

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 \$	2009 \$
Cash flows from operating activities			
Cash receipts from customers		3,638	129,050
Cash paid to suppliers		(2,475,012)	(2,037,690)
Payments for production		(17,593)	(52,241)
Cash used in operations		(2,488,967)	(1,960,881)
Interest received		383,488	85,118
Net cash used in operating activities	17	(2,105,479)	(1,875,763)
Cash flows from investing activities			
Payments for development		(703,083)	(547,336)
Payments for exploration and evaluation		(1,231,494)	(132,687)
Payments for property, plant and equipment		(76,158)	(3,773)
Payments for security deposits		(55,407)	(62,000)
Payments for acquisition of controlled entity		-	(1,350,000)
Cash acquired from acquisition of controlled entity		-	66,926
Net cash used in investing activities		(2,066,142)	(2,028,870)
Cash flows from financing activities			
Proceeds from issue of shares		-	14,275,939
Costs of issue of shares		-	(363,964)
Interest paid		-	(191)
Proceeds from borrowings		-	1,500,000
Repayment of borrowings		-	(1,300,000)
Net cash provided by financing activities		-	14,111,784
Net increase/(decrease) in cash held		(4,171,621)	10,207,151
Cash and cash equivalents at 1 January		10,149,455	31,971
Effect of exchange rate adjustments on cash held		488	(89,667)
Cash and cash equivalents at the end of the financial year	17	5,978,322	10,149,455

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