30 September 2009

The Company Announcements Office
ASX Limited

Via E-Lodgement

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2009

Please find attached the Company's Annual Financial Report for the year ended 30 June 2009.

Yours faithfully
Global Iron Limited

Eloise von Puttkammer
Company Secretary

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Global Iron Limited

(ABN 87 125 419 730)

Annual Financial Report for the Year Ended 30 June 2009

CONTENTS

CORPORATE DIRECTORY

EXECUTIVE CHAIRMAN
Antony William Paul Sage

NON-EXECUTIVE DIRECTORS
Roberto Catena
Timothy Paul Turner

COMPANY SECRETARY
Eloise von Puttkammer

PRINCIPAL & REGISTERED OFFICE
18 Oxford Close
LEEDERVILLE WA 6007
Telephone: (08) 9388 0744
Facsimile: (08) 9382 1411

AUDITORS
Grant Thornton (WA) Partnership
Level 1, 10 Kings Park Road
WEST PERTH WA 6005
Telephone: (08) 9480 2000
Facsimile: (08) 9322 7787

SHARE REGISTRAR
Computershare Investor Services Pty Ltd
Level 2, 45 St George's Terrace
PERTH WA 6000
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Facsimile: (08) 9323 2033

STOCK EXCHANGE LISTING
Australian Stock Exchange
(Home Exchange: Perth, Western Australia)
Code: GFE

DIRECTORS' REPORT

Your Directors present their report on Global Iron Limited ("Global Iron") or (the "Company") for the year ended 30 June 2009.

1. DIRECTORS

The names of Directors in office during the whole of the year and up to the date of this report:

Mr Antony Sage
Mr Roberto Catena
Mr Timothy Turner

2. COMPANY SECRETARY

Mr Timothy Turner resigned as company secretary and Ms Eloise von Puttkammer was appointed as company secretary on 1 April 2009. Ms von Puttkammer has many years of experience in the finance and investment industry. Over the past 10 years she has held administration, compliance and company secretarial roles within both private and public companies. Ms von Puttkammer has experience in the provision of governance and secretarial advice to ASX and AIM public listed companies.

3. PRINCIPAL ACTIVITIES

The principal activity of the Company during the financial year was mineral exploration.

There were no significant changes in the nature of the Company's principal activities during the financial year.

4. REVIEW OF OPERATIONS

Mineral Exploration

Rock chip samplings confirm the presence of potentially economic iron ore grades in outcrops on the Evanston tenements.

Financial Result

The Company incurred a loss after income tax of $1,188,142 for the year (2008: loss of $862,277). The Company has cash funds on hand of $1,388,625 (2008: $2,208,668).

5. OPERATING RESULTS

The loss after income tax for the year amounted to $1,188,142 (2008: loss of $862,277).

6. DIVIDENDS PAID OR RECOMMENDED

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

7. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have been so significant changes in the state of affairs of the Company during the year.

DIRECTORS' REPORT (continued)

8. AFTER BALANCE DATE EVENTS

No matter or circumstance has arisen since 30 June 2009 that has significantly affected, or may significantly affect:
(a) the Company's operations in future financial years; or
(b) the results of those operations in future financial years; or
(c) the Company's state of affairs in future financial years.

9. FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

The entity will continue its mineral exploration activity at and around its exploration projects with the object of identifying commercial resources.

10. ENVIRONMENTAL ISSUES

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

11. INFORMATION ON DIRECTORS

Antony William Paul Sage	Executive Chairman
Qualifications	B.Com, FCPA, CA, FTIA
Experience	Mr Sage has in excess of 25 years experience in the fields of corporate advisory services, funds management and capital raising. Mr Sage is based in Western Australia and has been involved in the management and financing of listed mining companies for the last 14 years. Mr Sage is also a director of Cape Lambert Iron Ore Limited, International Goldfields Limited, Tian Shan Goldfields Limited, Corvette Resources Limited, Cauldron Energy Limited and Buka Gold Limited. Mr Sage has not been a director of any other ASX listed entity during the last three years.
Interest in Shares and Options	Fully Paid Ordinary Shares held: 1,998,383
Timothy Paul Turner	Non-Executive Director
Qualifications	B.Bus, FCPA, FTIA, Registered Company Auditor
Experience	Mr Turner specialises in business structuring, corporate and trust tax planning and has in excess of 20 years experience in new ventures and capital raising. As the senior partner of the accounting firm Hewitt, Turner & Gelevitis he specialises in all areas of business consultancy, strategic planning and is responsible for the issuing of audit opinions. Mr Turner has a Bachelor of Business (Accounting and Business Administration), is a Registered Company Auditor, a Fellow of CPA (Australia) and a Fellow of the Taxation Institute of Australia. Mr Turner is also a director of Cape Lambert Iron Ore Limited, International Goldfields Limited and Legacy Iron Ore Limited. Mr Turner has not been a director of any other ASX listed entity during the last three years.
Interest in Shares and Options	Fully Paid Ordinary Shares held: 11,993

DIRECTORS' REPORT (continued)

11. INFORMATION ON DIRECTORS (continued)

Roberto Catena	Non-Executive Director, Member of Audit Committee
Qualifications	BEc (Hons)
Experience	Mr Catena is currently an adviser with Indian Ocean Capital, a specialist securities firm based in Perth. Mr Catena has over 20 years experience in the finance industry including positions in fund management and stock broking. He holds a degree in Economics (Hons) from the University of Western Australia and lectures at the University on a casual basis. Mr Catena has assisted numerous companies raise capital over the past 10 years and he has extensive experience in dealing and understanding equity markets. Mr Catena has not been a director of any other ASX listed entity during the last three years
Interest in Shares and Options	Fully Paid Ordinary Shares held:107,585 20 Cent Options expiring on 31 July 2010 held: 3,500,000

12. REMUNERATION REPORT (audited)

This report details the nature and amount of remuneration for key management personnel of Global Iron Limited.

Details of Directors and Key Management Personnel

(i) Directors
Antony Sage – Executive Chairman
Roberto Catena – Non-Executive Director
Timothy Turner – Non-Executive Director

(ii) Other Key Management Personnel
Eloise von Puttkammer – Company Secretary
Fiona Taylor – Chief Financial Officer

Remuneration Policy

The Board’s policy for determining the nature and amount of remuneration for board members is as follows:

The remuneration policy, setting the terms and conditions for the directors, was approved by the Board as a whole. The Board considered that it was not considered necessary to establish a separate remuneration committee. This function could be performed just as efficiently with full board participation.

The entity is an exploration entity, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, directors and senior executives are paid market rates associated with individuals in similar positions, within the same industry. The remuneration may consist of a salary bonuses or any other element but must not be a commission on or percentage of operating revenue. The Board were issued options as part of the terms of the initial public offer.

The executive directors do not receive any retirement benefits. All remuneration paid to Directors is valued at the cost to the Company and expensed. Options are valued using the Binomial methodology.

DIRECTORS' REPORT (continued)

12. REMUNERATION REPORT (audited) (continued)

The Board policy is to remunerate Non-executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Executive Chairman determines payments to the Non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Fees for non-executive directors are not linked to the performance of the Company. However, to align Directors' interests with shareholder interests, where able, the Directors were issued with options upon listing on ASX. No other remuneration of Directors or Executives is related to the company's performance.

Company Performance and Shareholder Wealth and Directors' and Executives' Remuneration

Where permitted by the ASX, options were issued to Directors to increase goal congruence between shareholders and Directors.

Details of Directors' and Key Management Personnel Remuneration

For the year ended 30 June 2009

	Short Term Benefits			**Share-based Payment**	**Post Employment**	**Percentage Performance Related**	
Name	Salary, Fees and Commissions	Non-cash Benefits	Cash Bonus	Options	Superannuation Contribution		**Total**
	$	$	$	$	$	%	$
Directors							
Antony Sage (i)	350,000	-	-	-	-	-	350,000
Roberto Catena (ii)	48,000	-	-	-	-	-	48,000
Timothy Turner (iii)	48,000	-	-	-	-	-	48,000
	446,000	**-**	**-**	**-**	**-**	**-**	**446,000**
Key management							
E von Puttkammer (iv)	4,385	-	-	-	-	-	4,385
F Taylor (v)	7,277	-	-	-	-	-	7,277
	11,662	**-**	**-**	**-**	**-**	**-**	**11,662**
Total	**457,662**	**-**	**-**	**-**	**-**	**-**	**457,662**

(i) An aggregate amount of $350,000 was paid, or due and payable to Okewood Pty Ltd, a company controlled by Antony Sage, for the provision of his director services to the Company.

(ii) An aggregate amount of $48,000 was paid, or due and payable to Mercury Anetac Capital Pty Ltd, a company controlled by Mr Roberto Catena for the provision of his director services to the Company.

(iii) An aggregate amount of $48,000 was paid, or due and payable to Corporate Resource and Mining Services, for the provision of Mr Timothy Turner's director services to the Company.

(iv) Ms Eloise von Puttkammer was appointed as Company Secretary on 1 April 2009.

(v) Ms Fiona Taylor was appointed as Chief Financial Officer on 20 April 2009.

DIRECTORS' REPORT (continued)

12. REMUNERATION REPORT (audited) (continued)

Details of Directors' Remuneration

For the year ended 30 June 2008

	Short Term Benefits			**Share-based Payment**	**Post Employment**	**Percentage Performance Related**	
Name	Salary, Fees and Commissions	Non-cash Benefits	Cash Bonus	Options	Superannuation Contribution		**Total**
	$	$	$	$	$	%	$
Antony Sage (i)	262,500	-	-	-	-	-	262,500
Roberto Catena (ii)	32,000	-	-	344,050	-	-	376,050
Timothy Turner (iii)	32,000	-	-	-	-	-	32,000
Total	**326,500**	**-**	**-**	**344,050**	**-**	**-**	**670,550**

(iii) An aggregate amount of $262,500 was paid, or due and payable to Okewood Pty Ltd, a company controlled by Antony Sage, for the provision of his director services to the Company.

(iv) An aggregate amount of $32,000 was paid, or due and payable to Mercury Anetac Capital Pty Ltd, a company controlled by Mr Roberto Catena for the provision of his director services to the Company.

(vi) An aggregate amount of $32,000 was paid, or due and payable to Corporate Resource and Mining Services, for the provision of Mr Timothy Turner's director services to the Company.

Options Issued as Part of Remuneration

No options were issued as part of remuneration for the year ended 30 June 2009. During the financial year ended 30 June 2008 3,500,000 options with an exercise price of 20 cents and an expiry date of 31 July 2010 were issued to Mr Roberta Catena. These options vested on issue.

No options were exercised during the year (2008: nil)

Service Agreements

Mr Antony Sage – Executive Chairman

The Company has entered into an executive chairman consultancy agreement with Okewood Pty Ltd and Mr Tony Sage to provide the services of the Executive Chairman of the Company. The agreement stipulates the following terms and conditions:

(a) The term of the agreement is a minimum of three (3) years commencing 1 October 2007;

(b) The Company will pay Mr Sage a consultancy fee of $350,000 per annum to be reviewed bi-annually by the Board. In addition Mr Sage will be reimbursed for all reasonable expenses incurred in the performance of his duties; The consultancy fee shall be increased having regard to upward movements in the Consumers Price Index or changes in market value of the company and the circumstances of the company at the time of the review. In the event the market capitalization of the company reaches and maintains for a period of three (3) months $100 million it is agreed the fee be increased to $500,000 p.a.

DIRECTORS' REPORT (continued)

12. REMUNERATION REPORT (audited) (continued)

(c) This agreement may be terminated by the Company in a number of circumstances including: (i) failure to comply with lawful directions given by the Company through the Board; (ii) failure to produce the services to a satisfactory standard which continues unremedied for ten business days after written notice of failure has been given; (iii) a serious or persistent breach of any of the provisions of the Executive Chairman consultancy agreement which is either not capable to being remedied or is capable of being remedied and is not remedied within 14 days; (iv) Mr Sage being unable to perform services for 40 consecutive business days or an aggregate of 60 business days in any 12 months;

(d) Upon termination without meeting the circumstances outlined in (c) above the Company must pay the fee for the remaining term of the agreement.

Non-executive Directors

The company has entered into consultancy agreements with entities controlled by the non-executive directors for the provision of services of the non-executive directors.

The agreements stipulates the following terms and conditions:

(a) The term of the agreements is a minimum of three (3) years commencing 1 November 2007.

(b) The company will pay Messrs Catena and Turner consulting fees of $48,000 pa each. The consultancy fee shall be reviewed every six months and if the Board thinks it appropriate, the consultancy fee shall be increased having regard to upward movement in CPI or changes in market value of the Company and the circumstances of the Company at the time of the review;

(c) This agreement may be terminated by the Company in a number of circumstances including: (i) failure to comply with lawful directions given by the Company through the Board; (ii) failure to produce the services to a satisfactory standard which continues unremedied for ten business days after written notice of failure has been given; (iii) a serious or persistent breach of any of the provisions of the consultancy agreement which is either not capable to being remedied or is capable of being remedied and is not remedied within 14 days; (iv) The directors being unable to perform services for 40 consecutive business days or an aggregate of 60 business days in any 12 months;

(d) Upon termination without meeting the circumstances outlined in (c) above the Company must pay the fee for the remaining term of the agreement.

13. MEETINGS OF DIRECTORS

The number of directors' meetings (including committees) held during the period each director held office during the financial year and the number of meetings attended by each director are:

	Directors' Meetings	
Director	**Number Eligible to Attend**	**Meetings Attended**
Antony Sage	4	4
Roberto Catena	4	4
Timothy Turner	4	4

Given the limited size of the Company there are no separate subcommittees or audit committee.

DIRECTORS' REPORT (continued)

14. INDEMNIFYING OFFICERS OR AUDITOR

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every director, principal executive officer or secretary of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as director, principal executive officer or secretary of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

15. OPTIONS

Unissued Shares under Option

At the date of this report unissued ordinary shares of the company under option are:

Expiry Date	**Exercise Price**	**Number Under Option**
31 July 2010	$0.20	12,500,000

During the year ended 30 June 2009, no ordinary shares of the Company were issued on the exercise of options (2008: nil). No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

16. PROCEEDINGS ON BEHALF OF COMPANY

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

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

17. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2009 has been received and can be found on page 11 of the annual report.

18. NON AUDIT SERVICES

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

DIRECTORS' REPORT (continued)

18. NON AUDIT SERVICES (continued)

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

During the year ended 30 June 2009 no amounts were paid or payable to the auditor or its related practices for any non audit services. During the year ended 30 June 2008, $5,000 was paid to Grant Thornton (WA) Financial Services Pty Ltd for their services in providing an Investigating Accountant's Report.

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

Timothy Turner
Director **Perth, 29 September 2009**

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Auditor's Independence Declaration
To The Directors of Global Iron Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Global Iron 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

GRANT THORNTON (WA) PARTNERSHIP
Chartered Accountants

M J HILLGROVE
Partner

Perth, 29 September 2009

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2009 $	2008 $
Revenue	3	**47,535**	112,283
Depreciation and amortisation expense		**(6,877)**	(32,250)
Consulting expenses, including directors' remuneration		**(663,280)**	(696,331)
Compliance and regulatory expenses		**(97,227)**	(99,674)
Administration expenses		**(79,679)**	(101,835)
Finance expenses		**(3,553)**	(11,592)
Loss on sale of tenement		**-**	(32,878)
Loss on sale of plant and equipment		**(62,855)**	-
Impairment loss		**(322,206)**	-
(Loss) before income tax	4	**(1,188,142)**	(862,277)
Income tax (expense)/benefit	5	**-**	-
Net (Loss) for the year		**(1,188,142)**	(862,277)
Basic/diluted (loss) per share	21	(6.56) cents per share	(5.13) cents per share

The accompanying notes form part of these financial statements

BALANCE SHEET AS AT 30 JUNE 2009

	Note	30 June 2009 $	30 June 2008 $
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	8	**1,388,625**	2,208,668
Trade and Other Receivables	9	**15,449**	20,977
TOTAL CURRENT ASSETS		**1,404,074**	2,229,645
NON CURRENT ASSETS			
Plant and Equipment	10	**2,664**	163,305
Exploration and Evaluation Expenditure	11	**216,791**	538,997
TOTAL NON CURRENT ASSETS		**219,455**	702,302
TOTAL ASSETS		**1,623,529**	2,931,947
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	12	**116,797**	78,519
Financial Liabilities	13	**-**	29,257
TOTAL CURRENT LIABILITIES		**116,797**	107,776
NON CURRENT LIABILITIES			
Financial Liabilities	13	**-**	129,297
TOTAL NON CURRENT LIABILITIES		**-**	129,297
TOTAL LIABILITIES		**116,797**	237,073
NET ASSETS		**1,506,732**	2,694,874
EQUITY			
Issued Capital	14	**2,328,401**	2,328,401
Reserves	15	**1,228,750**	1,228,750
Accumulated Losses		**(2,050,419)**	(862,277)
TOTAL EQUITY		**1,506,732**	2,694,874

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	Note	Ordinary Share Capital	Option Reserve	(Accumulated Losses)	Total
		$	**$**	**$**	
BALANCE AT 1 JULY 2007		1	-	-	1
(Loss) attributable to members of the Company		-	-	(862,277)	(862,277)
Total recognised income and expenses during the year		-	-	(862,277)	(862,277)
Shares issued during the year		2,328,400	-	-	2,328,400
Option reserve on recognition of share based payments	15	-	1,228,750	-	1,228,750
BALANCE AT 30 JUNE 2008		2,328,401	1,228,750	(862,277)	2,694,874
BALANCE AT 1 JULY 2008		2,328,401	1,228,750	(862,277)	2,694,874
(Loss) attributable to members of the Company		-	-	(1,188,142)	(1,188,142)
Total recognised income and expenses during the year		-	-	(1,188,142)	(1,188,142)
Shares issued during the year		-	-	-	-
Option reserve on recognition of share based payments	15	-	-	-	-
BALANCE AT 30 JUNE 2009		2,328,401	1,228,750	(2,050,419)	1,506,732

The accompanying notes form part of these financial statements.

CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 $	2008 $
Cash Flows from Operating Activities			
Payments to suppliers and employees		**(796,380)**	(497,987)
Interest received		**47,535**	112,283
Finance costs		**(3,553)**	(9,853)
Net cash flows provided by /(used in) operating activities	22	**(752,398)**	(395,557)
Cash Flows From Investing Activities			
Payment for exploration and evaluation		**-**	(30,000)
Payment for purchase of plant and equipment		**-**	(15,555)
Proceeds on disposal of plant and equipment		**90,908**	-
Net cash flows provided by/(used in) investing activities		**90,908**	(45,555)
Cash Flows from Financing Activities			
Proceeds from application for shares		**-**	3,000,000
Payments for costs of capital raising		**-**	(328,775)
Repayment of borrowings		**(158,553)**	(21,446)
Net cash flows provided by/ (used in) financing activities		**(158,553)**	2,649,779
Net (decrease) / increase in cash held		**(820,043)**	2,208,667
Cash and cash equivalents at the beginning of the year		**2,208,668**	1
Cash and cash equivalents at the end of year	8	**1,388,625**	2,208,668

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the financial statements and notes of Global Iron Limited as an individual entity (the 'Company' or 'entity'). The Company is domiciled in Australia and is primarily involved in mineral exploration.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) 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 the financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report was approved by the Board of Directors on 29 September 2009.
The financial report is presented in Australian dollars, which is the Company's functional currency. The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Income Tax

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

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

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

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

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

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

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

Where temporary differences exist in relation to investments in subsidiaries, branches, associated and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future. Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 (continued)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Income Tax (continued)

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

(b) Cash and cash equivalents

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

(c) Property, plant and equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis.

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

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

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

Depreciation

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

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

- Plant and equipment 20%-25%
- Motor vehicles 22.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amounts if the asset's carrying amount is greater than its estimated recoverable amount.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure is incurred in securing mining rights. The expenditure incurred is accumulated in respect of each identifiable area of interest. Costs associated with these identifiable areas of interests are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

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

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

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

(e) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but the legal ownership is not transferred to the entity, are classified as finance leases. Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(f) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by market place convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through the profit and loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Financial Instruments *(continued)*
Classification and Subsequent Measurement

Financial assets at fair value through profit or loss
Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed determinable payments.

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

Financial Liabilities
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair Value
Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment
At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(g) Impairment of Non Financial Assets

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.
Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Employee Benefits

Equity-settled Compensation

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

(i) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

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

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

(j) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstance the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

(k) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report 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, obtain both externally and within the Company.

(l) Fair Value Estimation

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Fair Value Estimation *(continued)*

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

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

Key Estimates and Judgments – Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company 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.

During the year ended 30 June 2009 a number of exploration licences expired. The capitalised exploration and evaluation costs associated with the tenements to which the licences relate have been recognised as an impairment loss (2008: no amounts were recognised as an impairment loss).

(m) Going concern

The company is focused on exploration and development. The major sources of liquidity for these activities are traditionally the capital markets. The 2008/2009 international economic crisis has tightened traditional capital markets. Positive exploration and development results will be a key factor in the entity's ability to attract funding and meet its financial commitments in future. The company's ability to continue as a going concern and expand its exploration and development activities depends on its ability to obtain financing through equity financing, joint ventures, production off take arrangements or other means.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

	2009 $	2008 $
3. REVENUE		
- interest received/receivable – other persons	47,535	112,283
Total Revenue	47,535	112,283

	2009 $	2008 $
4. LOSS FOR THE YEAR		
(a) Expenses		
Depreciation of non-current assets		
- office furniture and equipment	664	449
- motor vehicles	6,213	31,801
Total depreciation expense	6,877	32,250
Finance costs – other persons	3,553	11,592

(b) Significant Revenue and Expenses

The following significant revenue and expense items are relevant in explaining the financial performance

	2009 $	2008 $
Key management personnel remuneration	457,662	670,550

Refer to the Remuneration Report section of the Directors’ Report for further details of Key Management Personnel Remuneration.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

	2009 $	2008 $
5. INCOME TAX		
(a) The components of income tax expense comprise.		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax benefit on loss from ordinary activities before income tax at 30%	356,443	258,683
Add / (Less)		
Tax effect of		
- Non deductible Share Based Payments	-	(103,215)
- Deductible exploration expenditure which has been capitalised	-	171,563
- Non deductible loss on sale of tenements	-	(9,863)
- Non deductible impairment loss	(96,662)	-
- Other temporary differences	-	(4,305)
- Unrecognised Deferred tax asset attributable to tax losses	(259,781)	(312,863)
Income tax attributable to the Company	-	-
(c) The applicable weighted average effective tax rate is as follows:	N/A	N/A
(d) Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in note 1(a) occur.		
- Temporary differences	-	6,300
- Tax losses		
- Operating losses	259,781	312,863
- Capital losses	-	-

6. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Name and positions held by Directors in office at any time during the financial year are:

Mr Antony Sage	Executive Chairman
Mr Roberto Catena	Non- Executive Director
Mr Timothy Turner	Non-Executive Director

In addition to the Directors, Ms Eloise von Puttkammer, Company Secretary, and Ms Fiona Taylor, Chief Financial Offer, are key management personnel.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

6. KEY MANAGEMENT PERSONNEL DISCLOSURES (Continued)

(b) Shareholdings

Number of Shares held by Directors and other Key Management Personnel:

	Balance 1.07.08	Balance held on Appointment	Received as Compensation	Net Change Other *	Balance 30.06.09
A Sage	1,998,383	-	-	-	1,998,383
R Catena	107,585	-	-	-	107,585
T Turner	11,993	-	-	-	11,993
E von Puttkammer	28,523	-	-	-	28,523
F Taylor	-	-	-	-	-
	2,146,484	-	-	-	2,146,484

(c) Option Holdings

Number of 20 cent Options expiring 31 July 2010 held by Key Management Personnel:

	Balance 01.07.08	Net Change Other *	Balance 30.06.09	Total Vested	Total Exercisable
A Sage	-	-	-	-	-
R Catena	3,500,000	-	3,500,000	-	3,500,000
T Turner	-	-	-	-	-
E von Puttkammer	-	-	-	-	-
F Taylor	-	-	-	-	-
	3,500,000	-	3,500,000	-	3,500,000

* Net Change Other refers to shares purchased or sold during the financial year and the Net Change Other reflected above includes those options that have been forfeited by holders as well as options issued during the year.

(d) Loans to Key Management Personnel

There have been no loans made to key management personnel.

(e) Other Transactions with Key Management Personnel

Refer to Note 16 for details on other transactions with key management personnel.

7. AUDITORS' REMUNERATION

	2009 $	2008 $
Remuneration of the auditor for:		
- Auditing or reviewing the financial report Grant Thornton (WA) Partnership	28,168	20,000
- Other services – Investigating Accountant's Report prepared by Grant Thornton (WA) Financial Services Pty Ltd (a related practice of the auditor)	-	5,000
Total remuneration	**28,168**	25,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

	2009 $	2008 $
8. CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	1,388,625	2,208,668
	1,388,625	2,208,668

The effective interest rate on cash at bank was 3% (2008: 4.7%). The account is at call.

9. TRADE & OTHER RECEIVABLES		
Current		
Other receivables	15,449	20,977
	15,449	20,977

	2009 $	2008 $
10. PLANT AND EQUIPMENT		
Office Equipment		
At cost	3,777	3,777
Accumulated depreciation	(1,113)	(449)
Total Office Equipment	2,664	3,328
Leased Motor Vehicles		
At cost	-	191,778
Accumulated amortisation	-	(31,801)
Total Leased Motor Vehicles	-	159,977
TOTAL PLANT & EQUIPMENT	**2,664**	163,305

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

2009– Movements in carrying amounts

	Office Equipment $	Motor Vehicles $	Total $
Carrying amount at 1 July 2008	3,328	159,977	163,305
Additions	-	-	-
Disposals	-	(153,764)	(153,764)
Depreciation / Amortisation expense	(664)	(6,213)	(6,877)
Carrying amount at 30 June 2009	2,664	-	2,664

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009 (continued)

2008– Movements in carrying amounts

	Office Equipment $	**Motor Vehicles $**	**Total $**
Carrying amount at incorporation and 1 July 2007	-	-	-
Additions	3,777	191,778	195,555
Disposal	-	-	-
Depreciation / Amortisation expense	(449)	(31,801)	(32,250)
Carrying amount at 30 June 2008	3,328	159,977	163,305

11. EXPLORATION AND EVALUATION EXPENDITURE

	30 June 2009 $	**30 June 2008 $**
Non-Current		
Costs carried forward in respect of areas of interest in:		
- Exploration and evaluation phases	**216,791**	538,997
Costs carried forward in respect of areas of interest in:		
- Exploration and evaluation phases		
Carrying amount at beginning of the year	538,997	-
Exploration expenditure acquired	-	569,325
Exploration expenditure incurred	-	2,550
Less amounts sold or surrendered	-	(32,878)
Less amounts impaired	(322,206)	-
Carrying amount at the end of the year	216,791	538,997

During the year, the carrying amount of exploration and evaluation expenditure was assessed in accordance with AASB 6 "Exploration for and Evaluation of Mineral Resources" an impairment loss of $322,206 has been recognised. This amount is shown as a separate line item on the income statement.

At the date of this report, the Directors are of the opinion the carrying amount represents fair value.

The value of the Company's interest in exploration expenditure is dependent upon:

- the continuance of the Company's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

The Directors' assessment of carrying amount was after consideration of prevailing market conditions; previous expenditure carried out on the tenements; and the potential for mineralisation based on both the entity's and independent geological reports. The ultimate value of these assets is dependent upon recoupment by commercial development or the sale of the whole, or part, of the Company's interests in those areas for an amount at least equal to the carrying value. 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, exploration properties or areas within the tenements may be subject to exploration and mining restrictions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

12. TRADE & OTHER PAYABLES

	2009 $	2008 $
Current Unsecured Liabilities		
Trade payables	**13,128**	57,519
Sundry payables and accrued expenses	**103,669**	21,000
	116,797	78,519

13. FINANCIAL LIABILITIES

	2009 $	2008 $
Current		
Lease Liability	**-**	29,257
Non Current		
Lease Liability	**-**	129,297

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

	2009 $	2008 $
14. ISSUED CAPITAL		
18,125,001 (2007:1) Fully paid ordinary shares	**2,328,401**	2,328,401

(a) Fully paid ordinary shares	30 June 2009 No	30 June 2009 Value $	30 June 2008 No	30 June 2008 Value $
At the beginning of reporting period	**18,125,001**	**2,328,401**	1	1
- 1 July 2007 shares issued pursuant to Agreement for sale of Mining Assets with Cape Lambert Iron Ore Limited	**-**	**-**	3,125,000	541,875
- 2 August 2007 shares issued pursuant to Prospectus	**-**	**-**	15,000,000	3,000,000
At the end of reporting period	**18,125,001**	**2,328,401**	18,125,001	3,541,876
Transaction costs relating to share issues.	**-**	**-**	-	(1,213,475)
At reporting date	**18,125,001**	**2,328,401**	18,125,001	2,328,401

Ordinary shares participate in dividends and the proceeds on winding up 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 Company in order to maximise the return to shareholders and ensure that the Company can fund its operations and continue as a going concern.

Management effectively manages the Company's capital by assessing the Company'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 expenditure and debt levels, distributions to shareholders and share and option issues. There have been no changes in the strategy adopted by management to control the capital of the Company since the prior year.

(b) Options	30 June 2009 No	30 June 2009 Value $	30 June 2008 No	30 June 2008 Value $
At beginning of reporting period	**12,500,000**	**1,228,750**	-	-
16 October 2007 20 cent 31 July 2010 Options issued upon listing on the ASX	**-**	**-**	12,500,000	1,228,750
At reporting date	**12,500,000**	**1,228,750**	12,500,000	1,228,750

Refer to Notes 23 for details of share options issued.

	2009 $	2008 $
15. RESERVES		
Share Based Payment Reserve		
At beginning of reporting period	**1,228,750**	-
Option Expense	**-**	1,228,750
At reporting date	**1,228,750**	1,228,750

The share based payments reserve is used to recognise the fair value of options issued.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

16. RELATED PARTY TRANSACTIONS

	2009 $	2008 $
Transactions between related parties are on commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.		
Key Management Personnel		
During the year, the Company entered into the following transactions with key management personnel		
-Consultancy fees paid/payable to a company associated with director, Mr Sage	350,000	262,500
- Consultancy fees paid/payable to a company associated with director, Mr Turner	48,000	32,000
- Consultancy fees paid/payable to a company associated with director, Mr Catena	48,000	32,000
- Accounting fees paid/payable to a firm associated with director, Mr Turner	38,200	46,632
- Options issued to a company associated with director, Mr Catena	-	344,050
- Payment for corporate entertainment from PG Partnership, an entity in which Mr Sage has a relevant interest		24,305
- Payment for the acquisition of office furniture from PG Partnership, an entity in which Mr Sage has a relevant interest	-	3,777
- 3,125,000 shares issued to Cape Lambert Iron Ore Limited as consideration for the purchase of the iron ore rights. Cape Lambert Iron Ore Limited is an entity related to directors, Messrs Sage and Turner	-	541,875
- During the year expenses were paid by Cape Lambert Iron Ore Limited, an entity related to directors Messrs Sage and Turner, on behalf of Global Iron Limited. This sum was repaid in full during the year.	-	119,544

	30 June 2009 No	30 June 2008 $
Shareholding		
Ordinary shares held by directors and their personally related entities as at the end of the financial year		
- Antony Sage	2,080,825	2,080,825
- Timothy Turner	11,993	11,993
- Roberto Catena	101,002	101,002
Options for shares issued held by directors and their personally related entities as at the end of the financial year		
- Antony Sage	-	-
- Timothy Turner	-	-
- Roberto Catena	3,500,000	3,500,000

Refer to Note 6 for movement in share and option holding during the year.

Outstanding balances arising from purchases of goods and services:

(i) At 30 June 2009 the Company owes Hewitt Turner & Gelevitis, an accounting firm related to Mr Turner, an amount of nil (2008: $19,734) for accountancy fees.

(ii) At 30 June 2009 the Company owes director related entities $8,800 (2008: $14,333) for consultancy fees.

(iii) Included within payables in note 12 is an amount of $87,500 relating to directors fees accrued in relation to Mr Sage. These fees are likely to be settled within one year. No interest accrues on the unpaid amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

17. SEGMENT INFORMATION

The Company operates in one segment being mineral exploration and development in Australia.

18. EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company.

19. CAPITAL AND LEASING COMMITMENTS AND CONTINGENCIES

	2009	**2008**
(a) Lease commitments	**$**	**$**
Commitments in relation to finance leases are payable as follows:		
Within 1 year	-	41,672
Later than 1 year but not later than 5 years	-	147,764
Later than 5 years	-	-
Minimum lease payments	-	189,436
Less future finance charges	-	(30,882)
Present value of minimum lease payments recognised as a liability	**-**	158,554
(b) Remuneration Commitments		
Commitments for the payment of consultancy fees under long term contracts in existence at the reporting date but not recognised as liabilities, payable:		
Within 1 year	**446,000**	446,000
Later than 1 year and not later than 5 years	**119,500**	565,500
Later than 5 years	**-**	-
	565,500	1,011,500
(c) Minimum Exploration Expenditure Commitments		
The Company does not directly own tenements in its own right and therefore does not have any commitments for minimum exploration expenditure.	-	-
	-	**-**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009 (continued)

20. FINANCIAL RISK MANAGEMENT

(a) Financial Risk Management Policies

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, accounts receivable and payable and leases.

The main purpose of non-derivative financial instruments is to raise finance for the company's operations.

Derivatives are not used by the Company.

(i) Treasury Risk Management

The Board analyses financial risk exposure and evaluates treasury strategies in the context of the most recent economic conditions and forecasts.

The overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

(ii) Financial Risk Exposure and Management

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

Interest rate risk

Interest rate risk is managed with a fixed rate debt. For further details on interest rate risk refer to Note 20 (b)(i) &(ii).

Foreign currency risk

The company is exposed to fluctuations in foreign currencies arising from the purchase of goods and services in currencies other than the company's measurement currency. The company does not take out any hedging instruments.

Liquidity risk

The group manages liquidity risk by monitoring forecast cash flows.

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.

There are no other material amounts of collateral held as security at 30 June 2009.

Credit risk is managed and reviewed regularly by the Board of Directors. It arises from exposures to deposits with financial institutions.

The Board monitors credit risk by actively assessing the rating quality and liquidity of counter parties. Only banks and financial institutions with an 'A' rating are utilised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

20. FINANCIAL RISK MANAGEMENT (continued)

The credit risk for counterparties included in trade and other receivables at 30 June 2009 is detailed below:

Trade and other receivables

	2009 $	2008 $
Credit risk (continued)		
AA rated counterparties	9,072	14,324
B rated counterparties	-	-
Counterparties not rated	6,377	6,653
Total	**15,449**	20,977

Credit risk arises from the potential failure by counter-parties to the contract to meet their obligations.

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

Price risk

As the company's still in the exploration phase it is not exposed to commodity price risk.

(b) Financial instruments

(i) Derivative Financial Instruments

Derivative financial instruments are not used by the company.

(ii) Financial instrument composition and maturity analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period maturity, as well as management's expectations of the settlement period for all other financial instruments. As such the amount may not reconcile to the balance sheet.

2009	Weighted average effective Interest Rate $	Floating Interest Rate $	Fixed Interest Rate Maturing within 1 year $	Fixed Interest Rate Maturing over 5 years	Non-interest bearing $	2009 Total $
Financial assets						
Cash & cash equivalents	3%	1,388,625	-	-	-	1,388,625
Trade & other Receivables			-	-	15,449	15,449
		1,388,625	-	-	15,449	1,404,074
Financial Liabilities						
Trade & other Payables		-	-	-	-	-
Lease liabilities	8.54%	-	-	-	(116,797)	(116,797)
		-	-	-	(116,797)	(116,797)
Net financial assets		1,388,625	-	-	(101,348)	1,287,277

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

20. FINANCIAL RISK MANAGEMENT (continued)

2008	**Weighted average effective Interest Rate**	**Floating Interest Rate**	**Fixed Interest Rate Maturing within 1 year**	**Fixed Interest Rate Maturing over 5 years**	**Non-interest bearing**	**2008 Total**
	$	**$**	**$**		**$**	**$**
Financial assets						
Cash & cash equivalents	4.7%	2,208,668	-	-	-	2,208,668
Trade & other Receivables		-	-	-	20,977	20,977
		2,208,668	-	-	20,977	2,229,645
Financial Liabilities						
Trade & other Payables		-	-	-	(78,519)	(78,519)
Lease liabilities	8.54%		(29,257)	(129,297)	-	(158,554)
		-	(29,257)	(129,297)	(78,519)	(237,073)
Net financial assets		2,208,668	(29,257)	(129,297)	(57,542)	1,992,572

All trade and sundry payables are expected to be paid in less than 6 months.

(iii) Net Fair Value of Financial Assets and Liabilities

The net fair value of the financial assets and financial liabilities approximates their carrying value.

(iv) Sensitivity Analysis

The company has performed a sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

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

	(Higher) / Lower 2009	**2008**
	$	**$**
Change in profit		
- Increase in interest rate by 2%	35,973	48,014
- Decrease in interest rate by 2%	(35,973)	(48,014)
Change in equity		
- Increase in interest rate by 2%	35,973	48,014
- Decrease in interest rate by 2%	(35,973)	(48,014)

The movements in profit are due to higher / lower interest revenue from cash balances.

Foreign Currency Risk Sensitivity Analysis

For the year ended 30 June 2009 the company was not exposed to any fluctuations in foreign currencies.

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

(c) Capital management

The Board as a whole controls the capital of the company in order to ensure the Company can fund its operations and continue as a going concern. The directors oversee the risk management strategy.

The entity's capital consist of share capital and financial liabilities supported by financial assets. There are no externally imposed capital requirements. The Board effectively manage the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. This strategy is to ensure that there is sufficient cash to meet trade payables and ongoing exploration expenditure commitments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

		2009	2008
21.	***LOSS PER SHARE***	***$***	***$***
(a)	Basic and diluted Loss per share	(6.56) cents	(5.13) cents
(b)	(Loss) used in the calculation of basic and diluted loss per share	(1,188,142)	(862,277)
		Number	***Number***
(c)	Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted loss per share:	18,125,001	16,809,933

(d) Options

If the options to subscribe to ordinary shares were exercised, they have not been included in the calculation of diluted earnings per share because they are antidilutive for the year ended 30 June 2009 and 30 June 2008. These options could potentially dilute basic earnings per share in the future.

	2009	2008
	$	**$**
22. CASH FLOW INFORMATION		
(i) Reconciliation of Cash Flows from Operating Activities with (Loss) from after Income Tax		
- (Loss) from ordinary activities after income tax	**(1,188,142)**	(862,277)
Non-cash flows in (loss) from ordinary activities		
- Depreciation	**6,877**	32,250
- Share based payment expense	**-**	344,050
- Loss on sale of tenements	**-**	32,878
- Impairment loss	**322,206**	-
- Loss on disposal of plant and equipment	**62,855**	-
Changes in assets and liabilities		
- Decrease / (Increase) in trade and other receivables	**5,528**	(20,977)
- Increase in trade payables and other payables	**38,278**	78,519
Net cash (outflows) from Operating Activities	**(752,398)**	(395,557)

	2009	2008
	$	**$**
(ii) Non-cash financing and investing activities		
Acquisition of interest in mineral tenements by means of share issue on 1 July 2008	**-**	541,875
Acquisition of plant and equipment by means of finance lease	**-**	180,000
	-	721,875

(iii) Finance Facilities

At 30 June 2009 the company has the following unused lease facility:

Lease facility available	-	216,000
Used	-	(158,554)
Unused	**-**	57,446

(iv) The Company has used the cash it had at the time of admission to the ASX in a way consistent with its business objectives.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (continued)

23. SHARE – BASED PAYMENTS

There were no share based payments in the year ended 30 June 2009. In the year ended 30 June 2008, 3,500,000 options were granted to directors and advisers upon the successful listing of the Company on ASX. All options granted confer a right of one ordinary share for every option held.

Grant Date	Expiry Date	Exercise Price	Balance at start of period	Granted during period Number	Balance at end of period Number	Exercisable at end of period Number
31 July 2007	31 July 2010	20 cents	12,500,000	-	12,500,000	12,500,000

No options were forfeited, expired or exercised during the reporting period (30 June 2008: Nil).

Fair value of options granted.

The assessed fair value at grant date of options granted during the year ended 30 June 2008 was 9.83 cents per option. The fair value at grant date was independently determined using a Binomial option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected volatility of the underlying shore, the expected dividend yield and the risk free interest rate for the term of the option.

Total amounts arising from share-based payment transactions recognised during the year are as follows.

	2009 $	**2008 $**
Income Statement		
- Directors' remuneration	-	344,050
Debited directly equity		
- Capital Raising Expenses	-	884,700
	-	1,228,750

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009 (continued)

24. NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

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

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 127, AASB 134, AASB 136, AASB 1029 & AASB 1028] (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 Company's Board for the purposes of decision making. The Board has determined that this standard will not have any impact on the Company as there are no additional operating segments on which to report.

AASB 101: Presentation of Financial Statements, AASB 2007-8: 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 Company. 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 2008-1: Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations [AASB 2](applicable for annual reporting periods commencing from 1 January 2009). This amendment 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 purposes of determining fair value. Cancellations are also required to be treated in the same manner whether cancelled by the entity or by another party.

The Company does not anticipate early adoption of any of the above reporting requirements and does not expect these requirements to have any material effect on the Company's financial statements.

DIRECTORS' DECLARATION

We the Directors’ of the company declare that:

1. the financial statements and notes, as set out on the accompanying pages, are in accordance with the Corporations Act 2001 including:

   (i) comply with Accounting Standards, the Corporations Regulations 2001; and

   (ii) 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

2. the Executive Director and Chief Financial Officer have each declared that:

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

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

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

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

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

Timothy Turner
Director

Perth, 29 September 2009

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Independent Auditor's Report
To the Members of Global Iron Limited

Report on the Financial Report

We have audited the accompanying financial report of Global Iron Limited, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal 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, 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.

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 Global Iron Limited is in accordance with the Corporations Act 2001, including:

   i giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the year ended on that date; and

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

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

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 5 to 8 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 Global Iron Limited for the year ended 30 June 2009, complies with section 300A of the Corporations Act 2001.

Grant Thornton (WA) Partnership

GRANT THORNTON (WA) PARTNERSHIP
Chartered Accountants

M J HILLGROVE
Partner

Perth, 29 September 2009

ADDITIONAL SHAREHOLDER INFORMATION

Shareholding

The distribution of members and their holdings of unrestricted equity securities in the Company as at 11 September 2009 was as follows:

Category (size of holding)	Fully Paid Ordinary Shares
1-1,000	3,793
1,001 - 5,000	328
5,001 – 10,000	178
10,001 - 100,000	88
100,001 and over	22
TOTALS	**4,409**

There were 2,942 holders of less than a marketable parcel of ordinary shares.

Substantial Shareholders

The names of the substantial shareholders listed in the Company's register as at 11 September 2009:

Shareholder	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
Cape Lambert Iron Ore Ltd	3,553,080	19.60
Antony William Paul Sage	1,998,383	11.03
Mr Christopher Eric Barnes	1,800,606	9.93
Doull Consolidated Limited	1,550,000	8.55

Restricted Securities

The Company has 166,901 restricted equity securities held by 8 shareholders. The escrow period is for 24 months commencing 18 October 2007.

There are 12,500,000 options held by two option holders.

Voting Rights

The voting rights attached to each class of equity security are as follows:

<u>Ordinary Shares</u>

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

<u>Options</u>

- These options have no voting rights.

Twenty Largest Shareholders

The names of the twenty largest ordinary fully paid shareholders as at 11 September 2009 are as follows:

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	Cape Lambert Iron Ore Ltd	3,550,000	19.59
2.	Mr Christopher Eric Barnes	1,799,269	9.93
3.	Doull Consolidated Limited	1,550,000	8.55
4.	Antony William Paul Sage	1,290,253	7.12
5.	Antony William Paul Sage	517,699	2.86
6.	Classic Caterers Pty Ltd	400,000	2.21
7.	S & C J Pty Ltd	400,000	2.21
8.	Mr Russell Neil Creagh	385,988	2.13
9.	ANZ Nominees Limited	238,610	1.32
10.	Mr Ian F Burston	225,000	1.24
11.	Power United Limited	216,263	1.19
12.	Mr Russell Neil Creagh	207,850	1.15
13.	Normandy Corporation Pty Ltd	200,000	1.10
14.	Mr Steven Jan Zielinski & Mrs Karen Lyn Zielinski	181,603	1.00
15.	Gemelli Holdings Pty Ltd	171,473	0.95
16.	Classic Caterers Pty Ltd	163,176	0.90
17.	Mr Calogero Pruiti	159,953	0.88
18.	J P Morgan Nominees Australia Limited	120,001	0.66
19.	Okewood Pty Ltd & PG Trust No 1 & RDI Holdings Ltd	107,558	0.59
20.	Mr Roberto Gerald Catena	106,583	0.59
		11,991,279	**66.17**

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Global Iron Limited (**Global Iron**) is responsible for establishing the corporate governance framework of the Company having regard to the ASX Corporate Governance Council's (**CGC**) Corporate Governance Principles and Recommendations (**Recommendations**) and CGC published guidelines.

In accordance with ASX Listing Rule 4.10.3, this corporate governance statement discloses the extent to which the Company has followed the Recommendations by detailing the Recommendations that have not been adopted by the Company and the reasons why they have not been adopted.

Global Iron corporate governance practices were in place throughout the year ended 30 June 2009. The current corporate governance policy is posted in a dedicated corporate governance information section of the Company's website at www.globaliron.com.au.

	Recommendation	**Comply Yes / No**	**Reference / Explanation**
Principal 1 – Lay solid foundations for management and oversight			
1.1	Formalise and disclose the functions reserved to the Board and those delegated to management.	Yes	Page 43
1.2	Disclose the process for evaluating the performance of senior executives.	Yes	Page 44
1.3	Provide the information indicated in the guide to reporting on Principle 1.	Yes	
Principal 2 – Structure the Board to add value			
2.1	A majority of the Board should be independent directors.	Yes	Page 44
2.2	The chairperson should be an independent director.	No	Page 44
2.3	The roles of chairperson and chief executive officer should not be exercised by the same individual.	No	Page 44
2.4	The Board should establish a nomination committee.	No	Page 45
2.5	Disclose the process for evaluating the performance of the Board, its committees and individual directors.	Yes	Page 44
2.6	Provide the information indicated in the guide to reporting on Principle 2.	Yes	
Principal 3 – Promote ethical and responsible decision-making			
3.1	Companies should establish a code of conduct and disclose the code or a summary of the code as to: 3.1.1 The practices necessary to maintain confidence in the Company's integrity. 3.1.2 The practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders. 3.1.3 The responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	Yes	Website
3.2	Establish and disclose the policy concerning trading in Company securities by directors, senior executives and employees.	Yes	Page 44
3.3	Provide the information indicated in the guide to reporting on Principle 3.	Yes	
Principal 4 – Safeguard integrity in financial reporting			
4.1	The Board should establish an audit committee.	No	Page 45
4.2	The audit committee should be structured so that it: • consists only of non-executive directors; • consists of a majority of independent directors; • is chaired by an independent chairperson, who is not chairperson of the Board; and • has at least three members.	No	Page 45
4.3	The audit committee should have a formal charter	Yes	Website

4.4	Provide the information indicated in the guide to reporting on Principle 4.	Yes	
Principal 5 – Make timely and balanced disclosure			
5.1	Companies should established written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	Yes	Website
5.2	Provide the information indicated in the guide to reporting on Principle 5.	Yes	
Principal 6 – Respect the rights of shareholders			
6.1	Companies should design a communication policy for promoting effective communication with shareholders and encourage their participation at general meetings and disclose their policy or a summary of that policy.	Yes	Website
6.2	Provide the information indicated in the guide to reporting on Principle 6.	Yes	
Principal 7 – Recognise and manage risk			
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Yes	Website
7.2	The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.	Yes	Page 45
7.3	The Board should disclose whether it has received assurances from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Yes	Page 45
7.4	Provide the information indicated in the guide to reporting on Principle 7.	Yes	
Principal 8 – Remunerate fairly and responsibly			
8.1	The Board should establish a remuneration committee.	No	Page 45
8.2	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	Yes	Page 5
8.3	Provide the information indicated in the guide to reporting on Principle 8.	Yes	

Board Functions

The Board seeks to identify the expectations of the shareholders, as well as other regulatory and ethical expectations and obligations.

To ensure that the Board is well equipped to discharge its responsibilities it has established guidelines for the nomination and selection of directors and for the operation of the Board.

The responsibility for the operation and administration of the Company is delegated, by the Board, to the Executive Chairman and senior management team. The Board ensures that this team is appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the Executive Chairman and senior management team.

The Board has adopted a formal charter that outlines the functions and responsibilities of the Board. The charter forms part of the Corporate Governance Statement available on the Company's website. The monitoring and ultimate control of the business of the Company is vested in the Board. The Board is responsible for:

- oversight of the Company, including its control and accountability systems;
- appointing and monitoring the performance of directors, including the managing director and senior management and ensuring appropriate resources are available;
- in conjunction with management, development and final approval of the corporate objectives, strategy and operational plans;
- identification of significant areas of potential business risks and ensuring appropriate arrangements are in place to adequately manage those risks;
- approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestures;
- approving and monitoring financial and other reporting.

Structure of the Board

The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report is included in the Directors' Report on page 4. Directors of Global Iron are considered to be independent when they are a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with, or could reasonably by perceived to materially interfere with, the independent exercise of their judgement. In accordance with this definition, Mr A.W.P. Sage (Executive Chairman) is not considered to have been independent throughout the year.

Non-Executive Directors, Mr T. Turner and Mr R. Catena, were considered to have been independent throughout the year.

The Board believes that while the Chairman is not independent, the majority of the directors are independent and the current composition of the Board with its combined skills and capability, best serve the interests of the Company and its shareholders.

The Company does not currently have a Chief Executive Officer. The role and responsibilities of the Chief Executive Officer are discharged by the Executive Chairman, Mr A.W.P. Sage. The Board considers relevant industry experience and specific expertise important in providing strategic guidance and oversight of the Company, and it believes, Mr A.W.P. Sage, remains the most appropriate person to fulfil these roles. 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.

The term in office held by each director in office at the date of this report is as follows:

A.W.P. Sage	2 years	(Executive Chairman)
T. Turner	2 years	(Non-Executive Director)
R. Catena	2 years	(Non-Executive Director)

Performance

The performance of the Executive Chairman is monitored by the non-executive Directors. A formal performance review of the Executive Chairman did not occur during the year.

The performance of senior management is monitored by the Executive Chairman.

The Board have established formal practices to evaluate the performance of the Board, committees, non-executive directors, the Chief Executive Officer, and senior management. Details of these practices are described in the Corporate Governance Statement available on the Company's website. No formal performance evaluation of the Board, individual directors of senior management took place during the year.

Securities Trading Policy

Under the Company's Securities Trading Policy, a Director, executive or other employee must not trade in any securities of the Company at any time when they are in possession of unpublished, price-sensitive information in relation to those securities.

As a matter of course trading in securities of the Company are restricted in the following periods:

- within the period of one month prior to the release of annual or half yearly results;

- within the period of one month prior to the issue of a prospectus; and
- there is in existence price sensitive information that has not been disclosed because of an ASX Listing Rule exception.

Before commencing to trade, a Director, executive or other employee must notify the Chairman or Company Secretary of their intention to do so.

As is required by the ASX Listing Rules, the Company notifies the ASX of any transaction conducted by a Director in the securities of the Company.

Remuneration and Nomination Committee

During the year Global Iron did not have a separately established remuneration and nomination committee. The collective Board serves as a remuneration and nomination committee to undertake the duties and responsibilities typically delegated to such a committee. The Board have in place formal procedures for the selection and appointment of directors. It is the Company's objective to retain high quality Board and senior management by remunerating fairly and appropriately with reference to relevant employment market conditions. For full disclosure of Director and executive remuneration for the period, please refer to the Remuneration Report, which is contained within the Directors' Report. Given the Company's size the Board does not believe that any marked efficiencies or benefit would be achieved by the creation of a separate remuneration and nomination committee.

Audit Committee

During the year Global Iron did not have a separately established audit committee. The collective Board serves as an audit committee to undertake the duties and responsibilities typically delegated to such a committee. Given the size and composition of the Board and individual director expertise the Company is of the view that all significant matters are adequately addressed and actioned. The Board have a formal audit committee charter that forms part of the Corporate Governance Statement available on the Company's website. It is the Board's responsibility to ensure that an effective internal control framework exists within the Company. The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report is included in the Directors' Report on page 4.

Risk Management

The Board has established a formal risk management program for monitoring and managing material business risks on an ongoing basis. The collective Board govern the risk management program and review the material business risks determined and reported by executive management. Further information regarding the risk management program can be found in the Corporate Governance Statement available on the Company's website.

SCHEDULE OF MINERAL TENEMENTS AS AT 15 SEPTEMBER 2009

The Company does not have a direct ownership interest in any mineral tenements. The Company has an interest in the iron ore rights of the following tenements:

TENEMENT	Status	HOLDER/ APPLICANT	SHARES HELD	AREA SIZE
BRITISH HILL				
E77/1063	Live	Southern Cross Goldfields Ltd	200/200	7 BL
ML77/1102	Live	Southern Cross Goldfields Ltd	100/100	2.5 HA
P77/3601	Live	Southern Cross Goldfields Ltd	100/100	174 HA
P77/3602	Live	Southern Cross Goldfields Ltd	100/100	178 HA
P77/3603	Live	Southern Cross Goldfields Ltd	100/100	195 HA
P77/3604	Live	Southern Cross Goldfields Ltd	100/100	195 HA
P77/3649	Live	Southern Cross Goldfields Ltd	200/200	200 HA
P77/3650	Live	Southern Cross Goldfields Ltd	200/200	200 HA
P77/3651	Live	Southern Cross Goldfields Ltd	200/200	200 HA
P77/3652	Live	Southern Cross Goldfields Ltd	200/200	200 HA
P77/3653	Live	Southern Cross Goldfields Ltd	200/200	190 HA
CLAMPTON				
E77/1423	Live	Southern Cross Goldfields Ltd/International Goldfields Ltd	20/80	30 BL
E77/1424	Live	Southern Cross Goldfields Ltd	100/100	6 BL
EVANSTON				
E77/1037	LIVE	Evanston Resources NL	100/100	9 bl
E77/1158	LIVE	Evanston Resources NL	100/100	10 BL
E77/1159	LIVE	Southern Cross Goldfields Ltd	100/100	1 BL
E77/1167	LIVE	Evanston Resources NL	100/100	3 BL
E77/1295	LIVE	Southern Cross Goldfields Ltd	100/100	21 BL
E77/1320	Live	Southern Cross Goldfields Ltd	100/100	25 BL
G77/35	LIVE	International Goldfields Ltd	100/100	4.0 HA
M77/394	LIVE	Evanston Resources NL	10,000 / 10,000	987.8HA
M77/576	LIVE	International Goldfields Ltd	100/100	35.46HA
M77/646	LIVE	Southern Cross Goldfields Ltd	100/100	121.6 HA
M77/824	LIVE	International Goldfields Ltd	100/100	180.0 HA
M77/931	LIVE	Southern Cross Goldfields Ltd	100/100	807.2 HA
M77/962	LIVE	Southern Cross Goldfields Ltd	100/100	593.0 HA
MLA77/1047	PENDING	Evanston Resources NL	100/100	1.0 HA
MLA77/1048	PENDING	Evanston Resources NL	100/100	1.0 HA
P77/3413	LIVE	Evanston Resources NL	100/100	164.0 HA
P77/3808	Live	Southern Cross Goldfields Ltd	100/100	139HA
P77/3809	Live	Southern Cross Goldfields Ltd	100/100	196 HA
P77/3811	Live	Southern Cross Goldfields Ltd	100/100	115.78HA
P77/3812	Live	Southern Cross Goldfields Ltd	100/100	142HA
P77/3813	Live	Southern Cross Goldfields Ltd	100/100	67HA
PLA77/3412	PENDING	Evanston Resources NL	100/100	200.0 HA
PLA77/3414	PENDING	Evanston Resources NL	100/100	200.0 HA

TENEMENT	Status	HOLDER/ APPLICANT	SHARES HELD	AREA SIZE
PLA77/3552	PENDING	Evanston Resources NL	100/100	172.0 HA
MT MCMAHON				
E74/379	LIVE	Traka Resources Ltd	100/100	5 BL
MT IDA				
E29/481	LIVE	International Goldfields Ltd	100/100	1 BL
E29/506	LIVE	International Goldfields Ltd	100/100	5 BL
E29/526	LIVE	International Goldfields Ltd	100/100	2 BL
E29/539	LIVE	International Goldfields Ltd	100/100	1 BL
E29/559	LIVE	International Goldfields Ltd	100/100	7 BL
E29/561	LIVE	Kingsreef Pty Ltd	100/100	9 BL
E29/640	LIVE	International Goldfields Ltd	100/100	69 BL
E29/641	LIVE	International Goldfields Ltd	100/100	1BL
E29/642	LIVE	International Goldfields Ltd	100/100	22BL
E29/643	LIVE	Silvertree Nominees Pty Ltd/International Goldfields Ltd	15/85	1BL
E29/644	LIVE	International Goldfields Ltd	100/100	24 BL
E29/659	LIVE	International Goldfields Ltd	100/100	1 BL
E29/660	LIVE	International Goldfields Ltd	100/100	3BL
E29/660	LIVE	International Goldfields Ltd	100/100	3 BL
L29/71	LIVE	International Goldfields Ltd	100/100	15.4496 HA
L29/72	LIVE	International Goldfields Ltd	100/100	52.77 HA
M29/165	LIVE	Stuart Leslie Hooper/Cape Lambert Iron Ore Ltd	15/95	160.0 HA
M29/2	LIVE	International Goldfields Ltd	100/100	382.85 HA
MLA29/372	Pending	International Goldfields Ltd	100/100	50.72 HA
MLA29/373	Pending	International Goldfields Ltd	100/100	286.56 HA
P29/1912	LIVE	International Goldfields Ltd	100/100	133.92 HA
P29/1913	LIVE	International Goldfields Ltd	100/100	155.01 HA
P29/1934	LIVE	International Goldfields Ltd	100/100	200 HA
P29/1935	LIVE	International Goldfields Ltd	100/100	80 HA
P29/1936	LIVE	International Goldfields Ltd	100/100	183 HA
P29/1937	LIVE	International Goldfields Ltd	100/100	153HA
P29/1938	LIVE	International Goldfields Ltd	100/100	199HA
P29/1938	LIVE	International Goldfields Ltd	100/100	199H HA
P29/1939	LIVE	International Goldfields Ltd	100/100	159HA
P29/1939	LIVE	International Goldfields Ltd	100/100	159 HA
P29/1940	LIVE	International Goldfields Ltd	100/100	167HA
P29/1940	LIVE	International Goldfields Ltd	100/100	167 HA
P29/1941	LIVE	International Goldfields Ltd	100/100	186 HA
P29/1942	LIVE	International Goldfields Ltd	100/100	177HA
P29/1943	LIVE	International Goldfields Ltd	100/100	196HA
P29/1944	LIVE	International Goldfields Ltd	100/100	199HA
P29/1945	LIVE	International Goldfields Ltd	100/100	188HA

TENEMENT	Status	HOLDER/ APPLICANT	SHARES HELD	AREA SIZE
P29/1946	LIVE	International Goldfields Ltd	100/100	198HA
P29/1947	LIVE	International Goldfields Ltd	100/100	195HA
P29/1948	LIVE	International Goldfields Ltd	100/100	196HA
P29/1949	LIVE	International Goldfields Ltd	100/100	187HA
P29/1950	LIVE	International Goldfields Ltd	100/100	165HA
P29/1977	LIVE	International Goldfields Ltd	100/100	83HA
P29/1990	LIVE	International Goldfields Ltd	100/100	85.04HA
P29/1992	LIVE	International Goldfields Ltd	100/100	44.69 HA
P29/1993	LIVE	International Goldfields Ltd	100/100	16.76 HA
P29/1994	LIVE	International Goldfields Ltd	100/100	11.87 HA
P29/1995	LIVE	International Goldfields Ltd	100/100	10.25 HA
P29/2002	LIVE	International Goldfields Ltd	100/100	42.08HA
P29/2002	LIVE	International Goldfields Ltd	100/100	42.08HA
P29/2003	LIVE	International Goldfields Ltd	100/100	72.17HA
P29/2004	LIVE	International Goldfields Ltd	100/100	23.63HA
P29/2005	LIVE	Silvertree Nominees Pty Ltd/International Goldfields Ltd	15/85	13.85HA
P29/2006	LIVE	Silvertree Nominees Pty Ltd/International Goldfields Ltd	15/85	21.32 HA
P29/2007	LIVE	Silvertree Nominees Pty Ltd/International Goldfields Ltd	15/85	23.64 HA
P29/2008	LIVE	Silvertree Nominees Pty Ltd/International Goldfields Ltd	15/85	20.21 HA
P29/2009	LIVE	Silvertree Nominees Pty Ltd/International Goldfields Ltd	15/85	75.12 HA
P29/2010	LIVE	Silvertree Nominees Pty Ltd/International Goldfields Ltd	15/85	84.53 HA
P29/2011	LIVE	Silvertree Nominees Pty Ltd/International Goldfields Ltd	15/85	125.8 HA
P29/2015	LIVE	International Goldfields Ltd	100/100	13.57 HA
P29/2016	LIVE	International Goldfields Ltd	100/100	140.22 HA
P29/2017	LIVE	International Goldfields Ltd	100/100	97.98 HA
P29/2018	LIVE	International Goldfields Ltd	100/100	115.19 HA
P29/2019	LIVE	International Goldfields Ltd	100/100	144.24 HA
P29/2020	LIVE	International Goldfields Ltd	100/100	149.66HA
P29/2021	LIVE	International Goldfields Ltd	100/100	149.64 HA
P29/2022	LIVE	International Goldfields Ltd	100/100	199.52 HA
P29/2023	LIVE	International Goldfields Ltd	100/100	199.51 HA
P29/2024	LIVE	International Goldfields Ltd	100/100	199.49 HA
P30/1012	LIVE	International Goldfields Ltd	100/100	198 HA
P30/1013	LIVE	International Goldfields Ltd	100/100	199 HA
P30/1014	LIVE	International Goldfields Ltd	100/100	199 HA

TENEMENT	Status	HOLDER/ APPLICANT	SHARES HELD	AREA SIZE
P30/1015	LIVE	International Goldfields Ltd	100/100	199 HA
P30/1016	LIVE	International Goldfields Ltd	100/100	199 HA
BALI HI				
E08/1372	LIVE	GTI Resources Ltd	90/100	2 BL
		Cape Lambert Iron Ore Ltd	10/100	
JACKSON				
E29/640	LIVE	International Goldfields Ltd	100/100	3 BL
E77/1034	LIVE	Southern Cross Goldfields Ltd	100/100	1 BL
E77/1117	LIVE	Southern Cross Goldfields Ltd	100/100	130.0 HA
E77/1125	LIVE	Cliffs Asia Pacific Iron Ore Pty Ltd	100/100	130.0 HA
E77/1141	LIVE	Southern Cross Goldfields Ltd	100/100	3 BL
E77/1145	LIVE	Cliffs Asia Pacific Iron Ore Pty Ltd	100/100	31 BL
E77/1320	LIVE	Southern Cross Goldfields Ltd	100/100	5 BL
E77/1321	LIVE	Southern Cross Goldfields Ltd	100/100	69 BL
E77/1322	LIVE	Southern Cross Goldfields Ltd	100/100	133.92 HA
P29/1912	LIVE	International Goldfields Ltd	99/99	25 BL
P77/3424	LIVE	Southern Cross Goldfields Ltd	100/100	5 BL
P77/3426	LIVE	Southern Cross Goldfields Ltd	100/100	41 BL

Key to Tenement Schedule

BL	-	Blocks
E	-	Exploration Licence
ELA	-	Exploration Licence Application
G	-	General Purpose Lease
L	-	Miscellaneous Licence
M	-	Mining Lease
MLA	-	Mining Lease Application
P	-	Prospecting Licence