Company's exploration properties areas subject to claim under Native Title or containing sacred sites or sites of significance to Aboriginal people. As a result the Company's exploration properties or areas within the tenements may be subject to exploration and mining restrictions.

**15. TRADE AND OTHER PAYABLES**

**CURRENT**

Trade payables	71,084	385,005	54,149	116,596
Other creditor & accruals	55,156	123,635	34,334	60,551
	126,240	508,640	88,483	177,147

**16. PROVISIONS**

Non - current provision	-	6,250	-	-
	-	6,250	-	-

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
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	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>17. ISSUED CAPITAL</b>				
<b>(A) ORDINARY SHARES</b>				
Issued capital				
105,633,333 (2008: 105,633,333) fully paid ordinary shares	12,105,978	12,105,978	12,105,978	12,105,978
Ordinary Shares				
At the beginning of the reporting period	12,105,978	121,253	12,105,978	121,253
Fully Paid Ordinary Shares issued during the period:				
IPO	-	12,000,000	-	12,000,000
Seed capital	-	1,230,667	-	1,230,667
Shares in lieu for creditors	-	25,000	-	25,000
Promoter shares	-	10,000	-	10,000
Transaction costs arising from capital raising	-	(1,280,942)	-	(1,280,942)
At Reporting Date	12,105,978	12,105,978	12,105,978	12,105,978
	<b>NUMBER OF SHARES</b>	<b>NUMBER OF SHARES</b>	<b>NUMBER OF SHARES</b>	<b>NUMBER OF SHARES</b>
Fully Paid Ordinary Shares issued during the period				
At the beginning of the reporting period	105,633,333	23,250,000	105,633,333	23,250,000
- IPO shares	-	60,000,000	-	60,000,000
- Seed shares	-	22,383,333	-	22,383,333
At Reporting Date	105,633,333	105,633,333	105,633,333	105,633,333

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

**Capital management**

Management controls the capital of the group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the group can fund its operations and continue as a going concern.

The Group's capital includes ordinary share capital and options.

There are no externally imposed capital requirements.

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

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>(B) OPTIONS</b>				
At the beginning of the reporting period	1,048,866	-	1,048,866	-
Options issued	-	1,048,866	-	1,048,866
At reporting date	1,048,866	1,048,866	1,048,866	1,048,866

	CONSOLIDATED		COMPANY	
	NUMBER OF OPTIONS	NUMBER OF OPTIONS	NUMBER OF OPTIONS	NUMBER OF OPTIONS
	Options Issued during the period			
At the beginning of the reporting period	1,048,866	-	1,048,866	-
Options issued	-	1,048,866	-	1,048,866
At reporting date	1,048,866	1,048,866	1,048,866	1,048,866

	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>18. RESERVES</b>				
Opening Balance	(134,791)	-	(1,060)	-
Reversal of revaluation to income statement due to impairment of available for sale assets	134,791	(134,791)	1,060	(1,060)
Closing balance	-	(134,791)	-	(1,060)

	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>19. ACCUMULATED LOSSES</b>				
Accumulated losses at the beginning of the year	(758,731)	(321,805)	(855,515)	(297,957)
Loss attributable to members of the parent entity	(3,182,542)	(436,926)	(3,085,756)	(557,558)
Accumulated losses at the end of the year	(3,941,273)	(758,731)	(3,941,271)	(855,515)

**20. SEGMENTAL INFORMATION**

The Company is involved in the exploration of minerals in Western Australia. The project in Colombia did not proceed and final settlement with the vendors was completed subsequent to year end see note 25.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
<b>21. CASH FLOW INFORMATION</b>				
(i) Reconciliation of cash				
Cash at the end of the year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows				
<b>CASH AND CASH EQUIVALENT</b>				
Cash at bank and in hand	7,525,219	9,930,245	7,495,530	9,835,549
(ii) Reconciliation of loss after income tax to net cash inflow from operating activities	(3,182,542)	(436,926)	(3,085,756)	(557,558)
Non-cash flows in profit from ordinary activities				
Depreciation	52,444	14,917	1,415	842
Shares issued in lieu of payment	-	25,000	-	25,000
Impairment of loan to subsidiaries	-	-	203,335	133,731
Impairment of assets held for resale	287,655	-	1,620	-
Provision for impairment	804,915	-	804,915	-
Prior year exploration costs written off	566,144	-	566,144	-
Net loss on sale of equipment	4,625	-	-	-
Changes in assets and liabilities:				
(Increase) /decrease in receivables	(37,009)	(787,139)	(26,556)	(62,053)
Increase/(decrease) in intangible assets	-	(704)	-	-
(Increase)/decrease in other assets	(3,213)	-	(4,773)	(4,325)
Increase/(decrease) in payables	(247,338)	293,516	(61,401)	10,941
Increase/(decrease) in accruals and provisions	(74,728)	6,250	-	-
Net cash from operating activities	(1,829,047)	(885,086)	(1,601,057)	(453,422)

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

**22 CONTROLLED ENTITIES**

Controlled Entities included in the consolidated financial statements are listed below. The financial year ends for the controlled entities are the same as the parent entities.

NAME	PRINCIPAL ACTIVITY	COUNTY OF INCORPORATION	OWNERSHIP INTEREST		CARRYING AMOUNT OF INVESTMENT	
			2009 %	2008 %	2009 \$	2008 \$
Louise Minerals Pty Ltd	Mineral Exploration	Australia	100	100	1	1
Pure Dawn Pty Ltd	Investment	Australia	100	100	1	1
					<u>2</u>	<u>2</u>

**23 COMMITMENTS AND CONTINGENT LIABILITIES**

	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$
No later than one year	202,000	461,658
Longer than one year, but not longer than five years	2,090,120	3,413,603
Longer than five years	553,560	341,370
	<u>2,845,680</u>	<u>4,216,631</u>

**24. RELATED PARTY TRANSACTIONS**

i) Loans made by / (to) director and director related entities

	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$

**The Group owed Directors and companies associated with the Directors amounts relating to loans and services provided:**

Cumberland Investments (WA) Pty Ltd	-	-	-	-
Formaine Pty Ltd	-	-	-	-
Roland H Berzins & Associates	-	-	-	-
Roland H Berzins	-	-	-	-

**Balances receivable/(payable) to Directors and Director related companies as at end of year**

AAG Management Pty Ltd	60,000	30,000	60,000	30,000
Regal Resources Limited	(348)	-	(348)	(349)
Palace Resources Limited	-	-	-	(2,816)
AXG Mining Ltd	-	-	-	(562)
Advance Energy Ltd	130,431	6,750	-	(7,894)
Cumberland Investments (WA) Pty Ltd	(4,584)	-	(4,584)	-
Formaine Pty Ltd	(4,167)	-	(4,167)	-
Roland H Berzins & Associates	(5,500)	-	(5,500)	-
Symdean Pty Ltd	(4,583)	-	(4,583)	-
Splendour Investments Pty Ltd	(4,717)	-	(4,717)	-

All loans made by the directors to the Company and by the Company to a director related company were made as unsecured loan and are payable on demand on commercial terms. Parties are related because of common directors.

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2009**

- (i) Services provided by director related entities. See Remuneration report disclosed in the Director's Report for consulting fees paid to Directors and their related or associated entities for matters of an administrative nature and conducted on normal commercial terms.
- (ii) During the year the Group acquired a motor vehicle on normal commercial terms from Regal Resources Ltd a company in which Mr A Short and Mr G Sklenka are Directors of;
- (iii) During the year Advance Energy Limited of which Mr A Short and Mr Sklenka are directors of, repaid \$900,000 loan to the Economic Entity that was advanced in the prior year (2008: \$900,000). An amount of \$130,431 is outstanding at year end for fees and interest due.
- (iv) Rent and administration over heads were paid up to 31 march 2009 to AAG Management Pty Ltd of which Mr A Short and Mr Sklenka are directors of, on normal commercial terms and at market rates
- (v) Rent was paid to Jupiter Energy Ltd from April 2009 of which Mr G Gander is a Director on normal commercial terms and at market rates

**25. EVENTS SUBSEQUENT TO BALANCE DATE**

There has not been any matter or circumstance other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year that has significantly effected, or may significantly effect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years, other than:

On 18 September 2009 the Company entered into a confidential settlement and executed a mutual Deed of Settlement and Release with Colombian Mining Corporation and the Vendors of the Magdalena Project in Colombia.

**26. EARNINGS PER SHARE**

	CONSOLIDATED		COMPANY	
	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008	YEAR ENDED 30 JUNE 2009	YEAR ENDED 30 JUNE 2008
	\$	\$	\$	\$
Net Loss	(3,182,542)	(436,926)	(3,085,756)	(557,267)
Weighted average number of ordinary shares outstanding during the year used in calculation of EPS	105,633,333	73,216,438	105,633,333	73,216,438
EPS – dollars	(0.03)	(0.0060)	(0.03)	(0.0076)

There was no movement in the issued capital during the year and the options outstanding are not included in the calculation of diluted earnings per share because they are anti – dilutive for the years end 30 June 2009.

**COMPANY DETAILS**

The registered office of the Company is: Vector Resources Limited  
Suite 9, 38 Colin Street  
WEST PERTH WA 6005

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES  
ADDITIONAL SHAREHOLDER INFORMATION**

**ADDITIONAL SHAREHOLDERS INFORMATION**

Additional information required by the Australian Stock Exchange (ASX) listing rules as at 26 September 2008

**List of 20 largest shareholders**

<b>Ranking</b>	<b>Name</b>	<b>Shares Held</b>	<b>% of total shares</b>
1	CS Fourth Nominees Pty Ltd <Unpaid A/C>	7,353,951	6.962
2	Bluefin Pty Ltd	3,500,000	3.313
3	Fay Holdings Pty Ltd	3,059,100	2.896
4	Formaine Pty Ltd	3,000,000	2.840
5	Daniel Endor	2,500,000	2.367
6	Picadilly Resources Pty Ltd	2,250,000	2.130
7	Hawera Pty Ltd <The Bailey Family A/C>	2,000,000	1.893
8	Hawera Pty Ltd <The Bailey Family A/C>	2,000,000	1.893
9	TT Nicholls Pty Ltd <Nicholls Super Fund>	1,800,000	1.704
10	Glory Run Pty Ltd	1,704,495	1.614
11	Allpower Pty Ltd	1,500,000	1.420
12	Spartan Nominees Pty Ltd	1,500,000	1.420
13	Manel Florence Ediriweera	1,400,000	1.325
14	Reknaw Pty Ltd	1,342,350	1.271
15	Flue Holdings Pty Ltd	1,300,000	1.231
16	Mr Roland Holger Berzins & Mrs Carol Maree Berzins	1,289,150	1.220
17	Perizia Investments Pty Ltd	1,275,000	1.207
18	Jo Patoir	1,260,000	1.193
19	Kapiri Holdings Pty Ltd	1,100,000	1.041
20	Mr Christopher Wells	1,000,000	0.947
<b>Total of top 20 Shareholders</b>		<b>42,134,046</b>	<b>39.887</b>

**Substantial Shareholders**

<b>Name</b>	<b>Shares held</b>	<b>% of total shares</b>
CS Fourth Nominees Pty Ltd	7,353,951	6.962

**Distribution of shareholder's holdings**

<b>Ordinary shares held</b>	<b>Number of shareholders</b>	<b>Number of shares</b>
1 -1,000	3	1,630
1,001 – 5,000	54	168,632
5,001 – 10,000	177	1,658,950
10,001 – 100,000	573	25,061,550
100,000 – 999,999,999	139	78,742,571
<b>Total</b>	<b>946</b>	<b>105,633,333</b>

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES  
ADDITIONAL SHAREHOLDER INFORMATION**

Additional information required by the Australian Stock Exchange (ASX) listing rules as at 26 September 2008

**List of 20 largest option holders**

<b>Ranking</b>	<b>Name</b>	<b>Options Held</b>	<b>% of total options</b>
1	Hawera Pty Ltd <The Bailey Family A/C>	5,000,000	4.767
2	CS Fourth Nominees Pty Ltd <Unpaid A/C>	4,831,000	4.606
3	Formaine Pty Ltd <Gordon Sklenda Family A/C>	3,400,000	3.242
4	Fay Holdings Pty Ltd <An Short Family A/C>	3,400,000	3.242
5	Kapiri Holdings Pty Ltd	2,666,750	2.543
6	Eagles Eye Nominees Pty Ltd	2,500,000	2.384
7	RPM Super Pty Ltd <RPM Superfund>	2,185,000	2.083
8	Spartan Nominees Pty Ltd	2,085,602	1.988
9	Barque Investments Pty Ltd	2,082,481	1.985
10	Valadon Pty Ltd	1,897,180	1.809
11	Mr. Chee Chong Cheong	1,650,008	1.573
12	Perizia Investments Pty Ltd	1,600,000	1.525
13	Fay Holdings Pty Ltd	1,529,550	1.458
14	Formaine Pty Ltd	1,500,000	1.430
15	Pearl Bliss Pty Ltd <Pearl Bliss A/C>	1,500,000	1.430
16	Mr Roland Holger Berzins & Mrs Carol Maree Berzins	1,500,000	1.430
17	Daniel Endor	1,250,000	1.192
18	ANZ Nominees Ltd <Cash income A/C>	1,221,874	1.165
19	Ramsa Pty Ltd <The Bailey Superfund A/C>	1,140,964	1.088
20	TT Nicholls Pty Ltd <Nicholls Super Fund>	1,100,000	1.049
	Total	<b>44,040,409</b>	<b>41.989</b>

**Substantial option holders**

<b>Name</b>	<b>Options held</b>	<b>% of total options</b>
Nil		

**Distribution of shareholder's holdings**

<b>Ordinary shares held</b>	<b>Number of option holders</b>	<b>Number of options</b>
1 -1,000	6	5,260
1,001 – 5,000	124	558,705
5,001 – 10,000	73	624,560
10,001 – 100,000	443	16,010,282
100,000 – 999,999,999	149	87,687,859
	<b>795</b>	<b>104,886,666</b>

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES  
ADDITIONAL SHAREHOLDER INFORMATION**

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**Enquiries**

Shareholders with any enquiries about any aspect of their shareholding should contact the Company's share register as follows:

Advanced Share Registry Services Pty Ltd

Tel: +61 8 9389 8033  
Fax: +61 8 9389 7871  
Web: [www.advancedshare.com.au](http://www.advancedshare.com.au)

**Electronic Announcements and Report;**

Shareholders who wish to receive announcements made to the ASX, as well as electronic copies of the Annual Report and Half yearly Report, are invited to provide their e mail address to the Company. This can be done in writing to the Company Secretary.

**Removal from the Printed Annual Report mailing list**

Shareholders who do not wish to receive the Annual report should advise the Share Registry in writing to remove their names from the mailing list. Those shareholders will continue to receive all shareholder information.

**Change of name / address**

Shareholders who are Issue Sponsored should advise the Share registry promptly of any changes of name and / or address so that correspondence with them does not go astray. All such changes must be advised in writing and cannot be accepted via telephone. Forms can be found on the share Registry website or obtained by contacting the Share registry.

Shareholders who are in CHESS and Brokered Sponsored should instruct their sponsoring brokers in writing to notify the Share Registry of any changes of name and / or address.

In the case of a name change, the written advice must be supported by documentary evidence.

**Consolidation of Shareholdings**

Shareholders who wish to consolidate their separate shareholdings into one account should write to the Share Registry or their sponsoring broker, whichever is applicable.

**Stock Exchange Listing**

The Company's shares are listed on the ASX. Details of share transactions and prices published in the financial papers of the daily capital city newspapers under the code VEC.

**Registered Office**

The registered office of the Company is: Vector Resources Limited  
Suite 9, 38 Ord Street  
WEST PERTH WA 6005

Telephone +61 8 63895700  
mail [info@vectorresources.com.au](mailto:info@vectorresources.com.au)  
Website [www.vectorresources.com.au](http://www.vectorresources.com.au)

Company Secretary Robert Hyndes

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES  
ADDITIONAL SHAREHOLDER INFORMATION**

<b>Project</b>	<b>Tenement</b>	<b>Status</b>	<b>Area</b>	<b>Grant / Application Date</b>	<b>Expiry Date</b>	<b>Holder/Applicant</b>
Fairbairn East	E69/2061	Granted	23Blks	22/6/07	21/6/12	Louise Minerals P/L
Ivan Well	E69/2062	Granted	25Blks	22/6/07	21/6/12	Louise Minerals P/L
	E69/2512	Application	3Blks	20/3/08	-	Louise Minerals P/L
	E69/2514	Application	1Blk	31/3/08	-	Louise Minerals P/L
Hawkins Knob	E69/2063	Granted	66Blks	1/5/08	30/4/13	Louise Minerals P/L
	E69/2510	Application	44Blks	20/3/08	-	Louise Minerals P/L
	E69/2511	Application	4Blks	20/3/08	-	Louise Minerals P/L
	E69/2541	Application	2Blks	9/5/08	-	Louise Minerals P/L
	P52/1274	Application	178.9ha	5/5/08	-	Louise Minerals P/L
	P69/61	Application	176.8ha	9/5/08	-	Louise Minerals P/L
	P69/62	Application	151.0ha	9/5/08	-	Louise Minerals P/L
	P69/63	Application	174.8ha	9/5/08	-	Louise Minerals P/L
Mt Cecil Rhodes	E69/2064	Granted	45Blks	22/6/07	21/6/12	Louise Minerals P/L
	E69/2540	Application	2Blks	9/5/08	-	Louise Minerals P/L
Mudan Hills	E69/2065	Granted	43Blks	22/6/07	21/6/12	Louise Minerals P/L
Corner Well	E69/2505	Application	70Blks	18/2/08	-	Louise Minerals P/L
Ironstone Well	E69/2509	Application	200Blks	20/3/08	-	Louise Minerals P/L
Granite Peak	L69/14	Application	1Ha	16/7/08	-	Louise Minerals P/L

**VECTOR RESOURCES LIMITED AND CONTROLLED ENTITIES**  
**ADDITIONAL SHAREHOLDER INFORMATION**

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