



ANNUAL REPORT



2009

Corporate Directory

Directors

Mr Gordon Getley	Chairman/Non Executive Director
Mr Robert Gregory	Managing Director/Chief Executive Officer
Mr Phillip Fillis	Non Executive Director
Mr Antony Butler	Non Executive Director

Chief Financial Officer & Company Secretary

Mr Mark Hanlon

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Auditors

KPMG

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Perth WA 6000

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Australian Securities Exchange (ASX) Code

RML

London Stock Exchange (AIM) Code

RMLA

2009

ANNUAL REPORT

Chairman's letter	2
Managing Director's report	3
Corporate governance statement	10
Directors' report	17
Independent auditor's report	28
Auditor's independence declaration	30
Index to the financial report	31
Directors' declaration	32
Income statement	33
Balance sheet	34
Statement of changes in equity	35
Cash flow statement	37
Notes to the financial statements	38
Tenement Status	70
ASX additional information	71

Contents



On behalf of your Board of Directors,

I welcome this opportunity to report on your Company's achievements and challenges in the 12 months to June 30, 2009.

Central to our activities has been Rusina's adherence to, and progression of, the core business plan as outlined consistently to you now in recent years.

This has been no mean feat.

In the period under review, the global financial crisis negatively impacted the project economics, capital raising capabilities, off-take agreements, sales revenues, joint venture performance, equities market profile and growth pathways of many Australian and overseas explorers and producers in the resources sector.

Not all have survived nor have many been able to keep their core initiatives in place.

Rusina could not be shielded from such global equities pressures but your Board and management, have resisted the temptation during these demanding times to dramatically alter course.

Instead, we elected to persist with our stated objectives of developing a new, low cost Asian nickel mine at Acoje in the Philippines, we protected cash reserves by reducing our involvement and unnecessary expenditure on project activity external to the core nickel focus, sourced new avenues of funding, and ensured uninterrupted onsite construction and development of the Acoje mining operation and metals trials associated with advancing a project like this through testing status to commissioning of a full-scale commercial mining operation

I am pleased to report the maiden production horizon is on track - and achievable.

Importantly, the advancement of Acoje has been made against a rapidly improving long-term outlook for nickel – with the nickel price at the commencement of the fourth quarter of 2009, exceeding US\$19,000 a tonne – more than double its 2008 price level.

This strengthening price has been underpinned by the early signs of recovery in China's massive steel-building industry where nickel is a key additive in stainless steel making.

These project and market dynamics have been responsible for increasing equity market interest, particularly by institutional investors, to a point we were able to commence the current financial year attracting support from new UK-based institutional investors. Their support has coincided with substantial gains by our joint venture project partner, European Nickel, in progressing the heap leach trials at Acoje to a stage where the trial pads will be fully populated and under leach imminently. All environmental and construction permitting for the full scale commercial project is expected to be completed before the end of this year.

In closing, I thank, on behalf of your Board, all stakeholders in Rusina for their consistent support and encouragement. Given the global economic conditions of the recent period, that support has been fundamental to delivering project growth and the value-add from our transition from explorer to developer and, in the not too distant future, to a mainstream nickel producer.

G.T.H. Getley
Chairman



Dear Shareholder,

I welcome this opportunity to report to you on your company's activities for the year under review. As our Chairman has mentioned, managing the impacts of the global financial crisis while keeping our flagship Acoje nickel laterite project intact, sufficiently funded and moving forward has been challenging.

However, the achievements during 2008-2009 despite the economic climate and uncertainty in commodities markets generally has brought Rusina to a point that we are now little more than 24 months away from our maiden full-scale commercial nickel production.

Construction work on site at Acoje, and timely delivery of key engineering components, has set the stage for commencement shortly of our scheduled 3,000 tonne pilot heap leach test program. We have every confidence that the planning and design work implemented to date on site, will also deliver to government authorities, regulators and local communities through the trial test heap, our target objective of a clean, safe and environmentally favorable nickel mining operation that can be scaled-up without adverse impacts.

The full-scale laboratory established at Acoje has throughout 2009, delivered significant inroads into defining the optimal treatment for Acoje's mineralization and this focus is continuing to enhance the project economics as we transition to a 24,500 tonne contained nickel concentrate per annum commercial mining operation.

We welcomed the re-costing during the year by China Tianchen Engineering Corporation (TCC), of the 2008 prefeasibility studies on Acoje – the latest findings outlining significant capital cost savings of up to 15% on Acoje's mine construction. TCC's partnership with the Acoje Project has been further strengthened with that company appointed to deliver the engineering scoping for the definitive feasibility study by next year.

While Rusina maintains a stake in additional chromite and platinum group metals projects in the Philippines, it is our intention to identify and secure third party involvement to progress exploration and development of these assets – ensuring your management can assign full resources to Acoje's now critical stage of development leading successfully into mining start-up as soon as possible.

It is with a strong sense of excitement about the range of project milestones to emerge at Acoje over the next 12 months that I look forward to the coming year. It will be a year of significant change for your Company as it moves strongly into the development stage at Acoje and continues to focus on getting into production as quickly as possible.

I thank sincerely the enormous on ground effort made by our staff in the Philippines and Australia, our management team and our Board of Directors. Their combined and supportive focus has ensured that your company has emerged from the GFC with an intact project well on its way to becoming Asia's newest low cost nickel mine.

ACOJE PROJECT

Nickel Strategy

The Company has always followed its three phased, low risk to shareholders approach to developing the nickel laterite resource at Acoje. The 2008/09 year has shown the robustness of that approach. The short term direct shipping ore through Philippine alliancing partner DMCI Mining has proved as volatile as predicted and is currently on hold. The medium term development of a ferro-nickel furnace by DMCI has also been put on hold.

Rusina on its own would not have pursued these short and medium term approaches however DMCI, with their exposure to construction, coal, and power projects were in a unique position to pursue these opportunities.

The Company has always believed the long term viability for nickel laterites lies in the low cost hydrometallurgical processes and that the most appropriate technology for the Acoje tropical laterites is through the development of a heap leach operation due to lower capital costs, and absence of a tailings impoundment facility. Rusina and its joint venture partner European Nickel PLC have made considerable progress during the past year with the completion of the Pre Feasibility Study (PFS), and the construction of a dedicated Test Center and Pilot Heap Leach Plant facilities at Acoje. Data from these facilities will augment the Definitive Feasibility Study (DFS) to be conducted by Chinese engineering firm China Tianchen Engineering Corporation (TCC) and is scheduled to be delivered in 2010.



Nickel Hydroxide finished product.



Garnierite - 24 percent Nickel

Nickel – Direct Shipping Ore

DMCI, a subsidiary of Philippine listed construction company DMCI Holdings, and Rusina have an alliancing Direct Ship Ore (DSO) agreement wherein DMCI are responsible for all funding, mining, grade control, rehabilitation, road and port developments as well as the marketing and sales obligations of 5 million tonnes of ore over 5 years commencing March 2007.

Despite shipping 275,048 wet metric tones (wmt) at an average grade of 1.55% Ni in 2008, only a further 161,699 @ 1.5% Ni was shipped during the last financial year. The market for DSO ore has changed markedly in the past year where the free iron is the main attraction to refiners rather than the nickel. Correspondingly the prices for the low grade Ni ores are now marginal and DMCI have suspended their operations.

There is however still a high grade (>2.0 % Ni) market for some Japanese buyers. DMCI and Rusina are evaluating whether discreet shipments of this material is feasible.

For the year ended 30 June 2009

Nickel – Ferro-Nickel initiatives

Under a separate investment arrangement between DMCI and Rusina, DMCI were investigating the feasibility of a ferronickel facility where Rusina has up to 40% free carry in such a project, in exchange for guaranteeing the ore supply for up to 5 years.

DMCI have advised Rusina that they no longer believe an arc furnace would be economic due to the high operating cost and forecast price of nickel and so wish to discontinue their investment arrangement with the Acoje Project.

Post reporting date, DMCI announced that they have entered into an agreement with Montemina Resources, a minority owned related party to Rusina, to sell their equity investment in Acoje and Zambales Chromite Mining Corporation and also to sell their port facility.

Nickel – Heap Leach initiative

European Nickel PLC and Rusina entered into a Joint Venture agreement where European Nickel are to spend \$USD10 million on a feasibility study and pilot plant to earn up to 40% of the Acoje Nickel Laterite Project.

Dry laterites ("WA" Type)	Fossil laterites ("Balkan" Type)	Equatorial laterites ("Tropical" Type)
Australia, Southern Africa, Brazil	Balkans and Urals	Equator Regions (Cuba, New Caledonia, Philippines)
Host rock very old, 1-2b YA (Archean & Proterozoic)	Host rock 150m YA (Triassic – Cretaceous)	Host rocks 150m YA (Triassic – Cretaceous) but areas of highly active chemical and ground water weathering
Hot and dry conditions, periods of intense rainfall (seldom) followed by prolonged hot, dry conditions. Generally lower relief topography	Cool and cold conditions, periods of low seasonal rainfall, 'higher' latitudes. Generally moderate to low relief topography	Hot and wet conditions, tropics, constant rain and humid conditions, generally higher relief topography
Tailings disposal simple – evaporation	Tailings disposal uncomplicated	Tailings disposal challenging – rain
Generally higher clay content	Generally moderate to Low clay content	Generally moderate to high clay content
Low moisture content	Low moisture content	Very high moisture content
Predominantly limonite with silica and nontronite clays	Generally limonite >> saprolite but variable	Highly variable limonite and saprolite ratios
Generally slow leach profile	Generally medium leach profile	Generally fast leach profile

Nickel laterites can be broadly separated into 3 different groups: old Australian, medium age Balkans and younger Equatorial laterites, such as those found at Acoje. Because of the different characteristics of each type, some production processes are more suited to one group than another. The slower leaching profile of the old laterites, mean that heap leaching is less suitable than high pressure acid leach (HPAL.) However the higher capital costs of HPAL and the need for a tailings facility make heap leach more suitable for tropical laterites.

Every laterite is different and each deposit requires exhaustive test-work to determine the optimum operational parameters for the heap leach, such as agglomeration (the formation of balls of laterite), and percolation, (how well the leach solution flows through the agglomerated ore over time.) This is done through numerous column tests at our dedicated test facility.

The optimal parameters are then trialed at the Acoje Heap Leach Trial site. Up to 3000 tonnes of laterite ore will be put under leach in order to demonstrate the full scale parameters of the pad and the kinetics within the heap. European Nickels Caldag pilot plant in Turkey demonstrated the base case precipitation downstream processing to produce the mixed nickel/cobalt hydroxide product. The Acoje pilot plant will also incorporate a 2 m³ per hour Ion Exchange (IX) and Resin in Pulp (RIP) plant that offers exciting value added technology to produce higher paid end products.



Site of proposed Heap Leach processing facility at Acoje



Caldag Trial Heap Leach pads



Agglomerator set up awaiting crushed ore

Acid and water tanks





Rolls crusher under commission

Crusher arriving on site with agglomerator in foreground





HLT Drainage system

Acoje Test Centre

The dedicated heap leaching test centre (ATC) was constructed at Acoje during 2008 to optimise agglomeration, and percolation parameters in columns up to 4m in height. The ATC includes a fully functional analytical laboratory capable of analysing Ni, Fe, Co, Mg, Mn, Cr, Fe²⁺, Fe³, and free acid without the need to go to external laboratories. The facility also undertakes laboratory level IX and RIP test work.



Acoje Test Center. 4m test columns being installed at rear



Acoje Test Center. 4m test columns being installed at rear

For the year ended 30 June 2009

Trial Heap Facility

A 3000 tonne trial heap facility was constructed during 2009. It consists of a dual layered high density polyethylene (HDPE) heap pad, pregnant leach solution (PLS) pond / emergency pond and associated infrastructure. A commercial scale agglomerator and rolls crusher have also been erected. The facility is located on the old Acoje airstrip and will be operational by year end. Not only will the facility demonstrate the permeability and recoveries over time, but will also demonstrate rain control methodologies such as raincoats and covers for pads and ponds.



Acid resistant pebbles being laid in pad

Pre Feasibility Study (PFS)

The Acoje PFS on the heap leaching of nickel laterites was completed in late 2008. Highlights of the PFS are:

- JORC combined limonite plus saprolite Indicated Resource of 34.41 Mt at 1.09% nickel from an Inferred plus Indicated Resource of 50.14 Mt at 1.06% nickel using a 0.8% cut off grade
- Estimated annual production of 24,500 tonnes of nickel and 930 tonnes of cobalt
- Estimated cash cost of US\$3.10/lb of nickel, net of by-products including refining costs (US\$1.60 excluding refining costs) at US\$6.00/lb nickel price and US\$10/lb cobalt price
- Total development estimated at US\$498 million
- Estimated capital cost per annual pound of nickel of US\$7.84
- Post-tax Net Present Value of US\$375 million (at a 10% discount rate) and US\$6/lb nickel price and \$10/lb cobalt
- Internal Rate of Return of 28.3%
- 3 year payback period
- Forecast annual sales of US\$260 million, based on a long term nickel price of US\$6.00/lb and including by-product credits
- Significant potential to increase NPV and IRR with extended mine life by confirming the JORC Inferred Acoje and Zambales Chromite deposits to JORC Indicated status

The results demonstrate an economically viable nickel laterite project using heap leach technology producing 24,500 tonnes a year of contained nickel and 930 tonnes of contained cobalt. The PFS for the Acoje project is based on a JORC Indicated Resource of 34.41 million tonnes at 1.09% nickel and 0.05% cobalt (at a 0.8% nickel cut-off for saprolite and a 0.9% nickel cut off for limonite) giving the project an initial mine life of ten years. Mining will be at a rate of three million tonnes per annum, with a low strip ratio of 0.46, and cash costs are estimated at US\$3.10 per pound of

nickel (at US\$6/lb Ni), net of by-products including a refining charge of 25% of the nickel price and a cobalt price of US\$10/lb. Further potential resources have been identified, the JORC Inferred Resources at Acoje and the Zambales Chromite deposit, which are expected to extend the mine life beyond 20 years and are expected to be confirmed to JORC Indicated Resource levels during the DFS.

The resource basis for the PFS was the November 2008 Snowden Mining Industry Consultants resource estimate. This only used the indicated resource at Acoje. The inferred resource at Acoje and Zambales Chromite has not been used. We anticipate that these additional resources will be upgraded at Acoje by infill drilling during 2009, which should significantly increase the net present value and the rate of return of the project in the future through greater mine life.



Landscaping at loading ramp

Definitive Feasibility Study (DFS)

China Tianchan Engineering Corporation (TCC) have re-costed the PFS for Chinese procurement and construction costs. The study showed a 15% reduction in capital costs.

TCC have been appointed to undertake the engineering work on the DFS which will hopefully lead into their being the EPCM contractor. There are considerable advantages in having Chinese engineering and construction, particularly when looking to future off-take financing incorporating credit guarantee insurance from China. The DFS is scheduled to be delivered in the second half of 2010.

Permitting for the full project is substantially complete and the 2010 Philippine elections and the normal associated disruptions is not anticipated to affect the project timetable.

Robert G M Gregory
CEO/Managing Director

The information in this report that relates to Mineral Resources is based on information compiled by Mr Philip Fillis, who is a Member of The Australasian Institute of Mining and Metallurgy, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves". The information in this report that relates to other exploration matters is based on information compiled by Robert Gregory, who is a member of the Australasian Institute of Mining and Metallurgy and has the relevant experience to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves". Mr Fillis and Mr Gregory consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Rusina Mining NL ("the Company") has made it a priority to adopt systems of control and accountability as the basis for the administration of corporate governance. Some of these policies and procedures are summarised in this statement. Commensurate with the spirit of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ("Principles & Recommendations"), the Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. Where, after due consideration, the Company's corporate governance practices depart from a recommendation, the Board has offered full disclosure and reason for the adoption of its own practice, in compliance with the "if not, why not" regime.

Disclosure of Corporate Governance Practices

Summary Statement

	ASX P & R ¹	If not, why not ²		ASX P & R ¹	If not, why not ²
Recommendation 1.1	✓		Recommendation 4.3	✓	
Recommendation 1.2	✓		Recommendation 4.4 ³	n/a	n/a
Recommendation 1.3 ³	n/a	n/a	Recommendation 5.1	✓	
Recommendation 2.1	✓		Recommendation 5.2 ³	n/a	n/a
Recommendation 2.2	✓		Recommendation 6.1	✓	
Recommendation 2.3	✓		Recommendation 6.2 ³	n/a	n/a
Recommendation 2.4		✓	Recommendation 7.1	✓	
Recommendation 2.5	✓		Recommendation 7.2	✓	
Recommendation 2.6 ³	n/a	n/a	Recommendation 7.3	✓	
Recommendation 3.1	✓		Recommendation 7.4 ³	n/a	n/a
Recommendation 3.2	✓		Recommendation 8.1		✓
Recommendation 3.3 ³	n/a	n/a	Recommendation 8.2	✓	
Recommendation 4.1		✓	Recommendation 8.3 ³	n/a	n/a
Recommendation 4.2		✓			

1 Indicates where the Company has followed the Principles & Recommendations.

2 Indicates where the Company has provided "if not, why not" disclosure.

3 Indicates an information based recommendation. Information based recommendations are not adopted or reported against using "if not, why not" disclosure – information required is either provided or it is not.

Website Disclosures

Further information about the Company's charters, policies and procedures may be found at the Company's website at www.rusina.com.au, under the section marked Corporate Governance. A list of the charters, policies and procedures which are referred to in this Corporate Governance Statement, together with the Recommendations to which they relate, are set out below.

Charters

Charters	Recommendation(s)
Board	1.3
Audit Committee	4.4
Nomination Committee	2.6
Remuneration Committee	8.3

For the year ended 30 June 2009

Policies and Procedures

Policy and Procedure for Selection and (Re)Appointment of Directors	2.6
Process for Performance Evaluation	1.2, 2.5
Policy on Assessing the Independence of Directors	2.6
Policy for Trading in Company Securities (summary)	3.2, 3.3
Code of Conduct (summary)	3.1, 3.3
Policy on Continuous Disclosure (summary)	5.1, 5.2
Procedure for Selection, Appointment and Rotation of External Auditor	4.4
Shareholder Communication Policy	6.1, 6.2
Risk Management Policy (summary)	7.1, 7.4

Disclosure – Principles & Recommendations

The Company reports below on how it has followed (or otherwise departed from) each of the Principles & Recommendations during the 2008/2009 financial year ("Reporting Period").

Principle 1 - Lay solid foundations for management and oversight

Recommendation 1.1: Companies should establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.

Disclosure: The Company has established the functions reserved to the Board and has set out these functions in its Board Charter. The Board is collectively responsible for promoting the success of the Company through its key functions of overseeing the management of the Company, providing overall corporate governance of the Company, monitoring the financial performance of the Company, engaging appropriate management commensurate with the Company's structure and objectives, involvement in the development of corporate strategy and performance objectives and reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.

The Company has established the functions delegated to senior executives and has set out these functions in its Board Charter. Senior executives are responsible for supporting the Managing Director and assisting the Managing Director in implementing the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Senior executives are responsible for reporting all matters which fall within the Company's materiality thresholds at first instance to the Managing Director or, if the matter concerns the Managing Director, then directly to the Chair or the lead independent director, as appropriate.

Recommendation 1.2: Companies should disclose the process for evaluating the performance of senior executives.

Disclosure: The Managing Director is responsible for evaluating the senior executives. The Managing Director evaluates senior executives in a documented process that involves individual interviews on an annual basis.

Recommendation 1.3: Companies should provide the information indicated in the Guide to reporting on Principle 1.

Disclosure: During the Reporting Period a performance evaluation of the senior executives occurred in accordance with the process disclosed at Recommendation 1.2.

Principle 2 - Structure the board to add value

Recommendation 2.1: A majority of the Board should be independent directors.

Disclosure: The Board has a majority of directors who are independent. The independent directors of the Board are Gordon Getley, Philip Fillis and Antony Butler. The non-independent director of the Board is Robert Gregory.

Recommendation 2.2: The Chair should be an independent director.

Disclosure: The independent Chair of the Board is Gordon Getley.

Recommendation 2.3: The roles of the Chair and Managing Director should not be exercised by the same individual.

Disclosure: The Managing Director is Robert Gregory who is not Chair of the Board.

Recommendation 2.4: The Board should establish a Nomination Committee.

Notification of Departure: A separate Nomination Committee has not been formed.

Explanation for Departure: The full Board considers those matters and issues arising that would usually fall to a Nomination Committee. The Board considers that no efficiencies or other benefits would be gained by establishing a separate Nomination Committee. Items that are usually required to be discussed by a Nomination Committee are marked as separate agenda items at Board meetings when required. The Board has adopted a Nomination Committee Charter which it applies when discussing items that would usually fall to a Nomination Committee. The Board deals with any conflicts of interest that may occur when convening in the capacity of Nomination Committee by ensuring the director with conflicting interests is not party to the relevant discussions.

Recommendation 2.5: Companies should disclose the process for evaluating the performance of the Board, its committees and individual directors.

Disclosure: The Chair is responsible for evaluation of the Board and, when deemed appropriate, Board committees and individual directors. The Nomination Committee is responsible for evaluating the Managing Director in his role as a member of the Board. The Remuneration Committee evaluates the Managing Director in his capacity as an executive.

The evaluation process of directors is facilitated by the Chair and involves each director providing an assessment of their own performance and the performance of their fellow Board members. A summary, including recommended action points, is compiled and circulated to the Board. The role of the Managing Director as an executive is reviewed annually by the Remuneration Committee against corporate strategic objectives and specific performance criteria.

Recommendation 2.6: Companies should provide the information indicated in the Guide to reporting on Principle 2.

Disclosure: **Skills, Experience, Expertise and term of office of each Director**
A profile of each director containing their skills, experience, expertise and term of office is set out in the Directors' Report.

Identification of Independent Directors

The independent directors of the Company are Gordon Getley, Philip Fillis and Antony Butler. These directors are independent as they are non-executive directors who are not members of management and who are free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgment.

Independence is measured having regard to the relationships listed in Box 2.1 of the Principles & Recommendations and the Company's materiality thresholds. The materiality thresholds are set out below.

Company's Materiality Thresholds

The Board has agreed on the following guidelines for assessing the materiality of matters, as set out in the Company's Board Charter:

Balance sheet items are material if they have a value of more than:

- (a) 20% of pro-forma net assets, where the market capitalisation is below A\$50 million;
- (b) 15% of pro-forma net assets, where the market capitalisation is between A\$50 million and A\$100 million; and
- (c) 10% of pro-forma net assets, where the market capitalisation is over A\$100 million.

Profit and loss items

Profit and loss items are material if they will have an impact on the current year operating result of:

- (a) 20% or more, where the market capitalisation is below A\$50 million;
- (b) 15% or more, where the market capitalisation is between A\$50 million and A\$100 million; and
- (c) 10% or more, where the market capitalisation is over A\$100 million.

For the year ended 30 June 2009

Items are material if:

- (a) they impact on the reputation of the Company;
- (b) they involve a breach of legislation;
- (c) they are outside the ordinary course of business;
- (d) they could affect the Company's rights to its assets;
- (e) if accumulated they would trigger the quantitative tests;
- (f) they involve a contingent liability that would have a probable effect of:
 - (i) 20% or more on balance sheet or profit and loss items where the market capitalisation is below A\$50 million; or
 - (ii) 15% or more, where the market capitalisation is between A\$50 million and A\$100 million; and
 - (iii) 10% or more, where the market capitalisation is over A\$100 million.
- (g) they will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than:
 - (i) 20% where the market capitalisation is below A\$50 million; or
 - (ii) 15% or more, where the market capitalisation is between A\$50 million and A\$100 million; and
 - (iii) 10% or more, where the market capitalisation is over A\$100 million.

Contracts will be considered material if they are outside the ordinary course of business, contain exceptionally onerous provisions in the opinion of the Board, impact on income or distribution in excess of the quantitative tests, there is a likelihood that either party will default, and the default may trigger any of the quantitative or qualitative tests, are essential to the activities of the Company and cannot be replaced, or cannot be replaced without an increase in cost of such a quantum, triggering any of the quantitative tests, contain or trigger change of control provisions, they are between or for the benefit of related parties, or otherwise trigger the quantitative tests.

Statement concerning availability of Independent Professional Advice

To assist directors with independent judgement, it is the Board's policy that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval for incurring such expense from the Chair, the Company will pay the reasonable expenses associated with obtaining such advice.

Nomination Matters

The full Board, in its capacity as the Nomination Committee, held one meeting during the Reporting Period. The full Board was in attendance. To assist the Board to fulfil its function as the Nomination Committee, it has adopted a Nomination Committee Charter.

The explanation for departure set out under Recommendation 2.4 above explains how the functions of the Nomination Committee are performed.

Performance Evaluation

During the Reporting Period performance evaluations of the Board, individual directors and the Managing Director occurred in accordance with the process disclosed at Recommendation 2.5.

Selection and (Re)Appointment of Directors

In determining candidates for the Board, the Nomination Committee (or equivalent) follows a prescribed procedure whereby it considers the balance of independent directors on the Board as well as the skills and qualifications of potential candidates that will best enhance the Board's effectiveness.

The Board recognises that Board renewal is critical to performance and the impact of Board tenure on succession planning. At every annual general meeting of the Company, one third of the directors (other than the Managing Director) shall retire from office. No director other than the Managing Director may hold office for more than 3 years without retiring. A retiring director is eligible for re-election. Re-appointment of directors is not automatic.

Principle 3 – Promote ethical and responsible decision-making

Recommendation 3.1: Companies should establish a Code of Conduct and disclose the code or a summary of the code as to the practices necessary to maintain confidence in the company's integrity, the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

Disclosure: The Company has established a Code of Conduct as to the practices necessary to maintain confidence in the Company's integrity, practices necessary to take into account their legal obligations and the expectations of their stakeholders and responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

Recommendation 3.2: Companies should establish a policy concerning trading in company securities by directors, senior executives and employees, and disclose the policy or a summary of that policy.

Disclosure: The Company has established a policy concerning trading in the Company's securities by directors, senior executives and employees.

Recommendation 3.3: Companies should provide the information indicated in the Guide to reporting on Principle 3.

Disclosure: Please refer to the section above marked Website Disclosures.

Principle 4 – Safeguard integrity in financial reporting**Recommendation 4.1 and**

Recommendation 4.2: The Board should establish an Audit Committee and 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 Chair, who is not Chair of the Board
- has at least three members.

Notification of Departure: The Company has not established a separate Audit Committee. Further, the Board does not meet the compositional requirements set out in Recommendation 4.2.

Explanation for Departure: The full Board carries out the role of an Audit Committee. Therefore, as the Board is currently comprised, an executive director, Robert Gregory, participates in audit discussions. Further, Mr Gordon Getley, the Chair, maintains the chair during such meetings. The Board considers that no efficiencies or other benefits would be gained by establishing a separate Audit Committee. The Board has adopted an Audit Committee Charter, which it applies when convening as the Audit Committee. The Audit Committee Charter provides that the Board may meet with the external auditor without management present, as required. Items that are usually required to be discussed by an Audit Committee are marked as separate agenda items at Board meetings when required. The Board deals with any conflicts of interest that may occur when convening in the capacity of Audit Committee by ensuring the director with conflicting interests is not party to the relevant discussions.

Recommendation 4.3: The Audit Committee should have a formal charter.

Disclosure: The Company has adopted an Audit Committee Charter.

Recommendation 4.4: Companies should provide the information indicated in the Guide to reporting on Principle 4.

Disclosure: The full Board, in its capacity as the Audit Committee, held two meetings during the Reporting Period. The full Board was in attendance. To assist the Board to fulfil its function as the Audit Committee, it has adopted an Audit Committee Charter (available on the Company's website).

The explanation for departure set out under Recommendations 4.1 and 4.2 above explains how the functions of the Audit Committee are performed.

Details of each of the director's qualifications are set out in the Director's Report. All members of the Board are financially literate and have industry knowledge. Mr Getley has many years of experience as State and National President of AMP Advisors and State and National President of the Association of Financial Advisors. Further, Mr Butler is a qualified Chartered Accountant. Both Messrs Getley and Butler bring financial expertise to the Board's function as the Audit Committee. In addition to this, the Company's auditor was present at both Audit Committee meetings held during the Reporting Period.

The Company has established procedures for the selection, appointment and rotation of its external auditor. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as recommended by the Audit Committee (or its equivalent). Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Audit Committee (or its equivalent) and any recommendations are made to the Board.

For the year ended 30 June 2009

Principle 5 – Make timely and balanced disclosure

Recommendation 5.1: Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.

Disclosure: The Company has established written policies designed to ensure compliance with ASX Listing Rule disclosure and accountability at a senior executive level for that compliance.

Recommendation 5.2: Companies should provide the information indicated in the Guide to reporting on Principle 5.

Disclosure: Please refer to the section above marked Website Disclosures.

Principle 6 – Respect the rights of shareholders

Recommendation 6.1: Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.

Disclosure: The Company has designed a communications policy for promoting effective communication with shareholders and encouraging shareholder participation at general meetings.

Recommendation 6.2: Companies should provide the information indicated in the Guide to reporting on Principle 6.

Disclosure: Please refer to the section above marked Website Disclosures.

Principle 7 – Recognise and manage risk

Recommendation 7.1: Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.

Disclosure: The Board has adopted a Risk Management Policy, which sets out the Company's risk profile. Under the policy, the Board is responsible for approving the Company's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

Under the policy, the Board delegates day-to-day management of risk to the Managing Director, who is responsible for identifying, assessing, monitoring and managing risks. The Managing Director is also responsible for updating the Company's material business risks to reflect any material changes, with the approval of the Board. The Managing Director reports regularly to the Board by email and at each Board Meeting on the management of material business risks and provides the assurance to the Board, on behalf of management, that the Company's management of its material business risks is effective.

In fulfilling the duties of risk management, the Managing Director may have unrestricted access to Company employees, contractors and records and may obtain independent expert advice on any matter they believe appropriate, with the prior approval of the Board.

In addition, the following risk management measures have been adopted by the Board to manage the Company's material business risks:

- the Board has established authority limits for management which, if exceeded, will require prior Board approval;
- the Board has adopted a compliance procedure for the purpose of ensuring compliance with the Company's continuous disclosure obligations; and
- the Board has adopted a corporate governance manual which contains other policies to assist the Company to establish and maintain its governance practices.

In late 2007, the Board implemented its formalised risk management system, which documents the Company's management of its material business risks. This system identifies and prioritises the Company's material business risks and allocates ownership of risks to individual managers. The Managing Director, on behalf of management, also provides frequent updates regarding risk management to the Board. Further, the Board addresses risk items at each Board meeting.

The Managing Director addresses all relevant aspects of material business risks in his written and verbal reports to the Board. This includes operating risks, commodity prices, environmental risks, title and access issues within the Philippines, sovereign risks, joint venture and partner risks, key personnel, working capital and financial risks.

Recommendation 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.

Disclosure: The Board has required management to design, implement and maintain risk management and internal control systems to manage the Company's material business risks. The Board also requires management to report to it confirming that those risks are being managed effectively. Further, the Board has received a report from management as to the effectiveness of the Company's management of its material business risks.

Recommendation 7.3: The Board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Disclosure: The Managing Director and the Chief Financial Officer have provided a declaration to the Board in accordance with section 295A of the Corporations Act and have assured the Board that such declaration 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 risk.

Recommendation 7.4: Companies should provide the information indicated in the Guide to reporting on Principle 7.

Disclosure: The Board has received the report from management under Recommendation 7.2.
The Board has received the assurance from the Managing Director and the Chief Financial Officer (or equivalent) under Recommendation 7.3.

Principle 8 – Remunerate fairly and responsibly

Recommendation 8.1: The Board should establish a Remuneration Committee.

Notification of Departure: A separate Remuneration Committee has not been formed.

Explanation for Departure: The full Board considers those matters and issues arising that would usually fall to a Remuneration Committee. The Board considers that no efficiencies or other benefits would be gained by establishing a separate Remuneration Committee. The Board has adopted a Remuneration Committee Charter which it applies when convening as a Remuneration Committee. Items that are usually required to be discussed by a Remuneration Committee are marked as separate agenda items at Board meetings when required. The Board deals with any conflicts of interest that may occur when convening in the capacity of Remuneration Committee by ensuring the director with conflicting interests is not present during the relevant discussions.

Recommendation 8.2: Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.

Disclosure: Non-executive directors are remunerated at a fixed fee for time, commitment and responsibilities. Remuneration for non-executive directors is not linked to the performance of the Company. The Company may seek shareholder approval to issue options to non-executive directors in circumstances where it is required to attract appropriately qualified directors or where the fees paid to non-executive directors are below industry average.

Executive directors and senior executives are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness. Long term performance incentives may include options granted at the discretion of the Board and subject to obtaining the relevant approvals.

Recommendation 8.3: Companies should provide the information indicated in the Guide to reporting on Principle 8.

Disclosure: Details of remuneration, including the Company's policy on remuneration, are contained in the "Remuneration Report" which forms of part of the Directors' Report.

Remuneration Committee Function

The full Board, in its capacity as the Remuneration Committee, held one meeting during the Reporting Period. The full Board with the exception of the Managing Director was in attendance.

The explanation for departure set out under Recommendation 8.1 above explains how the functions of the Remuneration Committee are performed.

There are no documented agreements providing for termination or retirement benefits to non-executive directors (other than for superannuation). However, the Board (in the absence of Mr Getley) has agreed to issue Mr Getley a retirement payment of \$18,388, upon Mr Getley's retirement.

The Company's Remuneration Committee Charter includes a statement of the Company's policy on prohibiting transactions in associated products which limit the risk of participating in unvested entitlements under any equity based remuneration schemes.

For the year ended 30 June 2009

Directors' report

The directors present their report together with the financial report of Rusina Mining NL ("the Company") and of the consolidated entity, being the Company and its subsidiaries, and the consolidated entity's interest in associates and jointly controlled entities for the financial year ended 30 June 2009 and the auditor's report thereon.

Information about directors and senior management

The names and particulars of the directors of the Company during or since the end of the financial year are:

Name	Particulars
Gordon Getley	Independent Chairman/Non Executive Director (Appointed 27 February 1990) Mr Getley has over 35 years experience in corporate governance in his own corporation and is currently a director of a number of private trading companies. He has many years experience in administration as State and National President of AMP Advisors, State and National President of the Association of Financial Advisors as well as Chairman/President of a number of sporting associations and clubs.
Robert Gregory B.E. (Min) M.Aus.I.M.M	Managing Director/Chief Executive Officer (Appointed as Director 29 September 2005, Managing Director & CEO 7 November 2005) Mr Gregory is a Mining Engineer with extensive mine development and operational experience in South-East Asia and Australia, both in open pit and underground mines. Mr Gregory's experience includes that of Vice President-Mine Development for Climax Mining's Didipio Project in the Philippines from 1996 to 2000. Previous to this appointment Mr Gregory was responsible for the construction of the Tanjianshan Gold Project in Western China. Mr Gregory brings valuable corporate development and operational experience to the Company and will head a team of professionals to take the Acoje Project through scoping study to bankable feasibility and a decision to mine.
Philip Fillis M.Sc, FAusIMM.(CP), FIMMM.,MAIG.,MICA	Independent Non Executive Director (Appointed 1 September 2006) Mr Fillis has over 30 years experience in the exploration and mining industry. Following graduation from the University of London with a B.Sc in 1972 and from the University of Leicester with an M.Sc in 1974. Mr Fillis spent the first 15 years of his career with major corporations (Seltrust, US Steel Corp, Esso Minerals). Since 1986, as an Independent Consultant, Mr Fillis has undertaken many on-site exploration or mining project reviews and technical audits, and taken part in several feasibility studies. Commodities studied include gold, base metals, iron ore and uranium. Geographical areas covered comprise the Australasia - Pacific region, South-East Asia, China, Europe, West & South Africa, Brazil, Central Asia and Russia. Mr Fillis is a director and Principal Geologist of DevMin Pty Ltd an independent mining consulting group based in Perth, Western Australia.
Antony Butler MA, FCA	Independent Non Executive Director (Appointed 18 October 2007) After graduating from Oxford University and qualifying as an FCA with Arthur Andersen in London, his career experience spans 35 years in banking, executive management, strategy consulting and non executive directorships. Mr Butler was employed at Citibank for 15 years, culminating as regional director for Central and East Africa in Nairobi. Subsequently he held deputy CEO and CEO positions at regional banks in the Middle East and West Africa. He consulted for 12 years at Chairman and Board level in Europe, Africa, the Middle East and Asia.

The above named directors held office during and since the end of the financial year.

Directorships of other listed companies

Directorships of other listed companies held by directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of directorship
Gordon Getley	Medec Ltd	April 2003 to January 2009
Robert Gregory	-	-
Philip Fillis	-	-
Antony Butler	Consolidated Africa Mining Plc	September 2006 to the present

Directors' shareholdings

The following table sets out each director's relevant interest in shares, debentures, and rights or options in shares or debentures of the Company or a related body corporate as at the date of this report.

Directors	Fully paid ordinary shares Number	Share options Number
Gordon Getley	1,240,370	-
Robert Gregory	3,604,811	4,200,000
Philip Fillis	20,000	850,000
Antony Butler	-	850,000

Remuneration of directors and senior management

Information about the remuneration of directors and senior management is set out in the remuneration report of this directors' report.

Share options granted to directors and senior management

During and since the end of the financial year an aggregate 7,900,000 share options were granted to directors and key officers of the Company as part of their remuneration. Refer to the remuneration report for further information:

Directors & senior management	Number of options granted	Exercise price	Expiry date
Robert Gregory	4,200,000	20 cents	28 August 2011
Philip Fillis	850,000	25 cents	26 November 2011
Antony Butler	850,000	25 cents	26 November 2011
Mark Hanlon	2,000,000	10 cents	7 December 2011

Company Secretary

Mark Hanlon was appointed to the position of Company Secretary on 26 September 2006. Mr Hanlon spent 10 years in commercial and merchant banking with Partnership Pacific Ltd, Westpac and the Bank of New Zealand before entering commerce in 1994. He has a broad background of senior executive experience across a wide range of industries including mining services, electricity distribution, electronic contract manufacturing, packaging and insurance.

He has previously held the position or equivalent position as CFO and Company Secretary with other listed public companies such as Century Drilling Limited and International Contract Manufacturing Limited. Mr Hanlon holds a Bachelor of Business degree (Finance and Accounting) and a Master of Business degree (Banking and Finance).

Principal activities

The principal activities of the consolidated entity during the course of the financial year was the exploration for minerals in the Philippines and are further disclosed in the review of operations.

There were no other significant changes in the nature of the activities of the consolidated entity during the year.

For the year ended 30 June 2009

Review of operations

Over the past 12 months the Company has focussed on the development of its nickel laterite project at Acoje, approximately 250km north of Manila.

In November 2008, the Company released the results of its Pre-Feasibility Study ("PFS") into the processing and production of nickel from the Acoje tenement. Highlights of the PFS were as follows:

- JORC combined limonite plus saprolite Indicated Resource of 34.41 Mt at 1.09% nickel from an Inferred plus Indicated Resource of 50.14 Mt at 1.06% nickel using a 0.8% cut off grade
- Estimated annual production of 24,500 tonnes of nickel and 930 tonnes of cobalt
- Estimated cash cost of US\$1.60/lb of nickel, net of by-products and refining costs (US\$3.10/lb including refining charges) at US\$6.00/lb nickel price and US\$10/lb cobalt price
- Total development estimated at US\$498 million
- Estimated capital cost per annual pound of nickel of US\$7.84
- Post-tax Net Present Value of US\$375 million (at a 10% discount rate) and US\$6/lb nickel price and \$10/lb cobalt
- Internal Rate of Return of 28.3%
- 3 year payback period
- Forecast annual sales of US\$260 million, based on a long term nickel price of US\$6.00/lb and including by-product credits
- Significant potential to increase NPV and IRR with extended mine life by confirming the JORC Inferred Acoje and Zambales Chromite deposits to JORC Indicated status

The results demonstrated an economically viable nickel laterite project using heap leach technology producing 24,500 tonnes a year of contained nickel and 930 tonnes of contained cobalt. The study for the Acoje project is based on a JORC Indicated Resource of 30.76 million tonnes at 1.12% nickel and 0.05% cobalt (at a 0.8% nickel cut-off for saprolite and a 0.9% nickel cut off for limonite) giving the project an initial mine life of ten years. Further potential resources have been identified, the JORC Inferred Resources at Acoje and the Zambales Chromite deposit, which are expected to extend the mine life beyond 20 years and are expected to be confirmed to JORC Indicated Resource levels during the Definitive Feasibility Study ("DFS").

The DFS commenced in early 2009, being funded by our joint venture partner European Nickel PLC ("EN"). EN are earning in to a 40% interest in the heap leach project by spending US\$10.0 million on the DFS. In late March 2009 EN earned an additional 10% underlying project interest by meeting certain expenditure targets and has now moved to a 20% project stake. As part of the DFS a trial heap leach facility is being constructed to prove percolation and heap stability as well as demonstrate to the local community the relatively benign nature of the process. As of the date of this report the trial facility is in the commissioning phase with the 3,000 tonne heap expected to be populated with crushed and agglomerated ore imminently.

In addition to the trial facility EN and Rusina have set up a fully functional laboratory at Acoje to investigate methods of enhancing recoveries and reducing projected operating costs. Test work currently underway includes the use of acid retardation, Resin In Pulp and Ion Exchange processes to add value to the straight precipitation process outlined in the PFS.

The Company also has a known Chromite resource at Acoje and it continues to seek a joint venture partner to fund a feasibility study to re-open the underground workings to exploit this resource. The commencement of any underground mining operations will be subject to the Company finalising an agreement with a partner who has expertise in this area.

Lastly, the Direct Ship Ore ("DSO") operation that was being undertaken by local company DMCI Mining was suspended during the period due to a low prevailing nickel price and the changing nature of the ore specifications from overseas buyers.

The information in this review of operations section of the Directors' report that relates to Mineral Resources is based on information compiled by Mr Robert Gregory, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Gregory is employed by Rusina Mining NL, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves". Mr Gregory consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Changes in state of affairs

Significant changes in the state of affairs of the consolidated entity during the financial year were as follows:

- On 12 August 2008, the Company announced that its Managing Director, Mr Robert Gregory had exercised 3,000,000 unquoted options at 16.4 cents, a 26% premium to the prevailing market price.
- On 15 September 2008, the Company announced that it had completed the acquisition of the Barlo project on the island of Luzon.
- On 21 November 2008, the Company advised that some confirmation drill holes into the target underground chromite resources had been successful and that a small sample shipment of high grade nickel ore had been sold to a Japanese buyer.
- On 27 November 2008, the Company announced the results of a Pre-Feasibility Study into a Nickel Heap Leach processing facility at the Acoje project area.

Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years other than:

1. On 3 July 2009, the Company announced that DMCI Mining would be suspending its direct ship ore operations due to low prevailing nickel prices and also provided an update on the Feasibility Study for the Nickel Heap Leach project.
2. On 20 July 2009, the Company announced that 5,882,352 unquoted options exercisable at 21 pence and 3,658,537 unquoted options exercisable at 41 US cents had expired on 17 July 2009.
3. On 28 July 2009, the Company announced that 465,000 unquoted options exercisable at 26 cents issued pursuant to the 2006 Employee Share Option Plan had expired following the resignation/termination of certain employees.
4. On 11 September 2009, the Company announced that 1,000,000 unquoted options exercisable at 26 cents issued pursuant to the 2006 Employee Share Option Plan had expired following the resignation/termination of certain employees.
5. On 18 September 2009, the Company announced that 750,000 unquoted options exercisable at 35 cents had expired on 17 September 2009.
6. On 18 September 2009, the Company announced that 36,760,800 fully ordinary shares were issued and a further 21,000,000 will be issued, subject to shareholder approval at a General Meeting proposed to be held on 29 October 2009, via a placement at an issue price of 5.25 GBP pence (approximately AUD 10 cents) to raise AUD\$5,750,000.

Future developments

The consolidated entity will continue to pursue its policy of increasing the asset value and market share of its major business sectors during the next financial year.

The consolidated entity will focus on the exploration of its portfolio of mineral licences and the evaluation, merger, acquisition and/or joint venture of new projects and assets.

Further information about likely developments in the operations of the consolidated entity and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulations

The consolidated entity's operations are subject to significant environmental regulation under various legislation in relation to its exploration and mining activities.

In order to meet the prescribed guidelines, the consolidated entity through its dealings with the Philippines departments detailed below, undertakes regular environmental reporting and has regular checks (as required) as to ensure it has complied within the respective departments environmental guidelines:

Philippines

- Department of Environmental and Natural Resources
- Mines and Geosciences Bureau

In addition, it should be recognised that as the consolidated entity's activities are presently confined to exploration, the potential impact of its activities on the environment are regarded as minimal.

Dividends

No dividends have been paid by the consolidated entity during the year ended 30 June 2009, nor have the directors recommended any dividend to be paid.

For the year ended 30 June 2009

Share options

Shares under option or issued on exercise of options

Details of unissued shares or interests under option as at the date of this report are:

Issuing entity	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
Rusina Mining NL	8,600,000	Unlisted options	20 cents	30 October 2009
Rusina Mining NL	2,470,000	Unlisted options	26 cents	17 March 2010
Rusina Mining NL	734,000	Unlisted options	60 cents	12 January 2011
Rusina Mining NL	4,200,000	Unlisted options	20 cents	28 August 2011
Rusina Mining NL	1,700,000	Unlisted options	25 cents	26 November 2011
Rusina Mining NL	4,900,000	Unlisted options	10 cents	7 December 2011

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of any other body corporate or registered scheme.

Details of shares or interests issued during or since the end of the financial year as a result of exercise of an option are:

Issuing entity	Number of shares	Class of shares	Amount paid for shares	Amount unpaid on shares
Rusina Mining NL	3,000,000	Ordinary	16.40 cents	-

Details of options or interests that expired or lapsed during or since the end of the financial year are:

Issuing entity	Number of options	Class of shares	Exercise price of options	Expiry date of options
Rusina Mining NL	1,466,000	Ordinary	60 cents	12 January 2011
Rusina Mining NL	4,900,000	Ordinary	20 cents	7 December 2008
Rusina Mining NL	1,050,000	Ordinary	47 cents	15 May 2009
Rusina Mining NL	5,882,352	Ordinary	21 GB pence	17 July 2009
Rusina Mining NL	3,658,537	Ordinary	41 US cents	17 July 2009
Rusina Mining NL	465,000	Ordinary	26 cents	17 March 2010
Rusina Mining NL	1,000,000	Ordinary	26 cents	30 April 2010
Rusina Mining NL	750,000	Ordinary	35 cents	17 September 2009

Indemnification of officers and auditors

The Company has agreements to indemnify all current directors of the Company, and the former directors, against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the Company and the consolidated entity, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

As part of those agreements the Company will agree to indemnify the current directors of the consolidated entity for all liabilities to another person (other than the Company or a related body corporate) that may arise from their position, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

Also, as part of these agreements the Company will agree to indemnify certain senior executives for all liabilities to another person (other than the Company or a related body corporate) that may arise from their position in the Company and the consolidated entity, except where the liability arises out of conduct involving a lack of good faith. The senior executives are the CEO and CFO. The agreement stipulates that the Company will meet the full amount of any such liabilities, including legal fees.

Directors' meetings

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, 6 board meetings, 1 nomination and remuneration committee meetings and 2 audit committee meetings were held.

Directors	Board of directors		Remuneration committee		Nomination committee		Audit committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Gordon Getley	6	6	1	1	1	1	2	2
Robert Gregory	6	6	-	-	-	-	2	2
Philip Fillis	6	5	1	1	1	1	2	2
Antony Butler	6	5	1	1	1	1	2	2

Non-audit services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 31 to the financial statements.

The directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 31 to the financial statements do not compromise the external auditor's independence, for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Auditor's independence declaration

The auditor's independence declaration is included on page 30 of the annual report, and forms part of this report.

Remuneration report - audited

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of the key management personnel of Rusina Mining NL for the financial year ended 30 June 2009.

The prescribed details for each person covered by this report are detailed below under the following headings:

- key management personnel details;
- remuneration policy and relationship between the remuneration policy and Company performance;
- remuneration of key management personnel; and
- key terms of employment contracts

Key management personnel details

The key management personnel of Rusina Mining NL during the year or since the end of the year were:

- Gordon Getley, Chairman
- Robert Gregory, Managing Director, Chief Executive Officer
- Philip Fillis, Non Executive Director
- Antony Butler, Non Executive Director
- Mark Hanlon, Chief Financial Officer, Company Secretary

Remuneration policy and relationship between the remuneration policy and Company performance

Key management personnel (excluding non executive directors)

The Remuneration Committee is responsible for determining the remuneration policies for the consolidated entity, including those affecting executive directors and other key management personnel. The Committee may seek appropriate external advice to assist in its decision making. Remuneration policies and practices are directed primarily at attracting, motivating and retaining key management personnel, and take into account the advancement of the Company project.

The remuneration policy for executive directors and other key management personnel has three main components: fixed remuneration, short-term incentives and long-term incentives.

Fixed remuneration

Executive directors and other key management personnel receive fixed remuneration in the form of a base salary (inclusive of statutory superannuation).

It is the consolidated entity's policy that service contracts for executive directors and senior executives, other than the CEO who has a 3 year fixed term contract, are unlimited in term but capable of termination on 3 months notice and that the consolidated entity retains the right to terminate the contract immediately, by making payment equal to 3 months' pay in lieu of notice. Details of service contracts in place at 30 June 2009 are set out on page 27.

The service contracts outline the components of remuneration paid to the executive directors and senior executives but does not prescribe how remuneration levels are modified year to year. Remuneration levels are reviewed each year to take into account cost-of-living changes, any change in the scope of the role performed by the senior executive and any changes required to meet the principles of the remuneration policy.

Short-term incentives

Bonuses may be paid at the Board's or Managing Director's discretion and when payable to executives, to a maximum of 30% of gross salary and fees.

Long-term incentives

The consolidated entity's remuneration policy has been tailored to increase goal congruence between shareholders and directors and key management personnel. Currently, this is facilitated through the issue of options to key management personnel through the Company's Employee Share Option Plan ("ESOP") to encourage the alignment of personnel and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. At this stage of the consolidated entity's development, there are no further links between the remuneration of key management personnel and the performance of the consolidated entity.

The ESOP was approved by shareholders at a General Meeting held on 23 August 2006. The key terms and conditions of the ESOP are as follows:

- i. The Board has the ability to allot options to employees only to a maximum of 5% of the issued capital of the Company at any one time;
- ii. Options will normally vest 3 years after the grant date however the Board has the discretion to vary this period;
- iii. If an employee dies or ceases employment, the participant in the ESOP will be entitled to exercise vested options within 60 days after employment ceases, or up to a period of 6 months from the date of death. If a participant dies or ceases employment, all unvested options lapse unless the Board determines otherwise;
- iv. Any options remaining unexercised on the fifth anniversary of the date of grant lapse;
- v. There will be no participating rights or entitlements inherent in the options issued under the ESOP and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the options.

Non executive directors

The Company's non executive directors receive only fees (including statutory superannuation) for their services and the reimbursement of reasonable expenses. The fees paid to the Company's non executive directors reflect the demands on, and responsibilities of the directors. They do not receive any retirement benefits (other than compulsory superannuation). The Board decides annually the level of fees to be paid to non executive directors with reference to market standards.

Non executive directors may also receive share options where this is considered appropriate by the Board as a whole and with regard to the stage of the Company's development. Such options are primarily designed to provide an incentive to non executive directors to remain with the Company.

A non executive directors fee pool limit of \$250,000 per annum was approved by the shareholders at the Annual General Meeting in 11 August 1997, and is currently utilised to a level of \$163,500 per annum. The fees currently paid to the non executive Chairman is \$60,000 (plus 9% superannuation) per annum and \$90,000 (plus 9% superannuation) per annum (cumulative) for the non executive directors.

Remuneration of key management personnel - Audited

		Short-term			Total	Post-employment	Share-based payments	Total	Proportion of remuneration performance related %	Value of options as proportion of remuneration %
		Salary & fees \$	Bonus \$	Non-monetary benefits \$		Super-annuation benefits \$	Options \$			
Directors										
Gordon Getley	2009	60,000	-	-	60,000	5,400	-	65,400	-	-
	2008	52,500	-	-	52,500	4,725	-	57,225	-	-
Robert Gregory	2009	345,935	105,000	26,670	477,605	1,698	10,572	489,875	23.6%	2.2%
	2008	318,196	90,000	24,198	432,394	9,323	-	441,717	20.3%	-
Philip Fillis	2009	45,000	-	-	45,000	4,050	1,888	50,938	-	3.7%
	2008	41,250	-	-	41,250	3,713	-	44,963	-	-
Antony Butler (i)	2009	45,000	-	-	45,000	4,050	1,888	50,938	-	3.7%
	2008	29,728	-	-	29,728	2,676	-	32,404	-	-
David Hands (ii)	2009	-	-	-	-	-	-	-	-	-
	2008	11,848	-	-	11,848	1,066	-	12,914	-	-
Executives										
Mark Hanlon	2009	241,250	64,500	-	305,750	21,712	99,286	426,748	38.4%	23.3%
	2008	212,079	54,000	-	266,079	19,087	194,197	479,363	51.8%	40.5%

(i) Appointed 18 October 2007

(ii) Resigned 18 October 2007

No director or executive appointed during the year received a payment as part of his or her consideration or agreeing to hold the position.

Bonuses and share based payments granted as compensation for the current financial year - Audited

Bonuses paid to the Managing Director are approved at the Board's discretion and are calculated at a maximum of 30% of gross salary and fees. Bonuses paid to other key management personnel are approved at the Managing Director's discretion and are calculated at maximum 30% of gross salary and fees. All bonuses awarded during the year have vested and were paid/payable in cash.

Share based payments are approved by the Board and by the Company's shareholders when required.

Incentive share based payment arrangements - Audited

During the financial year the following share based payment arrangements for key management personnel were in existence:

Option series	Grant date	Expiry date	Fair value per option at grant date \$	Exercise price	Price of shares at grant date	Expected volatility	Risk free interest rate	Dividend yield
1	23 August 2006	23 August 2008	9.03 cents	16.40 cents	17.00 cents	94%	5.88%	Nil
			8.91 cents					
			8.34 cents					
2	8 December 2006	7 December 2008	10.38 cents	20.00 cents	20.00 cents	93%	5.88%	Nil
3	18 March 2008	17 March 2010	12.73 cents	26.00 cents	22.00 cents	116%	6.22%	Nil
4	27 November 2008	28 August 2011	0.10 cents	20.00 cents	4.20 cents	98%	3.75%	Nil
			0.62 cents					
			1.17 cents					
5	27 November 2008	26 November 2011	0.14 cents	25.00 cents	4.20 cents	98%	3.75%	Nil
			0.61 cents					
6	8 December 2008	7 December 2011	1.68 cents	10.00 cents	3.90 cents	98%	3.64%	Nil

There are no further service or performance criteria that need to be met in relation to options granted under series 1 before the beneficial interest vests to the recipient. Key management personnel receiving options under series 2 - 3 are only entitled to receive the beneficial interest under the option if they continue to be employed with the Company at that time. Key management personnel receiving options under series 4 are only entitled to receive the beneficial interest under the option in three equal tranches if the share price is 33.33%, 66.66% and 100% greater than the exercise price. Key management personnel receiving options under series 5 are only entitled to receive the beneficial interest under the option in two equal tranches if the share price is 50% and 100% greater than the exercise price. Key management personnel receiving options under series 6 are only entitled to receive the beneficial interest under the options in two equal tranches upon the finalisation of the Environmental Compliance Certificate, to the Managing Director's satisfaction, for the building of a Heap Leach facility at or near the Acoje mining tenement and upon the completion, to the Managing Director's satisfaction, of a Definitive Feasibility Study for the construction of a Heap Leach project for nickel laterite ore from the Acoje tenement.

Details of vesting profiles of the options granted as remuneration to each key management person of the consolidated entity are detailed below.

Name	Options granted		During the financial year		Financial years in which grant vests
	Number	Date	% vested in year	% forfeited in year (A)	
Mark Hanlon	1,000,000	18 March 2008	-	-	2010
Robert Gregory	4,200,000	27 November 2008	-	-	2012
Philip Fillis	850,000	27 November 2008	-	-	2012
Antony Butler	850,000	27 November 2008	-	-	2012
Mark Hanlon	2,000,000	8 December 2008	-	-	2012

(A) The % forfeited in the year represents the reduction from the maximum number of options available to vest due to the highest level performance criteria not being achieved.

The assessed fair value at grant date of options granted to the individuals in the above table is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables in this remuneration report. Fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and the expected price volatility of the underlying share and the risk free rate for the term of the option.

Number and value of options issued to directors and executives - Audited

The following tables summarise the number and value of options granted during the annual reporting period to the identified directors and executives:

Name	Number of options granted during 2009	Grant date	Fair value per option at grant date	Exercise price	Expiry date	Number of options vested during 2009	Year in which options vest
Robert Gregory	1,400,000	27 November 2008	0.10 cents	20.00 cents	28 August 2011	Nil	2012
	1,400,000		0.62 cents				
	1,400,000		1.17 cents				
Philip Fillis	425,000	27 November 2008	0.14 cents	25.00 cents	26 November 2011	Nil	2012
	425,000		0.61 cents				
Antony Butler	425,000	27 November 2008	0.14 cents	25.00 cents	26 November 2011	Nil	2012
	425,000		0.61 cents				
Mark Hanlon	2,000,000	8 December 2008	1.69 cents	10.00 cents	7 December 2011	Nil	2012

Name	Value of options granted at the grant date (i) \$	Value of options exercised at the exercise date (ii) \$	Value of options lapsed at the date of lapse \$	Total \$	Number of options
Robert Gregory	-	262,900	-	262,900	3,000,000
Robert Gregory	49,191	-	-	49,191	4,200,000
Philip Fillis	9,571	-	-	9,571	850,000
Antony Butler	9,571	-	-	9,571	850,000
Mark Hanlon	-	-	207,656	207,656	2,000,000
Mark Hanlon	-	127,324	-	127,324	1,000,000
Mark Hanlon	33,705	-	-	33,705	2,000,000

(i) The value of options granted during the period is recognised in compensation over the vesting period of the grant, in accordance with Australian accounting standards.

(ii) Options granted both in the current financial year and in previous financial years were exercised during the financial year.

During the reporting period 3,000,000 shares were issued as a result of the exercise of options (2008: Nil) previously issued to directors and executives as remuneration.

For the year ended 30 June 2009

Key terms of employment contracts - Audited

Robert Gregory, Managing Director and Chief Executive Officer

Robert Gregory, Managing Director and Chief Executive Officer, has a contract of employment with the Company and its subsidiaries with a commencement date of 6 March 2008. The total annual salary package received by Mr Gregory during the financial year was \$489,875 (2008:\$441,717) (including superannuation).

The contract is for a limited term of 3 years from commencement date. The contract specifies the duties and obligations to be fulfilled by the Managing Director/CEO and provides that the Board and Managing Director/CEO will early in each financial year, consult and agree objectives for achievement during that year. The contract can be terminated either by the Company or Mr Gregory providing 3 months notice. The Company may make a payment in lieu of notice of 3 months of base salary. The Managing Director/CEO has no entitlement to a termination payment in the event of removal for misconduct.

Mark Hanlon, Chief Financial Officer and Company Secretary

Mark Hanlon, Chief Financial Officer and Company Secretary has a contract of employment with the Company with a commencement date of 26 September 2006. The total annual salary package received by Mr Hanlon during the financial year was \$426,748 (2008:\$479,363) (including superannuation).

This contract is for an unlimited term and is capable of termination on three months notice. The contract specifies the duties and obligations to be fulfilled by the CFO and provides that the Board and CFO will early in each financial year, consult and agree objectives for achievement during that year. The contract can be terminated either by the Company or Mr Hanlon providing 3 months notice. The Company may make a payment in lieu of notice of 3 months of the pro-rata base salary. The CFO has no entitlement to a termination payment in the event of removal for misconduct.

This directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors



Robert G M Gregory

Chief Executive Officer

Perth, 30 September 2009



Independent auditor's report to the members of Rusina Mining NL

Report on the financial report

We have audited the accompanying financial report of Rusina Mining NL (the company), which comprises the balance sheets as at 30 June 2009, and the income statements, statements of changes in equity and cash flow statements for the year ended on that date, a description of significant accounting policies and other explanatory notes 1 to 32 and the directors' declaration of the Group comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control 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 2(a), the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, 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 performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the Company's and the Group's financial position and of their performance.

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

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Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Rusina Mining NL

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2009 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Graham Hogg
Partner

Perth

30 September 2009

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative.

Auditor's Independence Declaration

For the year ended 30 June 2009



Independence

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

Auditor's opinion

In our opinion:

(a) the financial report of Rusina Mining NL is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's and the Group's financial position as at 30 June 2009 and of their performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2(a).

Report on the remuneration report

We have audited the Remuneration Report included 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 auditing standards.

Auditor's opinion

In our opinion, the remuneration report of Rusina Mining NL for the year ended 30 June 2009, complies with Section 300A of the *Corporations Act 2001*.

KPMG

KPMG

Graham Hogg
Partner

Perth

30 September 2009

Directors' declaration	32
Income statement	33
Balance sheet	34
Statement of changes in equity	35
Cash flow statement	37
Notes to the financial statements	
1 General information	38
2 Basis of preparation	38
3 Significant accounting policies	41
4 Determination of fair values	46
5 Segment information	46
6 Revenue	47
7 Finance and other income	48
8 Loss for the year	48
9 Income taxes	49
10 Trade and other receivables	50
11 Other current assets	50
12 Other financial assets	51
13 Property plant and equipment	52
14 Exploration, evaluation and development	52
15 Trade and other payables	53
16 Employee benefits	53
17 Provisions	53
18 Loans and borrowings	54
19 Issued capital	54
20 Reserves	55
21 Loss per share	55
22 Commitment for expenditure	57
23 Contingent liabilities and contingent assets	57
24 Subsidiaries	58
25 Equity accounted investees	59
26 Acquisition and disposal of subsidiaries	59
27 Notes to the cash flow statement	60
28 Financial instruments	61
29 Share based payments	65
30 Related party transactions	67
31 Remuneration of auditors	69
32 Subsequent events	69
Tenement Status	70
ASX Additional Information	71

Directors' declaration

In the opinion of the directors of Rusina Mining NL (the "Company"):

- (a) the financial statements and notes and the Remuneration report in the Directors' report are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's and the consolidated entity's financial position as at 30 June 2009 and of their performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2.
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (e) the directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and the Chief Financial Officer for the financial year ended 30 June 2009.

Signed in accordance with a resolution of the directors.

On behalf of the Directors



Robert G M Gregory
Chief Executive Officer
Perth, 30 September 2009

For the year ended 30 June 2009

Income statement for the financial year ended 30 June 2009

	Note	Consolidated		Company	
		2009 \$	2008 \$	2009 \$	2008 \$
Revenue	6	71,081	2,271,636	-	-
Cost of sales		-	(29,006)	-	-
Gross profit		71,081	2,242,630	-	-
Share of loss from joint ventures	12(i)	(299,405)	-	-	-
Share of loss from associates		(23,719)	(1,198)	-	-
Administration expenses		(5,110,172)	(5,127,394)	(1,880,763)	(2,471,317)
Finance and other income	7	1,228,739	3,032,844	1,227,296	2,879,399
Finance costs	8	(4,956)	(193,783)	(2,844)	(179,871)
Impairment of loans to controlled entities	12	-	-	(3,461,048)	(9,546,017)
Impairment of investment in associates	12	-	-	(47,009)	-
Impairment of loans to associates	12	(102,548)	(1,210,358)	-	-
Reversal of impairment of loans to associates	26(i)	1,509,777	-	-	-
Loss on sale of assets		(1,392)	-	-	-
Depreciation		(183,092)	(142,757)	(35,942)	(38,708)
Loss before income tax expense	8	(2,915,687)	(1,400,016)	(4,200,310)	(9,356,514)
Income tax expense	9	-	-	-	-
Loss for the year		(2,915,687)	(1,400,016)	(4,200,310)	(9,356,514)
Attributable to:					
Equity holders of the parent		(2,740,875)	(1,398,816)	(4,200,310)	(9,356,514)
Minority interest		(174,812)	(1,200)	-	-
Loss for the year		(2,915,687)	(1,400,016)	(4,200,310)	(9,356,514)
Loss per share					
Basic and diluted (cents per share)	21	(1.12)	(0.66)		

The notes on pages 38 to 69 are an integral part of these consolidated financial statements.

Balance sheet as at 30 June 2009

	Note	Consolidated		Company	
		2009 \$	2008 \$	2009 \$	2008 \$
Current assets					
Cash and cash equivalents	27	2,896,519	6,192,933	2,457,825	5,972,306
Trade and other receivables	10	978,733	1,538,649	73,345	46,785
Other current assets	11	-	131,400	-	131,400
Total current assets		3,875,252	7,862,982	2,531,170	6,150,491
Non-current assets					
Other financial assets	12	119,363	48,107	119,363	-
Property, plant and equipment	13	307,764	378,907	15,082	43,906
Exploration, evaluation and development	14	14,917,462	9,603,341	-	-
Total non-current assets		15,344,589	10,030,355	134,445	43,906
Total assets		19,219,841	17,893,337	2,665,615	6,194,397
Current liabilities					
Trade and other payables	15	3,214,537	2,398,240	79,391	188,544
Employee benefits	16	69,118	72,375	45,071	34,760
Derivative liability	7	-	243,394	-	243,394
Provisions	17	17,102	-	-	-
Total current liabilities		3,300,757	2,714,009	124,462	466,698
Non-current liabilities					
Loans and borrowings	18	1,256,411	-	-	-
Total non-current liabilities		1,256,411	-	-	-
Total liabilities		4,557,168	2,714,009	124,462	466,698
Net assets		14,662,673	15,179,328	2,541,153	5,727,699
Equity					
Issued capital	19	57,369,493	56,877,493	57,369,493	56,877,493
Reserves	20	4,332,843	3,166,580	3,870,632	4,051,144
Accumulated losses		(47,039,663)	(44,904,360)	(58,698,972)	(55,200,938)
Attributable to equity holders of the parent		14,662,673	15,139,713	2,541,153	5,727,699
Minority interest		-	39,615	-	-
Total equity		14,662,673	15,179,328	2,541,153	5,727,699

The notes on pages 38 to 69 are an integral part of these consolidated financial statements.

Statement of Changes in Equity

35

For the year ended 30 June 2009

Statement of changes in equity for the financial year ended 30 June 2009

Consolidated	Fully paid ordinary shares \$	Foreign currency translation reserve \$	Equity- settled employee benefits reserve \$	Accumulated losses \$	Attributable to equity holders of the parent \$	Minority interest \$	Total \$
Balance at 1st July 2007	47,203,488	56,863	2,417,089	(43,505,544)	6,171,896	30,702	6,202,598
Exchange differences arising on translation of foreign operations	-	(941,427)	-	-	(941,427)	-	(941,427)
Net income recognised directly in equity	-	(941,427)	-	-	(941,427)	-	(941,427)
Loss for the period	-	-	-	(1,398,816)	(1,398,816)	(1,200)	(1,400,016)
Total recognised income and expense	-	(941,427)	-	(1,398,816)	(2,340,243)	(1,200)	(2,341,443)
Deconsolidation of minority interest	-	-	-	-	-	(30,702)	(30,702)
Initial recognition of minority interest	-	-	-	-	-	40,815	40,815
Share-based payments	-	-	1,634,055	-	1,634,055	-	1,634,055
Shares issued	11,032,101	-	-	-	11,032,101	-	11,032,101
Share issue costs	(1,358,096)	-	-	-	(1,358,096)	-	(1,358,096)
Balance at 30th June 2008	56,877,493	(884,564)	4,051,144	(44,904,360)	15,139,713	39,615	15,179,328
Balance at 1st July 2008	56,877,493	(884,564)	4,051,144	(44,904,360)	15,139,713	39,615	15,179,328
Exchange differences arising on translation of foreign operations	-	1,346,775	-	-	1,346,775	-	1,346,775
Net income recognised directly in equity	-	1,346,775	-	-	1,346,775	-	1,346,775
Loss for the period	-	-	-	(2,740,875)	(2,740,875)	(174,812)	(2,915,687)
Total recognised income and expense	-	1,346,775	-	(2,740,875)	(1,394,100)	(174,812)	(1,568,912)
Initial recognition of minority interest	-	-	-	-	-	38,493	38,493
Share-based payments	-	-	521,764	-	521,764	-	521,764
Shares issued	492,000	-	-	-	492,000	-	492,000
Transfer between equity-settled employee benefits reserve and accumulated losses following the lapse of options	-	-	(702,276)	702,276	-	-	-
Transfer to accumulated losses	-	-	-	(96,704)	(96,704)	96,704	-
Balance at 30th June 2009	57,369,493	462,211	3,870,632	(47,039,663)	14,662,673	-	14,662,673

The notes on pages 38 to 69 are an integral part of these consolidated financial statements.

Statement of changes in equity for the financial year ended 30 June 2009

	Fully paid ordinary shares \$	Equity-settled employee benefits reserve \$	Accumulated losses \$	Total \$
Balance at 1st July 2007	47,203,488	2,417,089	(45,844,424)	3,776,153
Loss for the period	-	-	(9,356,514)	(9,356,514)
Total recognised income and expense	-	-	(9,356,514)	(9,356,514)
Share-based payments	-	1,634,055	-	1,634,055
Shares issued	11,032,101	-	-	11,032,101
Share issue costs	(1,358,096)	-	-	(1,358,096)
Balance at 30th June 2008	56,877,493	4,051,144	(55,200,938)	5,727,699
Balance at 1st July 2008	56,877,493	4,051,144	(55,200,938)	5,727,699
Loss for the period	-	-	(4,200,310)	(4,200,310)
Total recognised income and expense	-	-	(4,200,310)	(4,200,310)
Share-based payments	-	521,764	-	521,764
Shares issued	492,000	-	-	492,000
Transfer between option premium reserve and accumulated losses following the lapse of options	-	(702,276)	702,276	-
Balance at 30th June 2009	57,369,493	3,870,632	(58,698,972)	2,541,153

The notes on pages 38 to 69 are an integral part of these consolidated financial statements.

Cash Flow Statement

37

For the year ended 30 June 2009

Cash flow statement for the financial year ended 30 June 2009

	Note	Consolidated		Company	
		2009 \$	2008 \$	2009 \$	2008 \$
Cash flows from operating activities					
Receipts from operations		71,081	1,080,688	-	-
Payments to suppliers and employees		(4,312,342)	(3,277,948)	(1,484,083)	(1,729,156)
Exploration, evaluation and development costs		(2,023,268)	(7,118,040)	-	-
Interest received		96,382	140,905	94,939	136,154
Interest paid		(4,956)	(49,505)	(2,844)	(35,593)
Net cash used in operating activities	27(d)	(6,173,103)	(9,223,900)	(1,391,988)	(1,628,595)
Cash flows from investing activities					
Payments for property, plant and equipment		(111,949)	(186,534)	(7,118)	(4,111)
Acquisition of other investments		-	(176,504)	-	(131,400)
Loans to controlled entities		-	-	(3,496,220)	(7,788,615)
Loans (to)/from other entities		1,313,598	(3,003)	-	-
Net cash provided by/(used in) investing activities		1,201,649	(366,041)	(3,503,338)	(7,924,126)
Cash flows from financing activities					
Proceeds from issues of equity securities		492,000	13,900,783	492,000	13,900,783
Payment for share issue costs		-	(373,905)	-	(373,905)
Repayment of borrowings		(8,927)	-	-	-
Net cash provided by financing activities		483,073	13,526,878	492,000	13,526,878
Net increase/(decrease) in cash and cash equivalents		(4,488,381)	3,936,937	(4,403,326)	3,974,157
Cash and cash equivalents at the beginning of the financial year					
Effects of exchange rate fluctuations on cash held		1,191,967	(144,277)	888,845	(144,277)
Cash and cash equivalents at the end of the financial year	27(a)	2,896,519	6,192,933	2,457,825	5,972,306

The notes on pages 38 to 69 are an integral part of these consolidated financial statements.

1. General information

Rusina Mining NL (the "Company") is a public company listed on the Australian Securities Exchange (trading under the symbol "RML") and the London Alternative Investment Market (trading under the symbol "RMLA") and operating in the Philippines.

Rusina Mining NL's registered office and its principal place of business are as follows:

Registered office & principal place of business

Level 1, 83 Havelock Street
WEST PERTH WA 6005

The consolidated entity's principal activities are the exploration for minerals in the Philippines and are further disclosed in the review of operations in the directors' report.

There were no other significant changes in the nature of the activities of the consolidated entity during the year.

2. Basis of preparation

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial report of the consolidated entity and the financial report of the Company comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements were approved by the Board of Directors on 29 September 2009.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- derivative financial instruments are measured at fair value
- financial instruments at fair value through profit or loss are measured at fair value

The methods used to measure fair values are discussed further in note 4.

(c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

(d) Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- note 9 – income taxes
- note 29 – measurement of share-based payments
- note 17 & 23 – provisions and contingencies
- note 28 – valuation of financial instruments

For the year ended 30 June 2009

(e) Adoption of new and revised Accounting Standards

Changes in accounting policy on initial application of Accounting Standards

In the current year, there have been no new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to the consolidated entity's operations and effective for the current annual reporting period.

At the date of authorisation of the financial report, a number of Standards and Interpretations were in issue but not yet effective.

Initial application of the following Standards will not affect any of the amounts recognised in the financial report, but will change the disclosures presently made in relation to the consolidated entity and the Company's financial report.

Standard	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 101 'Presentation of Financial Statements' (revised September 2007), AASB 2007-8 'Amendments to Australian Accounting Standards arising from AASB 101',	1 January 2009	30 June 2010
AASB 2007-10 'Further Amendments to Australian Accounting Standards arising from AASB 101'		
AASB 8 'Operating Segments',	1 January 2009	30 June 2010
AASB 2007-3 'Amendments to Australian Accounting Standards arising from AASB 8'		
AASB 2009-2 'Amendments to Australian Accounting Standards – Improving Disclosures about Financial Instruments'	1 January 2009 (and that ends on or after 30 April 2009)	30 June 2010

Initial application of the following Standards/Interpretations is not expected to have any material impact on the financial report of the consolidated entity and the Company:

Standard	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 123 'Borrowing Costs' (revised), AASB 2007-6 'Amendments to Australian Accounting Standards arising from AASB 123'	1 January 2009	30 June 2010
AASB 3 'Business Combinations (revised), AASB 127 'Consolidated and Separate Financial Statements' (revised) and AASB 2008-3 'Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127'	Business combinations occurring after the beginning of annual reporting periods beginning 1 July 2009	30 June 2010
AASB 2008-1 'Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations'	1 January 2009	30 June 2010
AASB 2008-5 'Amendments to Australian Accounting Standards arising from the Annual Improvements Project'	1 January 2009	30 June 2010
AASB 2008-6 'Further Amendments to Australian Accounting Standard arising from the Annual Improvements Project'	1 July 2009	30 June 2010
AASB 2008-7 'Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate'	1 January 2009	30 June 2010
AASB 2008-8 'Amendments to Australian Accounting Standards – Eligible Hedged Items'	1 July 2009	30 June 2010
AASB 2009-4 'Amendments to Australian Accounting Standards arising from the Annual Improvements Process'	1 July 2009	30 June 2010
AASB 2009-5 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process'	Applicable to financial years beginning on or after 1 January 2010, except for the amendments made to the guidance to AASB 118 'Revenue' that have no explicit application date and are taken to be immediately effective.	30 June 2011
AASB 2009-6 'Amendments to Australian Accounting Standards'	Applicable to financial years beginning on or after 1 January 2009 that ends on or after 30 June 2009.	30 June 2010
AASB 2009-7 'Amendments to Australian Accounting Standards'	1 July 2009	30 June 2010
AASB 1 'First-time Adoption of Australian Accounting Standards'	1 July 2009	30 June 2010
AASB Interpretation 16 'Hedges of a Net Investment in a Foreign Operation'	1 October 2008	30 June 2010
AASB Interpretation 17 'Distributions of Non-cash Assets to Owners', AASB 2008-13 'Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners'	1 July 2009	30 June 2010
AASB Interpretation 18 'Transfers of Assets from Customers'	Applies to transfers of assets from customers received on or after 1 July 2009.	30 June 2010

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material financial impact on the financial statements of the Company or the consolidated entity.

These Standards and Interpretations will be first applied in the financial report of the consolidated entity that relates to the annual reporting period beginning after the effective date of each pronouncement.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by the consolidated entity.

(a) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the consolidated entity. Control exists when the consolidated entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account including rights dictated by various agreements. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the consolidated entity.

In the Company's financial statements, investments in subsidiaries are carried at cost less impairment provisions.

Minority interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the consolidated entity's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the consolidated entity except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Acquisitions from entities under common control

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the consolidated entity are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the consolidated entity's controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within the consolidated entity. Any cash paid for the acquisition is recognised directly to equity.

Associates and jointly controlled entities (equity accounted investees)

Associates are those entities in which the consolidated entity has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the consolidated entity holds between 20 and 50 percent of the voting power of another entity. Jointly controlled entities are those entities over whose activities the consolidated entity has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Associates and jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The consolidated entity's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the consolidated entity's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the consolidated entity, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the consolidated entity's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the consolidated entity has an obligation or has made payments on behalf of the investee.

In the Company's financial statements, investments in jointly controlled entities are carried at cost.

Jointly controlled operations and assets

The interest of the consolidated entity in unincorporated joint ventures and jointly controlled assets are brought to account by recognising in its financial statement the assets it controls, the liabilities that it incurs, the expenses it incurs and its share of income that it earns from the sale of goods or services by the joint venture.

Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the consolidated entity's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Gains and losses are recognised when the contributed assets are consumed or sold by the equity accounted investees or, if not consumed or sold by the equity accounted investee, when the consolidated entity's interest in such entities is disposed of.

(b) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the consolidated entity at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the foreign exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Australian dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars at exchange rates at the dates of the transactions. Foreign currency differences are recognised directly in equity.

Net investment in foreign operations

Foreign currency differences arising from the translation of the net investment in foreign operations are taken to the translation reserve. They are released into the income statement upon disposal.

(c) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent costs

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

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives in the current and comparative periods are as follows:

buildings	40 years
plant and equipment	3 - 20 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

For the year ended 30 June 2009

(d) Intangible assets

Exploration and evaluation expenditure

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

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
 - (a) The exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - (b) Exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.
 - (c) Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

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

Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then re-classified to development.

Amortisation is recognised in profit or loss on a unit of production basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

(e) Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individual significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in profit or loss.

Non-financial assets

The carrying amounts of the consolidated entity's non-financial assets, excluding deferred tax assets (see note j), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to reporting date.

Share-based payment transactions

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest.

(g) Provisions

A provision is recognised if, as a result of a past event, the consolidated entity has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. A community and environmental rehabilitation provision has been recognised which relates to the unspent portion of the approved Exploration Work Program at Acoje.

(h) Earnings per share

The consolidated entity presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(i) Revenue

Revenue from the royalty arrangement with DMCI Holdings Inc. is measured at the fair value of the consideration received or receivable. Revenue is recognised when the significant risks and reward of ownership have been transferred to the buyer.

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

(j) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rate that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they related to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

For the year ended 30 June 2009

(k) Segment reporting

A segment is a distinguishable component of the consolidated entity that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments. Segment information is presented in respect of the consolidated entity's business and geographical segments. The consolidated entity's primary format for segment reporting is based on geographical segments. The geographical segments are determined based on the consolidated entity's management and internal reporting structure.

(l) Goods and services tax

Revenue, 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 circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as a current asset or liability in the balance sheet.

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

(m) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, including cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

Cash and cash equivalents comprise cash balances and term deposits with a maturity of less than 3 months

Held-to-maturity investments

If the consolidated entity has the positive intention and ability to hold debt securities to maturity, then they are classified as held-to-maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method, less any impairment losses.

Financial assets at fair value through profit or loss

An instrument is classified as at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the consolidated entity manages such investments and makes purchase and sale decisions based on their fair value in accordance with the consolidated entity's documented risk management or investment strategy. Upon initial recognition attributable transaction costs are recognised in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through profit or loss'.

Derivative financial instruments

Compound financial instruments issued by the consolidated entity comprise options issued by the Company over ordinary shares exercisable in a foreign currency that can be converted at the option of the holder for a fixed amount of ordinary shares. Cash receivable from the future exercise of the options will vary based on changes in exchange rates. The consolidated entity is required to account for these instruments as a financial liability in accordance with AASB 132.

The liability component of a compound financial instrument is recognised initially at the fair value using an option pricing model. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at fair value, with changes in fair value of the liability component recognised in income.

4. Determination of fair values

A number of the consolidated entity's accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Share based payment transactions

The consolidated entity measures the cost of equity settled transactions with directors and employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Black Scholes model using the assumptions detailed in note 29.

Compound financial instruments

The consolidated entity measures the liability component of a compound financial instrument by reference to the fair value of the equity instrument at the date at which they are granted. The fair value is determined by using a Black Scholes model.

5. Segment information

The consolidated entity has two geographic segments, being Philippines and Australia and one business segment being mineral exploration activities.

Segment revenue

	Revenue		Interest income		Total	
	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$
Philippines	71,081	2,271,636	1,443	4,751	72,524	2,276,387
Australia	-	-	94,939	134,111	94,939	134,111
Consolidated					167,463	2,410,498

Segment result

	2009 \$	2008 \$
Philippines	(2,047,954)	8,150,281
Australia	(1,673,310)	(9,356,514)
Loss before financing costs	(3,721,264)	(1,206,233)
Net financing costs	980,389	(193,783)
Loss for the period	(2,740,875)	(1,400,016)

Segment assets and liabilities

	Assets		Liabilities	
	2009 \$	2008 \$	2009 \$	2008 \$
Philippines	16,554,226	11,698,940	4,432,706	2,247,312
Australia	2,655,615	6,194,137	124,461	466,697
Consolidated	19,219,841	17,893,337	4,557,167	2,714,009

For the year ended 30 June 2009

Impairment losses

	2009 \$	2008 \$
Philippines	(102,548)	(1,210,358)
Australia	-	-
Consolidated	(102,548)	(1,210,358)

Impairment losses reversed

	2009 \$	2008 \$
Philippines	1,509,777	-
Australia	-	-
Consolidated	1,509,777	-

Capital expenditure

	2009 \$	2008 \$
Philippines	4,911,726	7,300,463
Australia	7,118	4,111
Consolidated	4,918,844	7,304,574

6. Revenue

An analysis of the consolidated entity's revenue for the year, from continuing operations, is as follows:

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Profit distribution from joint venture operations	71,081	2,271,636	-	-
	71,081	2,271,636	-	-

7. Finance and other income

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Interest income on bank deposits	96,382	138,862	94,939	134,111
Gain on deconsolidation – refer to note 26	-	148,694	-	-
Change in fair value of derivatives (i)	243,394	2,745,288	243,394	2,745,288
Realised and unrealised foreign currency gains	888,963	-	888,963	-
	1,228,739	3,032,844	1,227,296	2,879,399

(i) In the 2008 financial year, the Company issued 9,540,889 options over the ordinary shares in the Company. They were issued as free attaching options to 9,540,889 shares issued for total consideration of \$3,752,959. The option exercise price was denominated in GBP and USD. The share and option package is a compound financial instrument. Accounting standards require the options to be classified as financial derivatives and accounted for in accordance with AASB 139 Financial Instruments: Recognition and Measurement (refer note 4)). The change in fair value of \$243,394 (2008:\$2,745,288) is the reduction in the fair value of the derivative financial instrument liability since grant date to 30 June 2009. At 30 June 2009, the fair value was nil (2008:\$243,394).

8. Loss for the year

Loss for the year has been derived after accounting for the following

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Employee benefit expense:				
Wages and salaries	1,499,661	1,269,151	428,689	523,680
Directors fees	150,000	135,326	150,000	135,326
Superannuation expense	45,647	47,783	45,647	47,783
Share based payments	521,764	769,821	521,764	769,821
Increase in liability for annual leave	10,972	7,440	10,972	7,440
	2,228,044	2,229,521	1,157,072	1,484,050
Finance costs:				
Interest expense	4,956	2,087	2,844	-
Net foreign exchange loss	-	191,696	-	179,871
	4,956	193,783	2,844	179,871

For the year ended 30 June 2009

9. Income taxes

Income tax recognised in profit or loss

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Tax expense comprises:				
Current tax expense	-	-	-	-
Deferred tax expense relating to the origination and reversal of temporary differences	-	-	-	-
Total tax expense	-	-	-	-

The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:

Loss from operations	2,915,687	1,400,016	4,200,310	9,356,514
Income tax benefit calculated at 30%	874,706	420,004	1,260,093	2,806,954
Effect of revenue that is non-assessable in determining taxable loss	73,018	823,724	73,018	823,724
Effect of expenses that are not deductible in determining taxable loss	(160,314)	(1,227,842)	(156,529)	(3,614,792)
Origination and reversal of temporary differences	2,139,380	-	(639,722)	-
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(2,926,790)	(15,886)	(536,860)	(15,886)
	-	-	-	-

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period.

Unrecognised deferred tax balances

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Deferred tax assets/(liabilities) recognised and un-recognised				
Temporary differences arising from accruals and provisions	353,356	387,009	9,591,856	(240,331)
Temporary differences arising from exploration activities	(4,445,408)	(2,881,002)	-	-
Australian tax losses – revenue	3,552,249	3,015,389	3,552,249	3,015,389
Australian tax losses – capital	171,743	171,743	171,743	171,743
Foreign tax losses - revenue	2,389,930	-	-	-
Un-recognised deferred tax assets	2,021,870	693,139	13,315,848	2,946,801

The Company has estimated unrecouped income tax losses of \$12,413,307 (2008: \$10,623,774) and unrecouped capital losses of \$572,477 (2008: \$572,477). Net deferred tax assets in relation to the losses have not been recognised by the consolidated entity on the basis that it is not probable that immediate future profits will be available against which the deductible temporary differences and tax losses can be utilised.

10. Trade and other receivables

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Other receivables and pre-payments	978,733	1,538,649	73,345	46,785
	978,733	1,538,649	73,345	46,785

11. Other current assets

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Sundry assets	-	131,400	-	131,400
	-	131,400	-	131,400

For the year ended 30 June 2009

12. Other financial assets

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Investments carried at cost:				
Non-current				
Investments in subsidiaries (refer note 24)	-	-	8,054,731	8,054,731
Provision for impairment	-	-	(8,054,731)	(8,054,731)
Investments in associates (refer note 24)	-	45,104	-	-
Investment in a jointly controlled entity (i) (refer note 24)	131,400	-	131,400	-
Provision for impairment (i)	(47,009)	-	(47,009)	-
Loans carried at amortised cost:				
Receivables due from subsidiaries (ii) (refer note 24)	-	-	23,867,976	20,406,928
Provision for impairment (ii)	-	-	(23,867,976)	(20,406,928)
Receivables due from associates (iii) (refer note 24)	38,800	1,213,361	-	-
Provision for impairment (refer note 24) (iv) (v)	(38,800)	(1,210,358)	-	-
Receivables due from jointly controlled entity (refer note 24)	54,425	-	-	-
Provision for impairment (iv)	(54,425)	-	-	-
Receivables due from related parties (refer note 30)	34,972	-	34,972	-
	119,363	48,107	119,463	-

- (i) On 7 November 2008, Fil-Euro Asia Nickel Corporation was incorporated. The Company holds a 50% equity interest with its joint venture partner, European Nickel Plc. For the year ended 30 June 2009 an impairment of \$47,009 (2008: nil) was recognised following a share of loss from the joint venture of \$299,405 (2008: nil).
- (ii) For the year ended 30 June 2009, impairment of \$3,461,048 (2008: \$9,546,017) was recognised against receivables due from subsidiaries. The impairment losses were incurred following an assessment of the recoverability of the loans in the context of the stage of development of the subsidiaries' assets. The ultimate recoupment of the value of investments in subsidiaries is dependant on successful development and commercial exploitation, or alternatively, sale, of the underlying mineral exploration properties.
- (iii) The consolidated entity holds a 20% investment in Zamnorth Holdings Corporation.
- (iv) For the year ended 30 June 2009, an impairment of \$102,548 was recognised following a share of loss from the joint venture and associates.
- (v) In 2008 an impairment of \$1,210,358 was recognised against receivables due from associates as impairment indicators were evident. During the current year the impairment was re-assessed and considered recoverable therefore, the prior year adjustment has been reversed \$1,509,777. The difference in amounts is due to foreign exchange rates.

13. Property, plant and equipment

Consolidated	Consolidated Plant and equipment \$	Company Plant and equipment \$
Gross carrying amount		
Balance at 1 July 2007	500,153	138,217
Additions	186,534	4,111
Balance at 30 June 2008	686,687	142,328
Additions	111,949	7,118
Balance at 30 June 2009	798,636	149,446
Accumulated depreciation/ amortisation and impairment		
Balance at 1 July 2007	165,023	59,714
Depreciation expense	142,757	38,708
Balance at 30 June 2008	307,780	98,422
Depreciation expense	183,092	35,942
Balance at 30 June 2009	490,872	134,364
Net book value		
As at 30 June 2008	378,907	43,906
As at 30 June 2009	307,764	15,082

14. Exploration, evaluation and development

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Exploration and evaluation expenditure				
Carrying amount at beginning of year	9,603,341	3,455,733	-	1,783,912
Capitalised during the year	2,313,022	6,176,614	-	-
Additions acquired through consolidation	2,829,815	-	-	-
Amortised as cost of sales	-	(29,006)	-	-
Effect of foreign exchange	171,284	-	-	-
Transferred to subsidiaries	-	-	-	(1,783,912)
	14,917,462	9,603,341	-	-

Development expenditure incurred by the joint venture entity for the trial heap leach pilot plant, part of the Definitive Feasibility Study has not been recognised by the consolidated entity due to the 'farm-in' arrangement with European Nickel, the providers of the technology, refer note 24.

The ultimate recoupment of costs carried forward in the exploration and evaluation phase is dependent on the successful development and commercial exploration on sale of the respective areas of interest.

For the year ended 30 June 2009

15. Trade and other payables

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Trade payables	115,936	179,852	50,409	102,849
Other trade payables and accrued expenses	396,792	189,070	28,982	85,695
Deferred income (i)	2,701,809	2,029,318	-	-
	3,214,537	2,398,240	79,391	188,544

(i) The deferred income represents funds received in advance pending completion of the part sale of an economic interest in a tenement.

16. Employee benefits

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Current				
Superannuation payable	1,367	2,311	-	-
Liability for PAYG tax	29,508	43,309	12,058	12,719
Liability for annual leave	38,243	26,755	33,013	22,041
	69,118	72,375	45,071	34,760

a) Defined contribution superannuation funds

The consolidated entity makes contributions to a defined contribution superannuation fund. The amount recognised as an expense was \$45,647 for the financial year ended 30 June 2009 (2008: \$47,783).

17. Provisions

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Community & environmental rehabilitation (i)	17,102	-	-	-
	17,102	-	-	-

(i) The provision for Community & Environmental Rehabilitation relates to the unspent portion of the approved Exploration Work Program at Acoje that is required to be spent on the Community and the Environment.

18. Loans and borrowings

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Non-current liabilities				
Bank loan - secured	10,842	-	-	-
Loan from joint venture partner - unsecured	1,245,569	-	-	-
	1,256,411	-	-	-

The secured bank loan is for the purchase of a motor vehicle, the loan is secured via a chattel mortgage. Interest on the secured bank loan is payable at 12.25% and the loan expires in September 2010. The loan from the joint venture partner is non-interest bearing and has no fixed repayment terms. It relates to an investment by European Nickel PLC in a subsidiary for the acquisition of shares in Zambales Chromite Mining Corporation, for which the conditions under which the shares will be issued have not yet been met.

19. Issued capital

	2009 \$		2008 \$	
245,202,715 fully paid ordinary shares (2008: 242,202,715)			57,369,493	56,877,493

	2009		2008	
	No.	\$	No.	\$
Fully paid ordinary shares				
Balance at beginning of financial year	242,202,715	56,877,493	186,122,471	47,203,488
Exercise of 3,000,000 unlisted options at 16.40 cents	3,000,000	492,000	-	-
Exercise of 38,623,418 listed options at 20 cents	-	-	38,623,418	7,650,522
Exercise of 837,000 options exercisable at 21.25 cents	-	-	837,000	177,863
5,882,352 fully paid ordinary shares (refer note 7(ii))	-	-	5,882,352	474,811
3,658,537 fully paid ordinary shares (refer note 7(ii))	-	-	3,658,537	289,466
6,458,937 fully paid ordinary shares at 35.84 cents	-	-	6,458,937	2,315,439
620,000 fully paid ordinary shares issued at 20 cents.	-	-	620,000	124,000
Share issue costs	-	-	-	(1,358,096)
Balance at end of financial year	245,202,715	57,369,493	242,202,715	56,877,493

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Share options on issue

Share options issued by the Company carry no rights to dividends and no voting rights.

As at 30 June 2009, the Company has 34,359,889 share options on issue (2008: 32,975,889) exercisable on a 1:1 basis for 34,359,889 shares (2008: 32,975,889) at various exercise prices. The options expire between 17/07/09 and 7/12/11. Further details of options granted to directors and employees are contained in note 29 to the financial statements.

For the year ended 30 June 2009

20. Reserves

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Foreign currency translation reserve	462,211	(884,564)	-	-
Equity-settled employee benefits reserve	3,870,632	4,051,144	3,870,632	4,051,144
	4,332,843	3,166,580	3,870,632	4,051,144

Exchange differences relating to the translation from the functional currencies of the consolidated entity's foreign controlled entities into Australian dollars are brought to account by entries made directly to the foreign currency translation reserve.

The equity-settled employee benefits reserve arises on the grant of share options to executives and senior employees under the employee share option plan. Amounts are transferred out of the reserve and into issued capital when the options are exercised. Further information about share-based payments to employees is made in note 29 to the financial statements.

21. Loss per share

Basic and diluted loss per share

Consolidated	
2009 Cents per share	2008 Cents per share
1.12	0.66

Basic and diluted loss per share

The loss and weighted average number of ordinary shares used in the calculation of basic and diluted loss per share are as follows:

	2009 \$	2008 \$
Net loss attributable to equity holders of the parent	2,740,875	1,398,816

	2009 No.	2008 No.
Weighted average number of ordinary shares for the purposes of basic and dilutive loss per share	244,857,510	210,707,736

The following potential ordinary shares are not dilutive and are therefore excluded from the weighted average number of ordinary shares for the purposes of diluted loss per share:

Unlisted options exercisable at:

	2009 No.	2008 No.
26 cents on or before 30 April 2010	1,000,000	-
20 cents on or before 28 August 2011	4,200,000	-
25 cents on or before 26 November 2011	1,700,000	-
10 cents on or before 7 December 2011	4,900,000	-
21 GBP pence on or before 17 July 2009	5,882,352	5,882,352
41 US cents on or before 17 July 2009	3,658,537	3,658,537
60 cents on or before 12 January 2011	734,000	2,200,000
26 cents on or before 17 March 2010	2,935,000	2,935,000
35 cents on or before 17 September 2009	750,000	750,000
20 cents on or before 30 October 2009	8,600,000	8,600,000
16.40 cents on or before 23 August 2008	-	3,000,000
20 cents on or before 7 December 2008	-	4,900,000
47 cents on or before 15 May 2009	-	1,050,000

Ordinary shares and potential ordinary share transactions occurring after reporting date

The following ordinary shares issued after the reporting date would have changed significantly the number of ordinary shares used in the calculation of the basic and diluted loss per share.

	2009 No.
Ordinary fully paid shares	36,760,800
Ordinary fully paid shares , subject to shareholder approval – refer note 32	21,000,000

For the year ended 30 June 2009

22. Commitments for expenditure

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Exploration expenditure				
In order to maintain current rights of tenure to exploration tenements, the consolidated entity is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various governments. These obligations are subject to periodic renegotiation. These obligations are not provided for in the financial report and are payable:				
Not longer than 1 year	640,549	406,297	-	-
Longer than 1 year and not longer than 5 years	2,429,704	1,571,760	-	-
Longer than 5 years	-	1,167,084	-	-
	<u>3,070,253</u>	<u>3,145,141</u>	<u>-</u>	<u>-</u>

Operating leases

Leasing arrangements

The operating lease rental represents lease of the office premises and 3 car bays in Perth for a period of 3 years expiring 1 December 2011, the lease of office premises and 4 car bays in Manila, Philippines for a period of 4 months expiring 31 October 2009 with an option to extend subject to mutual agreement, and office premises and a lay down yard in Santa Cruz, Philippines for a period of 18 months to 31 December 2010.

Lease payments in Perth are increased annually by approximately 4%. Lease payments in the Philippines are fixed. During the financial year ended 30 June 2009 \$86,422 was recognised in the income statement in respect of operating leases (2008: \$75,145).

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Non-cancellable operating lease commitments				
Not longer than 1 year	72,240	34,527	54,810	18,284
Longer than 1 year and not longer than 5 years	79,574	-	77,647	-
	<u>151,814</u>	<u>34,527</u>	<u>132,457</u>	<u>18,284</u>

23. Contingent liabilities and contingent assets

There were no contingent assets nor liabilities at the year-end

24. Subsidiaries

Name of entity	Country of incorporation	Ownership interest	
		2009 %	2008 %
Parent entity			
Rusina Mining NL	Australia	N/A	N/A
Subsidiaries			
Fil-Asian Strategic Resources & Properties Corporation	Philippines	100%	100%
Montemina Resources Corporation	Philippines	40%	-
Fil-Asia Strategic Investments and Holdings Corporation	Philippines	34.40%	40%
Zambales Diversified Metals Corporation	Philippines	40.64%	64%
Zambales Chromite Mining Corporation Inc.	Philippines	34.40%	40%
Mt. Lanat Metals Corporation	Philippines	64%	-
Barrier Mines Pty Ltd	Australia	100%	100%
Copper Mines and Metals (Namibia)	Australia	100%	100%
Crater Mining (Pty) Ltd	Namibia	100%	100%
Associates			
Zamnorth Holdings Corporation	Philippines	20%	-
Jointly controlled entities			
Fil-Euro Asia Nickel Corporation	Philippines	50%	-

Subsidiaries

On 11 August 2008, Montemina Resources Corporation ("MRC") was incorporated as a 100% owned Philippine entity primarily for the exploring and evaluation of mining resources in the Philippines. MRC is owned 40% by Fil-Asian Strategic Resources & Properties Corporation ("FASRPC") and 60% owned by Filipino shareholders, control is deemed as the Company has a loan and option agreement over the investment held by the Filipino shareholders.

In March 2009, a restructuring was completed enabling Fil-Asia Strategic Investments & Holdings Corporation ("FASIH") to rejoin the consolidated entity. 36% is owned via MRC and 20% through the jointly controlled entity, Fil-Euro Asia Nickel Corporation.

Zambales Diversified Metals Corporation ("ZDMC") holds the Heap Leach Trial Project which after the restructuring in March 2009 is jointly held by the joint venture entity, Fil-Euro Asia Nickel Corporation, diluting the consolidated entity's ownership in the entity.

Zambales Chromite Mining Corporation Inc ("ZCMCI") is 100% owned by FASIH. The restructuring in March 2009, increased the consolidated entity's effective interest in this entity enabling ZCMCI to rejoin the consolidated entity.

On 4 November 2008, Mt. Lanat Metals Corporation ("MLMC") was incorporated as a 64% owned Philippine entity primarily for the exploring and evaluation of mining resources in the Philippines. MLMC is owned 40% by FASRPC and 60% by MRC.

Associates

Zamnorth Holdings Corporation ("ZHC") was incorporated on 19 June 2009 as a 40% owned associate of the jointly held joint venture entity, Fil-Euro Asia Nickel Corporation for the purposes of holding certain mining tenements.

Fil-Asia Strategic Investments and Holdings Corporation ("FASIH") was incorporated during the year ended 30 June 2007 as a wholly-owned subsidiary of FASRPC. Although the Company only held 40% of FASIH, control would have been deemed in the prior period due to the loan and option agreement. However, during the year ended 30 June 2008, DMCI Mining acquired the shares from the major shareholder and the option agreement lapsed. Accordingly, the consolidated entity de-consolidated FASIH effective from 26 June 2008 and was accounted for as an associate.

For the year ended 30 June 2009

Jointly controlled entities

On 7 November 2008, FI-Euro Asia Nickel Corporation ("FEAN") was incorporated and is owned 50% by European Nickel PLC ("EN") and 50% by the Company.

EN through a shareholders agreement with the Company has agreed to commit a minimum of US\$2,500,000 and a maximum of US\$10,000,000 towards financing a bankable feasibility study in connection with the Acoje Deposit. For each US\$3,333,333 expended by EN on behalf of the Company or contributed to the Company in respect of the Acoje Deposit, EN's economic interest in the Acoje Deposit will increase by 10% and the Company's economic interest in the Acoje Deposit will decrease by 10% to reflect the contribution by EN to the project and the resulting dilution of the Company. During the year, US\$3,333,333 was expended by EN on behalf of the Company for the development of the trial heap leach pad and pilot plant as part of the Definitive Feasibility Study. The Company pursuant to the shareholders agreement transfer 12.5% of preferred shares in the joint venture entity, FEAN to EN.

25. Equity accounted investees

The consolidated entity's share of loss in its equity accounted investees for the year was \$23,719 (2008: \$1,198).

Summary financial information for equity accounted investees, not adjusted for the percentage ownership held by the consolidated entity:

Entity	Ownership	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Revenues	Expenses	Loss
2009										
FEAN (i)	50%	200,827	79,539	280,366	9,939	54,425	64,364	1,517	48,809	47,292
ZHC (ii)	20%	64,224	38,534	102,758	-	38,866	38,866	-	365	365
		265,051	118,073	383,124	9,939	93,291	103,230	1,517	48,174	47,657
2008										
ZCMCI (iii)	40%	58,191	-	58,191	-	3,003	3,003	350	3,344	2,994
		58,191	-	58,191	-	3,003	3,003	350	3,344	2,994

(i) FI-Asian Nickel Corporation ("FEAN") – joint venture

(ii) Zamnorth Holdings Corporation ("ZHC") – associate

(iii) Zambales Chromite Mining Corporation Inc. - associate

26. Acquisition and disposal of subsidiaries

Name of de-consolidated entity	Total Assets	Total Liabilities	Net Liabilities	Gain on deconsolidation
2008				
FI-Asian Strategic Investments and Holdings Corporation (i)	(1,096,609)	(1,216,493)	119,884	148,694

(i) The consolidated entity has consolidated FI-Asian Strategic Investment Corporation Inc (FASIHC) with effect from 7 April 2009, following the resumption of control of this entity. The provision for impairment previously recognised against the receivable to FASIHC by the consolidated entity was reversed prior to consolidation (\$1,509,777). The consolidated of FASIHC has not had a material effect on the consolidated entity's financial position or results for the year ended 30 June 2009.

27. Notes to the cash flow statement

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Cash and cash equivalents	1,691,909	3,744,719	1,253,215	3,524,092
Term deposits	1,204,610	2,448,214	1,204,610	2,448,214
	2,896,519	6,192,933	2,457,825	5,972,306

(b) De-consolidation of subsidiary

During the 2008 financial year, the consolidated entity de-consolidated Fil-Asia Strategic Investments and Holdings Corporation. The cash de-consolidated was \$155,718.

(c) Non-cash financing and investing activities

On 18 March 2008, the Company issued 750,000 unlisted options exercisable at 35 cents per share on or before 17 September 2009 with a fair value of \$59,550 for work done in relation to the introduction of a strategic partner to the Company.

On 10 April 2008, the Company issued 620,000 fully paid ordinary shares with a fair value of \$124,000 and 8,600,000 unlisted options exercisable at 20 cents per share on or before 30 October 2009 with a fair value of \$864,234 as a fee payable to the sub-underwriters of the listed option underwriting.

(d) Reconciliation of loss for the period to net cash flows from operating activities

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Loss for the year	(2,915,687)	(1,400,016)	(4,200,310)	(9,356,514)
Gain on de-consolidation	-	(148,694)	-	-
Loss on sale of assets	1,392	-	-	-
Depreciation and amortisation	183,092	171,763	35,942	38,708
Change in fair value of derivative	(243,394)	(2,745,288)	(243,394)	(2,745,288)
Share of loss from associates	23,719	1,198	-	-
Equity-settled share-based payments	521,764	769,821	521,764	769,821
Impairment of investment in associates	-	-	47,009	-
Impairment of loans to related entities	-	-	3,461,048	9,546,017
Impairment of loans to associates	102,548	1,210,358	-	-
Reversal of impairment of loans to associates	(1,509,777)	-	-	-
Unrealised foreign exchange (gain)/loss	(1,191,968)	144,277	(888,845)	144,277
Operating loss before changes in working capital and provisions	(5,028,311)	(1,996,581)	(1,266,786)	(1,602,979)
(Increase)/decrease in assets:				
Receivables	559,916	(1,043,305)	(26,561)	17,970
Exploration and evaluation expenditure	(2,313,022)	(6,173,663)	-	-
Increase/(decrease) in liabilities:				
Trade and other payables	594,469	19,122	(108,952)	(8,083)
Provisions and employee benefits	13,845	(29,473)	10,311	(35,503)
Net cash from operating activities	(6,173,103)	(9,223,900)	(1,391,988)	(1,628,595)

For the year ended 30 June 2009

28. Financial instruments

(a) Overview

The Company and the consolidated entity have exposure to the following risks from their use of financial instruments

- Credit risk
- Liquidity risk
- Currency risk
- Interest rate risk

Credit risk

Credit risk is the risk of financial loss to the Company or the consolidated entity if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the consolidated entity's trade receivables from its joint venture. For the Company it arises mainly from receivables due from subsidiaries.

At present, the consolidated entity derives royalty income from its entitlement to 50:50 share in the profits of the joint venture DSO operation with DMCI Mining Inc. DMCI Mining Inc. is a wholly owned subsidiary of DMCI Holdings Inc a Philippines listed company.

The consolidated entity has an adopted policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. Cash balances are held with major banks and the consolidated entity manages its exposure to sovereign risk by maintaining the majority of its cash in accounts with an Australian bank that has a credit rating of not less than AA as rated by Standards & Pools.

Exposure to credit risk

The carrying amount of the consolidated entity's financial assets represents the maximum credit exposure.

The consolidated entity's maximum exposure to credit risk at the reporting date was:

	Note	Carrying amount	
		2009	2008
Trade and other receivables	10	978,733	1,538,649
Cash and cash equivalents	27	2,896,519	6,192,933
		3,875,252	7,731,582

The receivables comprise a significant amount of \$479,361 (2008: \$1,190,948) from DMCI Holdings Inc.

Impairment losses

The aging of the consolidated entity's trade and other receivable at the reporting date was:

	Consolidated			
	Gross 2009	Impairment 2009	Gross 2008	Impairment 2008
Past due 0-30 days	-	-	347,701	-
Past due 31 – 120 days	1,081,281	102,548	2,401,306	1,210,358
	1,081,281	102,548	2,749,007	1,210,358

An impairment of \$59,868 (2008: \$nil) relates to a loan with the jointly controlled entity, Fil-Euro Asia Nickel Corporation. A further impairment of \$42,680 (2008: nil) relates to a loan with the associated entity, Zamnorth Holdings Corporation.

The 2008 impairment of \$1,210,358 relates to the inter-company loan with Fil-Asia Strategic Investments and Holdings Corporation which was retained after de-consolidation but has been reversed during the current financial year.

The ageing of the Company's trade and other receivable at the reporting date was:

	Company			
	Gross 2009	Impairment 2009	Gross 2008	Impairment 2008
Past due 0-30 days	73,345	-	46,785	-
Past 120 days	3,461,048	(3,461,048)	9,546,017	(9,546,017)
	3,534,393	(3,461,048)	9,592,802	(9,546,017)

The impairment amounts relate to the increase in amounts advanced to subsidiaries, for which recovery is ultimately dependent on successful commercial exploitation of mineral resources – see note 14.

Liquidity risk

Liquidity risk is the risk that the Company or the consolidated entity will not be able to meet its financial obligations as they fall due. The consolidated entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the consolidated entity's reputation.

Typically the consolidated entity ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 12 months, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted such as natural disasters

The following are the contractual maturities of financial liabilities:

CONSOLIDATED	Carrying amount \$	Contractual cash flows \$	6 months or less \$	6 to 12 months \$
2009				
Trade and other payables	3,214,537	(3,214,537)	(512,728)	(2,701,809)
Loans and borrowings (i)	1,256,411	(1,256,411)	-	-
(i) The loan from the joint venture partner is non-interest bearing and has no fixed repayment terms.				
2008				
Trade and other payables	2,398,240	(2,398,240)	(2,938,240)	-
COMPANY				
2009				
Trade and other payables	79,391	(79,391)	(79,391)	
2008				
Trade and other payables	188,544	(188,544)	(188,544)	

For the year ended 30 June 2009

Currency risk

Currency risk arises on financial instruments that are denominated in a foreign currency that is in a currency other than the functional currency in which they are measured.

The consolidated entity is primarily exposed to the risk of adverse movements in the Australian dollar compared to the Philippine Peso ("PHP") and the United States Dollar ("USD"). Most foreign currency denominated transactions are not so substantial as to give rise to a material risk to the consolidated entity. The most significant risk to the consolidated entity arises from the maintaining cash balances in these currencies.

The carrying amount of the consolidated entity's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

AUD	Assets		Liabilities	
	2009	2008	2009	2008
Philippine Peso (PHP)	1,338,777	2,095,599	3,144,277	2,247,312
US Dollars (USD)	1,237,390	3,378,138	-	2,494
British Pound (GBP)	-	-	14,421	4,997
Euro ("EUR")	-	-	16,511	-

The following significant exchange rates applied during the year:

AUD	Average rate		Reporting date spot rate	
	2009	2008	2009	2008
Philippine Peso (PHP)	35.3874	38.4615	38.9263	42.9184
US Dollars (USD)	0.7119	0.8942	0.8048	0.9605
British Pound (GBP)	0.4603	0.4460	0.4873	0.4813
Euro ("EUR")	0.5304	0.6079	0.5729	0.6091

Foreign currency sensitivity

A 10 percent strengthening of the Australian dollar against the following currencies at 30 June would have increased/ (decreased) equity and the loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2008.

	Consolidated		Company	
	Equity	Loss	Equity	Loss
30 June 2009				
Philippine Peso (PHP)	(180,550)	(204,862)	-	-
US Dollars (USD)	123,739	(123,739)	123,739	(123,739)
30 June 2008				
Philippine Peso (PHP)	(455,047)	(362,036)	-	-
US Dollars (USD)	337,814	(337,814)	337,814	(337,814)

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

Interest rate risk

At the reporting date the interest rate profile of the Company's and the consolidated entity's interest-bearing financial instruments were:

	Consolidated Carrying amount		Company Carrying amount	
	2009	2008	2009	2008
Variable rate instruments				
Financial assets	2,896,519	6,192,933	2,457,825	5,972,306
Loans and borrowings	(10,844)	-	-	-
Fixed rate instruments				
Loans and borrowings	1,245,569	-	-	-

A change of 100 basis points in interest rates would have decreased the consolidated entity's loss by \$28,856 (2008: \$61,929) and the Company's loss by \$24,578 (2008: \$59,723). Where interest rates decreased, there would be an equal and opposite impact on the profit.

Capital risk management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors capital and cash flow requirements and seeks to ensure sufficient cash is held to cover anticipated capital and operating expenditure at all times. Capital raisings have historically been undertaken as and when required.

Fair value of financial assets and liabilities

The fair values of financial assets and liabilities are determined as follows:

- The fair value of trade and other receivable are carried at amortised cost.
- Derivative liabilities are recognized at fair value.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximates their fair value.

Categories of financial instruments

	Consolidated		Company	
	2009	2008	2009	2008
Financial assets				
Cash and cash equivalents	2,896,519	6,192,933	2,457,825	5,972,306
Trade and other receivables	978,733	1,538,649	73,345	46,785
Investment in jointly controlled entity	84,491	-	84,491	-
Investments in associates	-	45,104	-	-
Loans and receivables	34,972	3,003	34,972	-
Financial liabilities				
Trade and other payables	3,214,534	2,398,240	79,391	188,544
Loan from joint venture partner	1,245,569	-	-	-
Bank loans - secured	10,844	-	-	-
Derivative liability	-	243,394	-	243,394

29. Share-based payments

Employee share options

The consolidated entity has an Employee Share Option Plan ("ESOP") for executives and employees of the consolidated entity. In accordance with the provisions of the ESOP, as approved by shareholders at a previous annual general meeting, executives and employees may be granted options at the discretion of the directors.

Each employee share option converts into one ordinary share of Rusina Mining NL on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is at the sole discretion of the directors subject to the total number of outstanding options being issued under the ESOP not exceeding 5% of the Company's issued capital at any one time.

The exercise price is calculated with reference to a formula contained within the rules governing the ESOP and which rewards employees against the extent of the Company's performance on the capital markets. Where appropriate the directors have established appropriate vesting conditions related to the employees employment to incentivise executives and employees to remain in the employ of the Company.

Options issued to directors are not issued under the ESOP but are subject to approval by shareholders and attach vesting conditions as appropriate.

Other share based payment arrangements

On 18 March 2008, the Company issued 750,000 unlisted options exercisable at 35 cents per share on or before 17 September 2009 for consideration of work done in relation to the introduction of a strategic partner to the Company.

On 10 April 2008, the Company issued 620,000 fully paid ordinary shares and 8,600,000 unlisted options exercisable at 20 cents per share on or before 30 October 2009 as a fee payable to the sub-underwriters of the listed option underwriting.

The fair value of these share-based payment arrangements was determined with regards to the market price of the shares and options issued.

Share based payment arrangements in existence during period

The following share-based payment arrangements were in existence during the current reporting periods:

Options series	Number	Grant date	Expiry date	Exercise price cents
Directors				
Issued 23 August 2006 (i)	3,000,000	23/08/06	23/08/08	16.40
Issued 27 November 2008 (ii)	4,200,000	27/11/08	28/8/11	20.00
Issued 27 November 2008 (iii)	1,700,000	27/11/08	26/11/11	25.00
Employee Incentive Option Plan				
Issued 8 December 2006 (iv)	4,900,000	08/12/06	07/12/08	20.00
Issued 16 May 2007 (v)	1,050,000	16/05/07	15/05/09	47.00
Issued 18 March 2008 (vi) (vii)	2,935,000	18/3/08	17/03/10	26.00
Issued 1 May 2008 (viii)	1,000,000	1/5/08	30/4/10	26.00
Issued 8 December 2008 (vi)	4,900,000	8/12/08	7/12/11	10.00
Adviser Options				
Issued 24 July 2007 (ix)	2,200,000	24/7/07	12/01/11	60.00
Issued 10 April 2008	8,600,000	28/3/08	30/10/09	20.00
Issued 18 March 2008 (x)	750,000	18/3/08	17/09/09	35.00

(i) Options vest in tranches of 1,000,000 when share price is 50%, 100% and 200% greater than the exercise price. These options were exercised on 12 August 2008.

(ii) Options vest in tranches of 1,400,000 when the share price is 33.33%, 66.66% and 100% greater than the exercise price.

(iii) Options vest in tranches of 850,000 when the share price is 50% and 100% greater than the exercise price.

(iv) These options expired on 7 December 2008

(v) These options expired on 15 May 2009

(vi) Options vest subject to various performance based vesting rights.

(vii) Subsequent to 2009 year-end, 465,000 of these options expired due to resignation/termination of certain employees.

(viii) Subsequent to 2009 year-end these options expired due to resignation/termination of certain employees.

(ix) Subsequent to 2008 year-end, 1,466,000 of these options expired due to termination of the contract with the advisor. Options vest in three tranches, first tranche of 734,000 not exercisable for 1 year, second tranche of 733,000 not exercisable for 2 years and subject to share price being \$1.00, third tranche not exercisable for 3 years and subject to the share price being \$1.50.

(x) Subsequent to 2009 year-end these options expired on 17 September 2009.

Options were priced using a Black Scholes pricing model. Expected volatility is based on the movement of the underlying share price around its average share price over the expected term of the option. The directors have determined the expected period of exercise to be similar to the option life based on historical experience.

Inputs into the model	Option series		
	Directors	Directors	Employees
Grant date	27 November 2008	27 November 2008	8 December 2008
Grant date share price (cents)	4.20	4.20	3.90
Exercise price (cents)	20.00	25.00	10.00
Expected volatility	98%	98%	98%
Expiry date	28 August 2011	26 November 2011	7 December 2011
Risk-free interest rate	3.75%	3.75%	3.64%
Fair value at grant date (cents) – Tranche 1	0.10	0.14	1.69
Fair value at grant date (cents) – Tranche 2	0.62	0.61	N/A
Fair value at grant date (cents) – Tranche 3	1.17	N/A	N/A

For the year ended 30 June 2009

The following reconciles the outstanding share options granted as share based payments at the beginning and end of the financial year:

	2009		2008	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Balance at beginning of the financial year	24,435,000	0.28	10,787,000	0.23
Granted during the financial year	10,800,000		16,485,000	
Forfeited during the financial year	-		-	
Exercised during the financial year	(3,000,000)		(837,000)	
Expired during the financial year	(6,366,000)		(2,000,000)	
Balance at end of the financial year	25,869,000	0.24	24,435,000	0.28

30. Related party transactions

(a) Equity interests in related parties

Equity interests in subsidiaries

Details of the percentage of ordinary shares held in subsidiaries are disclosed in note 24 to the financial statements.

Equity interests in associates and joint ventures

Details of interests in associates and joint ventures are disclosed in note 24 to the financial statements.

(b) Transactions with key management personnel

i. Key management personnel compensation

Details of key management personnel compensation are disclosed in Remuneration Report which forms part of the Directors' Report and has been audited.

	2009 \$	2008 \$
Short term employee benefits	933,355	833,799
Post employment benefits	36,910	40,590
Share based payments	113,634	194,197
	1,083,899	1,068,586

ii. Key management personnel equity holdings**Fully paid ordinary shares of Rusina Mining NL**

Name	Balance at 1 July 2008 No.	Purchased No.	Received on exercise of options No.	Balance at 30 June 2009 No.
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2009

GTH Getley	1,142,670	97,700	-	1,240,370
RGM Gregory	85,000	519,811	3,000,000	3,604,811
PN Fillis	20,000	-	-	20,000
AR Butler	-	-	-	-
TMS Hanlon	100,000	400,000	-	500,000

Name	Balance at 1 July 2007 No.	Purchased No.	Received on exercise of options No.	Balance at 30 June 2008 No.
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2008

GTH Getley	857,336	-	285,334	1,142,670
RGM Gregory	-	-	85,000	85,000
PN Fillis	20,000	-	-	20,000
AR Butler	-	-	-	-
TMS Hanlon	-	-	100,000	100,000

No shares were granted to key management personnel during the reporting period as compensation.

Share options of Rusina Mining NL

Name	Balance at 1 July 2008 No.	Granted as remuneration No.	Exercised No.	Net other change No.	Balance at 30 June 2009 No.	Vested during year No.	Vested and exercisable at 30 June 2009 No.
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2009

GTH Getley	-	-	-	-	-	-	-
RG Gregory	3,000,000	4,200,000	(3,000,000)	-	4,200,000	-	-
PN Fillis	-	850,000	-	-	850,000	-	-
AR Butler	-	850,000	-	-	850,000	-	-
TMS Hanlon	3,000,000	2,000,000	-	(2,000,000)	3,000,000	-	-

Name	Balance at 1 July 2007 No.	Granted as compensation No.	Exercised No.	Net other change No.	Balance at 30 June 2008 No.	Vested during year No.	Vested and exercisable at 30 June 2008 No.
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2008

GTH Getley	285,334	-	(285,334)	-	-	-	-
RG Gregory	3,085,000	-	(85,000)	-	3,000,000	-	3,000,000
TMS Hanlon	2,050,000	1,000,000	(100,000)	50,000	3,000,000	-	2,000,000

Net other changes represent options that expired or were forfeited during the year or on market acquisitions.

Further details of the employee share option plan and of share options granted during the 2009 and 2008 financial years are contained in note 29 to the financial statements.

For the year ended 30 June 2009

(c) Transactions with other related parties

Other related parties include:

- associates
- subsidiaries
- jointly controlled entities
- employees

Transactions between Rusina Mining NL and other related parties

The following balances arising from transactions between the Company and its other related parties are outstanding at reporting date:

- The fully provided for loan balance between the Company and Fil-Asian Strategic Resources & Properties Corporation at 30 June 2009 was \$16,700,877 (2008: \$13,239,828).
- The fully provided for loan balance between the Company and Crater Mining (Pty) Ltd at 30 June 2009 was \$102,850 (2008: \$102,850).
- The fully provided for loan balance between the Company and Copper Mines and Metals (Namibia) at 30 June 2009 was \$7,064,250 (2008: \$7,064,250).
- As at 30 June 2009, the Company has a loan with two Filipino employees of \$34,971 (2008: Nil).
- The loan balance between the Fil-Asian Strategic Resources & Properties Corporation and Fil-Asia Strategic Investment and Holdings Corporation at 30 June 2009 was \$738,877 (2008: \$1,236,868).
- A share of loss of \$299,405 (2008: nil) resulted from the Company's Direct Shipping Operation (DSO) with its joint venture partner, DMCI Mining Inc. During the year, UD\$3,333,333 was expended by EN on behalf of the Company for the development of the trial heap leach pad and pilot plant as part of the Definitive Feasibility Study. The Company pursuant to the shareholders agreement sold 12.5% of preferred shares in the joint venture entity, FEAN to EN. As at 30 June 2009, the Company has a loan with EN of \$1,256,411 (2008: nil).

All amounts advanced to or payable to related parties are unsecured, interest free and have no fixed repayment date.

31. Remuneration of auditors

	Consolidated		Company	
	2009 \$	2008 \$	2009 \$	2008 \$
Auditor of the parent entity				
Audit and review of the financial reports (KPMG Australia)	68,000	59,500	68,000	59,500
Audit and review of the financial reports (KPMG Philippines)	12,919	16,130	-	-
Preparation of the tax compliance and advisory services	65,651	33,344	65,651	33,344
	146,570	108,974	133,651	92,844

32. Subsequent events

1. On 3 July 2008, the Company announced that DMCI Mining would be suspending its direct ship ore operations due to low prevailing nickel prices and also provided an update on the Feasibility Study for the nickel heap leach project.
2. On 20 July 2009, the Company announced that 5,882,352 unquoted options exercisable at 21 pence and 3,658,537 unquoted options exercisable at 41 US cents had expired on 17 July 2009.
3. On 28 July 2009, the Company announced that 465,000 unquoted options exercisable at 26 cents issued pursuant to the 2006 Employee Share Option Plan had expired following the resignation/termination of certain employees.
4. On 11 September 2009, the Company announced that 1,000,000 unquoted options exercisable at 26 cents issued pursuant to the 2006 Employee Share Option Plan had expired following the resignation/termination of certain employees.
5. On 18 September 2009, the Company announced that 750,000 unquoted options exercisable at 35 cents had expired on 17 September 2009.
6. On 18 September 2009, the Company announced that 36,760,800 fully ordinary shares were issued and a further 21,000,000 will be issued, subject to shareholder approval at a General Meeting proposed to be held on 29 October 2009, via a placement at an issue price of 5.25 GBP pence (approximately AUD 10 cents) to raise AUD\$5,750,000.

Tenement Status 30 June 2009

Name	Tenement Number	Location	Area (Has.)	Commodity	Status	% Equity Rusina	% Equity Other
Acoje MPSA (transferred to ZDMC)	MPSA 191-2004-III	Zambales	3,765	Ni-Cr-Pt, etc.	Granted	60%	20% ENK 20% DMCI/Montemina
ZCMC MPSA	MPSA 005-91-III	Zambales	540	Ni-Cr-Pt, etc.	Granted	40%	40% ENK 20% DMCI/Montemina
FASRPC (Ex P&N east) (transferred to ZDMC)	AEP-III-07-05	Zambales	2,294	Ni-Cr-Pt, etc.	Application	60%	20% ENK 20% Montemina
FASRPC (Ex P&N south)	AEP-III-08-05	Zambales	4,477	Ni-Cr-Pt, etc.	Application	100%	20% ENK 20% Montemina
FASRPC Limestone (transferred to Montemina)	EXPA-000133-III	Zambales	239	Limestone	Application		100% Montemina
FASRPC	EXPA-000131-III	Zambales	860	Ni-Cr-Pt, etc.	Application	60%	20% ENK 20% Montemina
FASRPC (Ex Crau Masinloc) (transferred to Montemina)	MA-P-III-01-02	Zambales	1,072	Ni-Cr-Pt, etc.	Application		100% Montemina
Barlo (transferred to Montemina)	EP-005-01-I (for renewal)	Pangasinan	4,361	Copper-gold	EP for renewal		100% Montemina
Pan de Azucar FASRPC (Ex P&N)	EXPA 000032VI	Iloilo	621	Copper-gold	Application	100%	
Guimaras FASRPC (Ex P&N)	EXPA 000033VI	Guimaras	2,485	Copper-gold	Application	100%	
Abogado FASRPC	EXPA 000068XII	Sultan Kudarat	3,398	Copper-gold	Application	40%	60% DMCI
Abogado FASRPC	EXPA 000074XII	Sultan Kudarat	3,227	Copper-gold	Application	40%	60% DMCI
Sodaco	APSA 008-XII	South Cotabato	3,228	Copper-gold	Application	40%	60% DMCI

For the year ended 30 June 2009

ASX additional information as at 28 September 2009

Number of holders of equity securities

Ordinary share capital

281,963,515 fully paid ordinary shares are held by 2,507 individual shareholders.
All issued ordinary shares carry one vote per share.

Unlisted options

22,604,000 unlisted options are held by 24 individual optionholders.
Options do not carry a right to vote.

Distribution of holders of equity securities

1 – 1,000
1,001 – 5,000
5,001 – 10,000
10,001 – 100,000
100,001 and over

Holding less than a marketable parcel

	Fully paid ordinary shares	Unlisted Options
	198	-
	876	-
	407	-
	845	5
	181	19
	2,507	24
	1,004	

Substantial shareholders

Ordinary shareholders	Fully paid ordinary shares	
		Number
M&G Investment Funds		24,184,400
Ward Ferry Management (BVI) Limited		21,926,412

Twenty largest holders of quoted equity securities

Ordinary shareholders	Fully paid ordinary shares	
	Number	Percentage
COMPUTERSHARE CLEARING PTY LTD <CCNL DI A/C>	71,292,876	25.28
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	22,234,562	7.89
CITICORP NOMINEES PTY LIMITED	16,313,190	5.79
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,096,094	4.29
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	9,235,433	3.28
EUROPEAN NICKEL PLC	8,836,430	3.13
ANZ NOMINEES LIMITED <CASH INCOME A/C>	7,442,283	2.64
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 3	7,250,000	2.57
CRAU MINERAL RESOURCES CORP	6,458,937	2.29
VARGAS HOLDINGS PTY LTD <TUSCAN SUPER FUND A/C>	5,319,325	1.89
CITY NATURAL RESOURCES HIGH YIELD TRUST PLC	4,860,000	1.72
ZERO NOMINEES PTY LTD	3,300,000	1.17
DMCI HOLDINGS INC	3,048,781	1.08
MR ROBERT GORDON MATTHEWS GREGORY	3,000,000	1.06
EUROBOND TRADING LIMITED	2,891,348	1.03
NATIONAL NOMINEES LIMITED	2,517,184	0.89
EMD INVESTMENTS PTY LTD <EMD SUPER A/C>	2,250,000	0.80
MR JOSE LEVISTE JNR	2,095,000	0.74
MR DAVID DARE <D&J TRANSPORT PARTNERS A/C>	2,000,000	0.71
NATWEST SECURITIES LIMITED	2,000,000	0.71
Top 20 holders of ORDINARY FULLY PAID SHARES as at 28 Sep 2009	194,441,443	68.96

Company Secretary

Mark Hanlon

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