

2002 *Annual Report*



GOLDEN VALLEY
MINES LIMITED

ABN 98 008 905 388

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Auditors

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Perth Western Australia 6000

Bankers

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West Perth Western Australia 6005

Solicitors

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West Perth Western Australia 6005

Stock exchange

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Perth Western Australia 6000

Trading Code: GVM

Directors

Richard Linnell – Chairman
Morrice Cordiner
Peter Cordin
Simon Farrell
Tom Sanders

Company Secretary

Blair E Sergeant

Principal & registered office

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Share registry

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CHAIRMANS' *report*

“ Closing cash at bank as at 30 June 2002 was a healthy \$3.24 million compared to last years \$86,000.”

The Consolidated Entity comprising Golden Valley Mines Limited (“GVM”) and various subsidiaries within the group reported a net profit of \$330,200 for the year ended 30 June 2002. This primarily is a result of the Company’s decision to sell the majority of its holding in Canadian listed Thistle Mining, Inc at prices higher than their book value. In total, 5,365,500 shares in Thistle were sold, raising total net proceeds of \$2,283,826.

During the year the Company acquired Navigator Resources Ltd through the issue of 42,000,000 fully paid ordinary shares. In addition, the Company issued 42,200,000 shares at \$0.04 each which combined with a smaller capital raising during the first half of the year, realised a total of \$2,118,750.

The result of the above-mentioned transactions allowed the Company to initiate a significant exploration program in the East Kimberley (please refer to discussion below) and to pursue a number of corporate opportunities. The first outcome of these activities occurred post balance date with the acquisition of a controlling stake in the Johannesburg Stock Exchange listed company SA Minerals and Resources Corporation (“Samroc”). Details of this acquisition were announced on 19 September 2002.

Closing cash at bank as at 30 June 2002 was a healthy \$3.24 million compared to last years \$86,000. GVM is now well positioned for the future. The focus of the Company’s is to acquire assets in the mineral business that meet the following criteria:

1. The business currently generates positive cash flow;
2. The business is well established and uses conventional technology;
3. Revenues are predominantly US\$ based;
4. Management is sound;
5. Ongoing capital commitments are low;
6. The business has significant share of a concentrated market; and
7. The acquisition price represents modest earnings multiples.

GVM now has a clear vision.

The management and Board of GVM has significant global experience in

the development and management of resource companies. It will therefore concentrate on bringing together businesses that either mine or process minerals.

At the time of writing this report, negotiations were well advanced to acquire another South African mineral processing business that fully meets all the above criteria. Further businesses are being evaluated.

Our aim is to establish a Southern African group of resource related investments with the intent of creating an earnings base of R100 million (A\$20 million) within three years.

The Southern African market has been selected for this purpose as it is possible to secure earnings at lower price multiples than in most other developed markets. By creating a group of similar businesses with pre-tax earnings in excess of R100 million, it is believed the entity can be ultimately listed on the London Exchange at a higher capitalisation multiple than can be

achieved by the entities alone or in South Africa. Businesses that have a significant part of their revenues based in US\$ will be preferred to protect capital values against a declining Rand.

Much progress has been made this year and we look forward to an exciting 2003.



Richard Linnell
Chairman

Review of OPERATIONS

EXPLORATION

Overview

Exploration focused on the East Kimberley and Eastern Goldfields region of Western Australia.

EAST KIMBERLEY (WESTERN AUSTRALIA)

The recent exploration focus in the East Kimberley has been platinum group elements (PGM) at the Eastman project and gold at the Laura River project. This strategy has generated some very positive results. In particular:

- (i) Highlighted the potential for a bulk tonnage, medium grade PGM resource at the Eastman project.
- (ii) Multiple gold anomalies obtained at Laura River are regarded as very encouraging given the geological setting and proximity to the high-grade Nicholson's Find gold mine.

The Eastman and Laura River projects give GVM a key strategic ground position in the highly prospective Koongie Park Formation. The Koongie Park Formation is the main host to the regions copper-zinc-lead-gold (VMS) deposits, and also hosts the "new generation" high-grade gold discoveries in the Nicholson's Find area.

EASTMAN PROJECT – PGM, GOLD, VMS (100% GVM)

Eastman – Platinum Group Metals (100% GVM)

Introduction

Platinum group metals at Eastman are hosted by the Eastmans Bore layered intrusion, which has surface dimensions of 10kms x 1-2kms. The intrusion is unconformably overlain by younger sedimentary rocks to the east and is truncated by granite to the west. The western 4km of the intrusion, which has been traced under thin black soil cover using ground magnetics and one costean, is essentially unexplored.

PGM exploration at Eastman has been dormant for 12 years. Prior to that, several explorers located high grade (1.0 to 7.5g/t) PGMs hosted by several seams of chromite in the exposed 6km part of the intrusion. Follow-up investigations were variously limited by a fragmented ground position; a perception that PGMs were restricted to thin and discontinuous seams of chromite; or by presumed discontinuity arising from structural complexity.

These limitations have been variously removed, dispelled or reduced in impact:

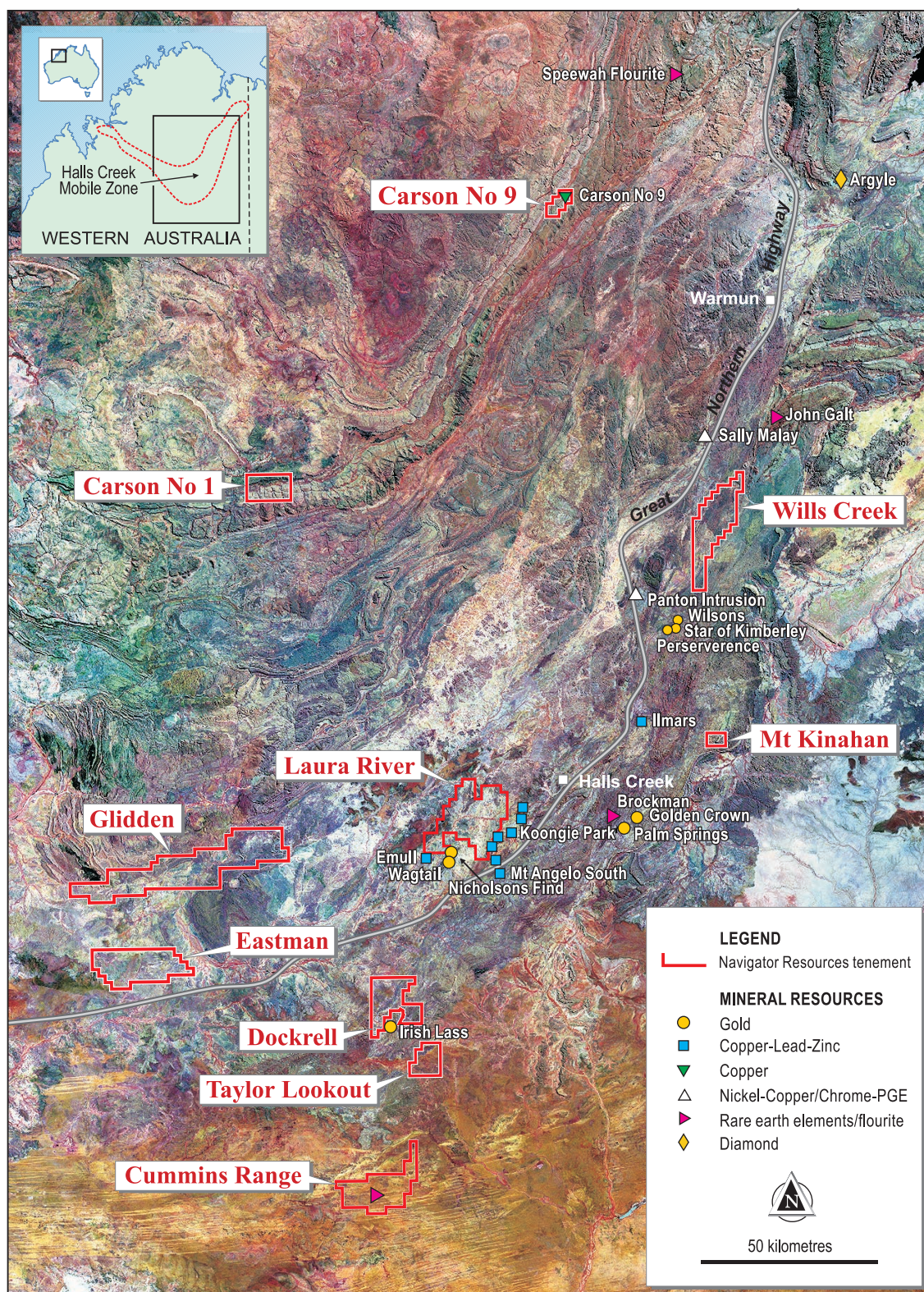
- (i) The current (227km²) ground position consolidates the Eastmans Bore layered intrusion into one holding for the first time in 27 years.
- (ii) Plus 1g/t PGM grades are now known to occur in ultramafic rocks, in addition to chromitite, often with no relationship with contained chromium;
- (iii) Soil, rock chip and trenching results all point towards continuity of mineralisation at grades;

- (iv) Some of the ultramafic-hosted mineralisation is shear-related, an aspect that can potentially "create" mineralisation as well as offset it.

Summary

- Soil sampling has outlined three parallel zones of strongly anomalous platinum, palladium and gold that extend over the exposed 6km strike length of the host intrusion.
- Rock chip sampling over this 6km strike length has returned multiple grades of 1.0 to 7.5g/t PGMs hosted by chromitite (up to 7.5g/t) and variably sheared ultramafic rocks (up to 2.1g/t).
- Detailed mapping, rock chip sampling and trench results from the Louisa prospect (strike length of 700m, in the central part of the intrusion) have outlined three parallel zones of plus g/t PGM (up to 6.3g/t) mineralisation. These zones are all open along strike, and trend into recently defined soil anomalies of similar or greater magnitude than the Louisa prospect.
- Close-spaced trenching of the northern zone at the Louisa prospect has established continuous mineralisation over a 540m strike length. Nine trenches returned a best interval of 5m grading 3.26g/t PGM+gold, with the 540m zone averaging 2.5g/t PGM+gold over a width 2.5m. Significantly, eight of the nine trenches terminated in mineralisation grading 1.0-4.5g/t PGMs, suggesting that the trenches did not expose the full width of PGM mineralisation.





GOLDEN VALLEY MINES LIMITED
 East Kimberley Landsat Image and Project Locations

- Drilling conducted by previous explorers, although very limited, indicates that surface enrichment is not an issue. The two effective diamond holes at the Louisa prospect targeted two separate areas of mineralisation within the southern zone, and was conducted prior to detailed mapping and trenching. The first hole intersected 1.3m @ 1.7g/t Pt+Pd, prior to being stopped out by a late intrusive 33m below a surface trench grading 3.6m @ 0.9g/t PGM (including 0.9 @ 1.2g/t PGM). The second hole intersected 0.5m @ 2.0g/t Pt+Pd, 17m below an isolated rock chip sample grading 1.8g/t Pt+Pd+Au.

- PGM mineralisation is hosted by both massive chromitite and variably sheared ultramafic rocks, often with no relationship with contained chromium.

Eastman – Copper, Zinc, Lead, Gold (100% GVM)

A detailed assessment of the copper-zinc-lead (VMS) and gold potential has commenced with the digital capture of previous exploration data.

The Eastman project includes two known VMS occurrences with significant drill intercepts, as well as several other known occurrences. Significant drill intercepts by previous explorers dating back to the 1970's and early 1980's

include: - 9.6m @ 2.7% Cu, 1.5% Zn and 1.5g/t Au at the Landrigan Creek prospect, and 16.8m @ 1.42% Cu, including 13.3m @ 2.1% Zn and 1.1% Pb at the Eastman Bore prospect.

The VMS potential is rated highly given the tendency for VMS deposits to occur in clusters, the unexplored nature of the western half of project, and the availability of more effective modern geophysical techniques.

Gold exploration is at an early stage. A large, multi-element stream sediment survey is planned for the coming field season.

LAURA RIVER PROJECT

Falconbridge and Anglo American can earn a 70% equity in nickel and PGM mineralisation, and/or a 50% interest in base metal mineralisation, within the western third of the project, following the expenditure of \$1,500,000.

Detailed aeromagnetics and a stream sediment survey were recently completed by GVM.

Laura River – Gold (GVM 100%)

The Laura River project is located within poorly exposed, deeply weathered terrain immediately north of the Nicholson's Find goldfield, and immediately west of the Koongie Park VMS deposits.

A 573 point multi-element stream survey (magnetic fraction, active channel) has outlined five strong, multi-point gold anomalies with peak values ranging from 43ppb to 132ppb gold (background 0.5ppb Au). These anomalies are similar in magnitude and geochemical signature (associated Bi, Cu, Pb) to that associated with the Nicholsons Find mine.

The gold anomalies obtained show a good spatial association with the Springvale, Nicholson and Lamboo Faults, which in turn have a good spatial association with known gold occurrences in the area.

A systematic appraisal of these anomalies is planned using soil sampling, mapping and drilling as required.

Laura River – Copper, Zinc, Lead (100% GVM)

Base metal results from the multi-element stream survey are still being assessed.

Laura River – Nickel, Copper, PGM (Falconbridge/Anglo American earning 70%)

The Falconbridge/Anglo American Joint Venture undertook an airborne electromagnetic (EM) survey and reconnaissance ground investigation of resultant anomalies earlier in the field season.

WILLS CREEK

Exploration by GVM focused on gold-copper mineralisation and consisted of an aeromagnetic survey, RC drilling and geological mapping. The Falconbridge/Anglo American Joint Venture, targeting Voisey's Bay style nickel sulphide mineralisation in mafic-ultramafic feeder intrusions, undertook an airborne electromagnetic (EM) survey and a reconnaissance ground investigation of resultant anomalies.

Wills Creek – Gold, Copper (100% GVM)

583m of RC drilling was undertaken targeting the more obvious gold-copper targets evident from previous exploration. Drilling encountered several zones of anomalous gold mineralisation, with a best drill intercept of 4m grading 0.8g/t gold from the Beta quartz reef system. Further gold-copper exploration at Wills Creek will await the completion of geological mapping, the synthesis of newly acquired aeromagnetic data, and additional geochemistry.

Wills Creek – Nickel, Copper, PGM (Falconbridge/Anglo American earning 70%)

Falconbridge and Anglo American can earn a 70% equity in nickel and PGM mineralisation, and/or a 50% interest in base metal mineralisation, within the western third of the project, following the cumulative expenditure of \$1,500,000 (\$900,000 on E80/2351 and/or \$600,000 on E80/2754).

An airborne EM survey by Falconbridge/Anglo American outlined four discrete EM anomalies. Following the completion of a reconnaissance ground evaluation of the anomalies, Falconbridge and Anglo American have prioritised follow-up ground EM over the northern EM anomaly on E80/2754. Drilling is planned pending results and following tenement grant. This is likely to delay drilling until the 2003 field season.

GLIDDEN

Gold, Copper (100% GVM)

Field work at the Glidden project consisted of geological mapping, reverse circulation ("RC") drilling and an aeromagnetic survey.

A total of 242m of RC drilling (4 holes) was completed at the Taylor River prospect to test the eastern strike extensions of a wide zone of copper-gold mineralisation exposed in a creek bed. Drilling was limited to a 40m strike length and tested two separate zones of mineralisation exposed on the east bank. The drilling returned a best intercept of 1m grading 0.3g/t gold and 1.94% copper, with mineralisation possibly offset by faulting. These results are regarded as preliminary.

RC drilling planned for the Hardman prospect has now been rescheduled for the 2003 field season and will focus on wide diamond drill intercepts of primary gold-copper mineralisation obtained by Newmont in the late 1960's.

EASTERN GOLDFIELDS (WESTERN AUSTRALIA)

Kanowna West – Gold (26.6% GVM)

Aircore and RAB drilling of prospective gold anomalies by joint venture partner Perilya Ltd returned significant gold mineralisation from the Debernales and Beatty prospects. Best intercepts at Debernales were 2m @ 12.0g/t Au, 1m @ 19.6g/t Au and 3m @ 6.71g/t Au. Best intercepts from the Beatty prospect were 3m @ 104g/t Au and 2m @ 205g/t Au associated with an interpreted north-striking fault zone. A separate RAB intercept of 17m @ 1.39g/t Au, at the western extremity of the northern traverse in this area, also requires follow-up drilling. Additional exploration at Debernales and Beatty is planned.

Other

No work was undertaken at the Lake Cowan and Morley Find prospects. The Company disposed of its 20% interest in the Radio Leases.

CUMMINS RANGE – Gold (100% GVM)

Preliminary exploration at Cummins Range consisted of a detailed aeromagnetic survey and reconnaissance ground investigation. A preliminary evaluation will be completed in the 2003 field season.

INDONESIA

The Company completed the process of withdrawing from active exploration in the Indonesian region in the September quarter. As a consequence, all relevant security deposits were returned in full.

TENEMENTS HELD BY CONTROLLED ENTITIES

Project Name	Tenement Number	Interest	Project Name	Tenement Number	Interest
EAST KIMBERLEY			EASTERN GOLDFIELDS		
Glidden	E80/2359	100%	Kanowna West	ML27/13	24.7%
	E80/2548	100%		ML 27/47	24.7%
	E80/2549	100%		ML27/59	24.7%
Wills Creek	E80/2351	100%		ML27/73	24.7%
	ELA80/2754	100%		ML27/113	24.7%
Laura River	E80/2523	100%		ML27/132	24.7%
	E80/2552	100%		ML27/181	24.7%
	E80/2610	100%		ML27/196	24.7%
Dockrell	E80/2556	100%		PL27/1158-1162	24.7%
				PL27/1164, 1165	24.7%
Taylor Lookout	E80/2557	100%		PL27/1169-1175	24.7%
				PL27/1113,1114	24.7%
Carson	E80/2518	100%		GML27/1770	24.7%
	E80/2553	100%		GML27/1816	24.7%
Cummins Range	E80/2232	100%		ML27/206-208	24.7%
	E80/2725	100%		ML27/224-227	24.7%
Mt Kinahan	E80/2527	100%		MLA26/535	24.7%
Eastman	ELA80/2936	100%	Morley Find		
			ELA30/150		
			Lake Cowan		
			ELA63/649		
			Abbotshall Royalty		
			ML63/409-410		
			Kookynie Royalty		
			ML40/061		
			ML40/135, 136		

CORPORATE Governance

This statement outlines the main Corporate Governance practices that were adopted by the Board during the year ended 30 June 2002.

COMPOSITION OF THE BOARD

The Board of Directors consists of a Chairman, Technical Director, Executive Director and 2 Non-executive Directors. The Directors consider the size of the Board is consistent with the size of the Consolidated Entity and is adequate to ensure significant issues are dealt with at Board level. The composition of the Board is monitored to ensure it has the appropriate mix of expertise and experience.

RESPONSIBILITIES OF THE BOARD

The Board of Directors is responsible for the direction and management of the Consolidated Entity's business on behalf of the shareholders. Responsibility for the day to day operations and administration is delegated by the Board. The Board's functions include:

- setting goals, strategies and plans for the Consolidated Entity's business
- adopting and monitoring the progress of these strategic plans
- adopting an annual budget and monitoring the Consolidated Entity's financial performance
- ensuring adequate internal controls exist
- ensuring significant business risks are identified and appropriately managed
- appointing and reviewing the performance of senior management

SIGNIFICANT BUSINESS RISKS

The Consolidated Entity is committed to the management of risks throughout its operations to protect its employees, the environment, assets and reputation. The Board maintains an ongoing review of areas of significant risk and

implements appropriate policies to reduce and minimise risks. Such policies include insurance to reduce the financial impact of adverse events.

REMUNERATION

The role of the Board includes determining remuneration packages and policies applicable to senior executives and Directors themselves. This role also includes responsibility for share option schemes, incentive performance packages, superannuation entitlements, retirement and termination entitlements, fringe benefits policies and professional indemnity and liability insurance policies. Further details of Directors' remuneration, superannuation and retirement payments are set out in the Directors' Report and Note 20 to the financial statements.

INDEPENDENT PROFESSIONAL ADVICE

Each Director has the right to seek independent professional advice at the Consolidated Entity's expense. Prior approval of the Chairman is required, which is not to be unreasonably withheld.

AUDIT COMMITTEE

The Company does not have a formally constituted Audit Committee. All matters that are capable of delegation to such a committee are dealt with by the full Board. The Board is responsible for reviewing the adequacy of the scope and quality of the annual statutory audit and half year review. The Board is responsible for the nomination of external auditors.

ETHICAL STANDARDS

All Directors are expected to act with the utmost integrity and objectivity in the performance of their duties, striving

at all times to enhance the reputation and performance of the Company.

INTERNAL CONTROL FRAMEWORK

The Board acknowledges that it is responsible for the overall internal control framework but recognises that no cost effective internal control system will preclude all errors and irregularities. The system is based on procedures, policies and guidelines, division of responsibility, internal review mechanisms and the careful selection and training of qualified personnel.

EMPLOYEE OPTION SCHEME

The Company operates an incentive scheme known as the Golden Valley Mines Limited Employee Option Scheme ("Scheme"). No options have been granted under this Scheme. There are no voting rights attached to options granted under the Scheme. The exercise price for the options will be the higher of 20 cents or 110% of the market price of the Company's shares on the date the options are granted. Under the Scheme, the total number of options granted is limited to 5% of the total number of shares of the Company at the time of the proposed grant of options. Options granted under the Scheme may be exercised at any time between 2 and 5 years after the date they are granted.

DIRECTORS' report

The Directors submit their report together with the financial report of Golden Valley Mines Limited (the "Company") and the **consolidated accounts** of the Company and its controlled entities (the "Consolidated Entity") for the year ended 30 June 2002 and the **Auditors' Report** thereon.

DIRECTORS

The names of Directors in office at the date of this report are:

Richard Linnell

Non-Executive Chairman

Mr Linnell was appointed a director on 1 August 2001. Mr Linnell is an experienced geologist, who has worked with various companies which now form part of the BHP Billiton group, culminating in running the Samancor Manganese operations and Billiton's exploration and development activities in Africa. Mr Linnell is currently a non-executive director of Billiton SA Ltd, where he provides consultancy services in the field of public policy and political issues. Mr Linnell has been instrumental acting on behalf of Billiton in the establishment of the Bakubung Initiative, which is a multi-stakeholder project designed to rejuvenate the South African mining industry.

Simon Farrell

Executive Director

Mr Farrell was appointed a Director on 21 December 2000. Mr Farrell has a Bachelor of Commerce from the University of Western Australia and an MBA from the Wharton School of the University of Pennsylvania. He has held a number of senior management and Board positions, principally in the resources sector over the last twenty years. He is currently a Director of Kenmare Resources plc.

Morrice Cordiner

Non-Executive Director

Mr Cordiner was appointed a director on 12 October 1999. Mr Cordiner is an experienced corporate executive who has worked in Australia since 1989. He has broad financial, corporate and commercial experience gained undertaking various corporate advisory and project management assignments for a variety of organisations. He was formerly an executive director of Waverley Mining Australia, a funds management group which specialised in investing in the Australian resources sector.

Peter Cordin

Non-Executive Director

Mr Cordin has been a Director since December 1997. Mr Cordin is a Bachelor of Engineering from the University of Western Australia and is well experienced in the evaluation, development and operation of resource projects within Australia and overseas. He is the Managing Director of Moneo Metals Limited.

Tom Sanders

Technical Director – appointed 15 February 2002

Mr Sanders graduated from the University of Sydney in 1977 with a Bachelor of Science in Geology, and obtained a Master of Science in Mineral Economics from the Curtin University of Technology/WA School of Mines following part time studies in 1996. He has 23 years experience in exploration and mining geology including exploration and evaluation, feasibility studies, and surface and underground mining. He is a member of the Australian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Company Directors.

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2002 and the number of meetings attended by each Director:

Director	Board Meetings	
	Held	Attended
Mr P Cordin	5	5
Mr M Cordiner	5	5
Mr R Linnell	5	5
Mr S Farrell	5	5
Mr T Sanders	2	2

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Entity are minerals exploration and investment in resource companies.

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

RESULTS

The consolidated profit of the Consolidated Entity for the year after income tax was \$330,200 (2001: Loss-\$3,057,405).

DIVIDENDS PAID OR RECOMMENDED

No amounts were paid or declared by way of dividend by the Company. The Directors do not recommend payment of a dividend in respect of the financial year ended 30 June 2002.

REVIEW OF OPERATIONS

During the year the operations of the Consolidated Entity included exploration in Australia and Indonesia, and investment in a resource company in Canada.

CORPORATE

Acquisition of Navigator Resources Ltd

The Company completed the acquisition of Navigator Resources Ltd on 15 February 2002, through the issue of 42,000,000 fully paid ordinary shares. Further, the Company also issued 42,200,000 shares at \$0.04 each pursuant to a prospectus dated 3 January 2002, raising \$1,688,000. During the first half of the year, the Company completed capital raisings of \$430,750.

Disposal of holding in Thistle Mining, Inc. ("THT")

During the course of the year, the Company disposed of a total of 5,365,500 shares in THT for the total net consideration of \$2,283,826.

EXPLORATION

East Kimberley (Western Australia) (GVM 100%)

GVM exploration during the year included:

- Initial RC drilling (825m) of gold-copper targets at the Glidden and Wills Creek projects,
- Airborne aeromagnetic surveys at the Wills Creek, Glidden, Laura River and Cummins Range projects, and
- Geological mapping and/or reconnaissance geochemistry at the Wills Creek, Glidden and Cummins Range projects.

GVM's focus is currently gold at the Laura River project, and platinum group elements at the Eastman project. The results of initial RC drilling of gold-copper targets at the Glidden and Wills Creek projects were outlined in the September 2002 quarter report, and although preliminary (especially in the

case of Glidden) were disappointing. However, the nickel-copper-platinum group element potential at Wills Creek and Laura River increased significantly following airborne Electromagnetic (EM) Surveys conducted by joint venture partners Falconbridge and Anglo American (described below).

GVM strengthened its position in the region through the addition of the highly prospective Eastman project to its portfolio. The Eastman project, located 20kms south of the Glidden project, gives GVM strategic dominance of the highly prospective Koongie Park Formation, and incorporates significant occurrences of platinum group elements and copper-zinc-lead-gold (VMS) mineralisation, in addition to structurally controlled gold mineralisation.

Falconbridge-Anglo American Joint Venture

GVM announced results from two airborne Electromagnetic (EM) Surveys covering portions of the Wills Creek and Laura River Projects in the East Kimberley, Western Australia on 12 March 2002. Joint venture partners Anglo American and Falconbridge, outlined several sub-surface electrical conductors that may reflect conductive massive nickel-copper sulphides at each project. Joint venture operator Anglo American plan follow-up ground EM and drilling as soon as practicable.

Eastern Goldfields (Western Australia)

Knowna West, WA (26.6% Golden Valley Mines Ltd)

Aircore and RAB drilling of prospective gold anomalies by joint venture partner Perilya Ltd returned significant gold mineralisation from the Debernales and Beatty prospects. These results were announced on 26 April 2002. Best intercepts at Debernales were 2m @ 12.0g/t Au, 1m @ 19.6g/t Au and 3m @ 6.71g/t Au. Best intercepts from the Beatty prospect were 3m @ 104g/t Au and 2m @ 205g/t Au associated with an interpreted north-striking fault zone. A separate RAB intercept of 17m @ 1.39g/t Au, at the western extremity of

the northern traverse in this area, also requires follow-up drilling. Additional exploration at Debernales and Beatty is planned following a review of the project by Perilya Ltd.

OTHER

No work was undertaken at the Lake Cowan and Morley Find prospects. The Company disposed of its 20% interest in the Radio Leases in the March quarter.

INDONESIA

The Company completed the process of withdrawing from active exploration in the Indonesian region in the September quarter. As a consequence, all relevant security deposits were returned in full and no significant work was undertaken.

LIKELY DEVELOPMENTS

The Consolidated Entity will continue its exploration activities in Australia and pursue investment opportunities both within and outside the mining and exploration industry in the forthcoming year.

It has been resolved to divest the Company of its interest in Navigator Resources Limited by way of a pro-rata offer of all shares held in the capital of Navigator Resources to shareholders of the Company. The pro-rata distribution will be effected by way of a proposed capital reduction and distribution in specie of the Company's shareholding in Navigator Resources. In the opinion of the Directors, disclosure of further information on likely developments in operations and expected results would be prejudicial to the interests of the Consolidated Entity.

CHANGES IN STATE OF AFFAIRS

Significant changes in the state of affairs of the Consolidated Entity during the financial year were as follows:

- On the 6 August 2001 the Company issued of 625,000 ordinary shares as consideration for professional services provided by Mr Hamish Campbell. These shares were issued at a price of 4 cents each;

- On the 28 December 2001 the Company issued 11,950,000 ordinary shares and free accompanying 5,975,000 options exercisable at 10 cents each on or before 30 September 2005. Of these shares, 9,450,000 were issued at a price of 3.5 cents each and 2,500,000 were issued at a price of 4 cents each. Total net proceeds raised from this issue amounted to \$381,213;
- On the 15 February 2002 the Company acquired 100% of the issued capital of Navigator Resources Ltd for the consideration of 42,000,000 fully paid ordinary shares. Conditions precedent to the acquisition included the issue of 1,875,000 shares to reimburse Mr Tom Sanders for exploration expenditure previously incurred and the issue of 2,050,000 shares, together with 1,025,000 free attaching options exercisable at 10 cents each on or before 30 September 2005 to satisfy creditors amounting to \$82,000;
- On the 15 February 2002, the Company issued 42,200,000 shares at an issue price of 4 cents each, together with 21,100,000 options exercisable at 10 cents each on or before 30 September 2005 pursuant to a prospectus dated 3 January 2002, raising a total of \$1,688,000.

In the opinion of the Directors, other than that stated above, there were no significant changes in the state of affairs of the Consolidated Entity that occurred during the financial year under review.

EVENTS SUBSEQUENT TO BALANCE DATE

On the 15 August 2002, the Company announced its intention to acquire a 35% interest in South African Mineral Resources Corporation Ltd (SAMROC). The first instalment payable as part of this acquisition was completed and announced on 19 September 2002.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

ENVIRONMENTAL REGULATION

The Consolidated Entity's operations are not subject to any significant environmental regulations under either Commonwealth, State or Indonesian legislation. However, the Board believes that the Consolidated Entity has adequate systems in place for the management of its environmental regulations and is not aware of any breach of those environmental requirements as they apply to the Consolidated Entity.

DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS

The Board is responsible for establishing remuneration packages applicable to the Board members of the Company. The policy adopted by the board is to ensure that remuneration properly reflects an individual's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest calibre.

Directors' remuneration packages are also assessed in the light of the condition of markets within which the Company operates, the Company's financial condition and the individual's contribution to the achievement of corporate objectives.

	Base emolument \$	Consulting fees \$	Super contributions \$	Options issued \$	Insurance premium \$	Total \$
The Company and consolidated entity						
<i>Directors</i>						
Mr P Cordin	16,500	12,000	1,440	504	3,131	33,575
Mr M Cordiner	23,750	5,750	1,560	504	3,131	34,695
Mr S Farrell	42,500	-	4,240	1,511	3,131	51,382
Mr T Sanders	-	59,851	-	-	-	59,851
Mr R Linnell	-	-	-	3,527	3,131	6,658

The cost of providing Directors' and Officers' insurance has been allocated across directors and is disclosed as a non-cash benefit.

The estimated value of options issued disclosed above is calculated at the date of grant using the Black Scholes model.

Options granted to Mr Tom Sanders as detailed below were not part of his remuneration package but were as a result of the Company's acquisition of Navigator Resources Ltd.

Details of options issued to directors and executives of the Company and Consolidated Entity during the year are set out below:

Director	Number	Exercise price	Expiry date
Richard Linnell	7,000,000	\$0.10	30 September 2005
Simon Farrell	3,000,000	\$0.10	30 September 2005
Morrice Cordiner	1,000,000	\$0.10	30 September 2005
Peter Cordin	1,000,000	\$0.10	30 September 2005
Tom Sanders	837,500	\$0.10	30 September 2005
Tom Sanders	750,000	\$0.20	30 September 2006

SHARE OPTIONS

No options were issued pursuant to the Golden Valley Mines Employee Option Plan during the year.

The names of all persons who currently hold options granted under the Employee Option Plan are entered into a register kept by the Company pursuant to Section 216C of the Corporations Act 2001 and the register may be inspected free of charge.

The following options remain outstanding at the date of this report:

	Number	Exercise price	Expiry date
Employee Option Plan	100,000	\$0.37	18 November 2002
Employee Option Plan	615,000	\$0.20	24 December 2002
Listed Options	41,460,000	\$0.10	30 September 2005
Unlisted Options	750,000	\$0.20	30 September 2006

These options do not entitle the holder to participate in any share issue of any other body corporate. No shares have been issued by virtue of the exercise of an option during the year or to the date of this report.

During the financial year, a total of 500,000 Employee options exercisable on or before 1 July 2002 and 20,253,303 listed options exercisable on or before 30 June 2002 automatically lapsed.

DIRECTORS' INTERESTS

The relevant interest of each Director of the Company in shares and options of the Company at the date of this report is:

Director	Shares	Options
R Linnell	-	7,000,000
M Cordiner	-	1,000,000
S Farrell	2,025,000	3,000,000
P Cordin	544,593	1,000,000
T Sanders	14,137,500	1,587,500

DIRECTORS' INSURANCES

During the financial year the Company paid insurance premiums of \$12,526 in respect of directors' and officers' liability and legal expense insurance contracts, for current directors and secretaries of the Company and its controlled entities.

The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a willful breach of duty or improper use of information or position to gain a personal advantage.

Signed on this 27th day of September 2002 in accordance with a resolution of the Directors.



Simon Farrell

Director

Statements of financial PERFORMANCE

as at 30 June 2002

	Note	Consolidated Entity		Company	
		2002	2001	2002	2001
		\$	\$	\$	\$
Revenue	3	2,397,306	2,514,649	1,905,439	2,264,649
Consulting expenses		(155,039)	(102,968)	(130,098)	(102,968)
Employee expenses		(168,590)	(64,387)	(162,737)	(64,387)
Borrowing costs		(4,712)	(74,874)	(4,712)	(74,874)
Depreciation and amortisation expenses		(46,546)	(43,658)	(39,695)	(41,579)
Exploration and development expenses		(215,034)	(479,222)	(33,248)	(479,222)
Capitalised exploration written off		-	(258,753)	-	-
Decrease/(increase) diminution in value of investments		(260,750)	(1,692,410)	(89,782)	(1,168,531)
Carrying value of Thistle investment disposed of		(959,214)	(2,406,285)	(730,394)	(2,406,285)
Carrying value of property, plant and equipment disposed of		(516)	(70,606)	(516)	(70,606)
Diminution in value of controlled entities		-	-	-	(514,827)
Other expenses from ordinary activities		(256,705)	(378,891)	(384,057)	(398,775)
Profit/(Loss) from ordinary activities before income tax (expense)/benefit	4	330,200	(3,057,405)	330,200	(3,057,405)
Income tax relating to ordinary activities	5	-	-	-	-
Profit/(Loss) from ordinary activities after related income tax (expense)/benefit	16	330,200	(3,057,405)	330,200	(3,057,405)
Basic earnings/(loss) per share (in cents)	6	0.24	(3.23)		

The accompanying notes form part of these financial statements

Statements of financial POSITION

as at 30 June 2002

		Consolidated Entity		Company	
	Note	2002	2001	2002	2001
		\$	\$	\$	\$
CURRENT ASSETS					
Cash assets	23(a)	3,248,267	86,148	3,086,225	39,350
Receivables	8	49,914	3,609	7,371	23,809
Other financial assets	9	135,729	1,356,637	17,191	829,014
TOTAL CURRENT ASSETS		3,433,910	1,446,394	3,110,787	892,173
NON CURRENT ASSETS					
Receivables	8	7,603	-	5,063,059	3,863,286
Other financial assets	9	142,032	30,000	1,983,481	191,449
Property, plant and equipment	10	145,971	54,419	111,239	43,654
Exploration expenditure	11	1,905,590	-	-	-
TOTAL NON CURRENT ASSETS		2,201,196	84,419	7,157,779	4,098,389
TOTAL ASSETS		5,635,106	1,530,813	10,268,566	4,990,562
CURRENT LIABILITIES					
Payables	12	106,727	129,811	41,032	129,811
Provisions	13	630	1,978	130	1,978
TOTAL CURRENT LIABILITIES		107,357	131,789	41,162	131,789
NON CURRENT LIABILITIES					
Payables	12	-	-	4,699,655	3,459,749
Provisions	13	-	57,060	-	57,060
TOTAL NON CURRENT LIABILITIES		-	57,060	4,699,655	3,516,809
TOTAL LIABILITIES		107,357	188,849	4,740,817	3,648,598
NET ASSETS		5,527,749	1,341,964	5,527,749	1,341,964
EQUITY					
Contributed equity	14	33,951,148	30,095,563	33,951,148	30,095,563
Reserves	15	136,445	136,445	136,445	136,445
Accumulated losses	16	(28,559,844)	(28,890,044)	(28,559,844)	(28,890,044)
TOTAL EQUITY		5,527,749	1,341,964	5,527,749	1,341,964

The accompanying notes form part of these financial statements

Statements of CASH FLOWS

for the year ended 30 June 2002

	Note	Consolidated Entity		Company	
		2002	2001	2002	2001
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Interest received		37,438	9,973	28,385	9,973
Cash receipts in the course of operations		47,738	33,773	18,302	12,874
Capital gains tax refunded		-	26,131	-	26,131
Interest paid		(4,712)	-	(4,712)	-
Payments to suppliers and employees		(701,320)	(587,633)	(537,342)	(581,242)
Payments for exploration and development		(215,034)	(479,222)	(33,248)	(479,222)
Net cash used in operating activities	23(b)	(835,890)	(996,978)	(528,615)	(1,011,486)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for property, plant and equipment		(138,614)	-	(107,796)	-
Proceeds from the sale of property, plant and equipment		1,244	11,816	1,244	11,816
Proceeds from sale of equity investments		2,283,826	2,157,166	1,306,962	2,157,166
Payments for equity investments		(142,032)	-	(142,032)	-
Loans made to other entities		-	-	-	(2,074)
Repayment of loans to other entities		-	(2,351,443)	-	(2,351,443)
Proceed from sale of mining tenements		-	250,000	-	-
Security deposit refunded		-	63,715	-	63,715
Mineral tenement bond refunded		-	46,793	-	-
Loans received/repaid by other entities		-	187,239	-	187,239
Net cash provided by investing activities		2,004,424	365,286	1,058,378	66,419
CASH FLOWS FROM FINANCING ACTIVITIES					
Loans from controlled entities		-	-	1,023,657	266,582
Loans to controlled entities		-	-	(529,565)	-
Loans repaid by controlled entities		-	30,011	29,435	30,011
Proceeds from issue of shares and options		2,118,750	520,000	2,118,750	520,000
Transaction costs from issue of shares		(125,165)	-	(125,165)	-
Net cash provided by financing activities		1,993,585	550,011	2,517,112	816,593
Net increase/(decrease) in cash held		3,162,119	(81,681)	3,046,875	(128,474)
Cash at beginning of financial year		86,148	167,829	39,350	167,824
Cash at end of financial year	23(a)	3,248,267	86,148	3,086,225	39,350

The accompanying notes form part of these financial statements

Notes to the FINANCIAL STATEMENTS

for the year ended 30 June 2002

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or fair values of non-current assets.

These accounting policies have been consistently applied by each entity in the Consolidated Entity and, except where there is a change in accounting policy, are consistent with those of the previous year.

(b) Principles of consolidation

Controlled entities

The financial statements of controlled entities results are included from the date control commences until the date control ceases.

Outside interests in the equity and results of the entities that are controlled by the Company are shown as a separate item in the consolidated financial statements.

Transactions eliminated on consolidation

The balances, and effects of transactions, between controlled entities included in the consolidated financial statements have been eliminated.

(c) Revenue recognition

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax ("GST"). Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Interest revenue

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

Sale of non-current assets

The gross proceeds of non-current asset sales are included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

(d) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the

amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the item 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 ATO is included as a current asset or liability in the statement of financial position.

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

(e) Cash assets

For the purposes of the Statement of Cashflows, cash includes deposits which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis, net of outstanding bank overdrafts.

(f) Property, plant and equipment

Property, plant and equipment are brought to account at cost less, where applicable, accumulated depreciation. The cost of all property, plant and equipment is depreciated over their estimated useful lives commencing from the time the assets are held ready for use.

(g) Acquisition of assets

All assets acquired including property, plant and equipment and intangibles other than goodwill are initially recorded at their cost of acquisition at the date of the acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition. When equity instruments are issued as consideration, their market price at the date of the acquisition is used as fair value except where the notional price at which they could be placed in the market is a better indication of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity subject to the extent of proceeds received, otherwise expended.

(h) Depreciation and amortisation

Items of plant and equipment, are depreciated/amortised using the reducing balance method over their estimated useful lives as follows:

The depreciation and amortisation rates used for each class of assets are as follows:

	Range - 2002	Range - 2001
Furniture, fittings and office equipment	13% - 27%	13% - 27%
Motor vehicle	20% - 33%	20% - 33%
Exploration equipment	13% - 27%	13% - 27%

(i) Recoverable amount of non-current assets valued on cost basis

The carrying amounts of non-current assets valued on the cost basis, are reviewed to determine whether they are in excess of recoverable amount at balance date, except capitalised exploration expenditure. If the carrying amount of a non-current asset exceeds its recoverable amount, the asset is written down to the lower amount. The write-down is recognised as an expense in the net profit or loss in the reporting period in which it occurs.

Where a group of assets working together supports the generation of cash inflows, recoverable amount is assessed in relation to that group of assets.

In assessing recoverable amounts of non-current assets the relevant cash flows have not been discounted to their present value, except where specifically stated.

(j) Income tax

The Consolidated Entity adopts the income statement liability method of tax effect accounting.

Income tax expense is calculated on operating profit adjusted for permanent differences between taxable and accounting income. The tax effect of timing differences, which arise from items being brought to account in different periods for income tax and accounting purposes, is carried forward in the statement of financial positions as a future income tax benefit or a provision for deferred income tax.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits relating to entities with tax losses are only brought to account when their realisation is virtually certain. The tax effect of capital losses is not recorded unless realisation is virtually certain.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Consolidated Entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by legislation.

(k) Leases

Operating leases

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

(l) Exploration and evaluation expenditure

Exploration and evaluation expenditure represents acquisition costs and direct net exploration costs incurred together with an appropriate portion of related overhead

expenditure. This expenditure is carried forward in respect of each separate area of interest for which rights of tenure are current only where such costs are expected to be recouped through successful development and economic exploitation of the area of interest.

All expenditure relating to activities in areas which have not yet reached a level which permits an assessment of the existence or otherwise of economically recoverable reserves is expensed as incurred (see also Note 3(a)) except that in the case of the acquisition of exploration tenements, these assets are brought to account in the statement of financial position in accordance with Urgent Issues Group Abstract 10.

(m) Investments

Investments are brought to account at cost or at recoverable amount. The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount at balance date. The recoverable amount is assessed on the basis of current market value, underlying net assets in the particular entities or the expected net cashflows from the investments. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts, except where stated. Dividends are brought to account in the statement of financial performance when received except for dividends from controlled entities which are brought to account when they are proposed by the controlled entity.

(n) Employee entitlements

Wages, salaries, annual leave and sick leave

Provision is made for the Company's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year are measured at the present value of the estimated future cash outflows to be made for those entitlements.

Superannuation commitments

The Company makes contributions to employee superannuation plans based on various percentages of employees' gross income. The Company contributions are legally enforceable to the extent of the superannuation guarantee legislation and the specific terms of individual employee contracts.

(o) Receivables

Amounts receivable from third parties are carried at amounts due. The recoverability of the debts are assessed at balance date and specific provision is made for any doubtful accounts.

(p) Foreign currency

Foreign currency transactions are translated to Australian currency at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are translated at the rates of exchange ruling on that date.

Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account as exchange rate gains or losses in the statement of financial performance in the financial year in which the exchange rates change.

(q) Accounts payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company or consolidated equity. Trade accounts payable are normally settled within 45 days.

2. CHANGES IN ACCOUNTING POLICY

(a) Earnings per share

The consolidated entity has applied the revised AASB 1027 Earnings per Share (issued June 2001) for the first time 1 July 2001.

Basic and diluted earnings per share ("EPS") for the comparative period ended 30 June 2001 has been adjusted so that the basis for the calculation used is consistent with that of the current period.

Basic earnings per share

Basic EPS earnings are now calculated as net profit or loss rather than excluding extraordinary items.

Diluted earnings per share

Diluted earnings per share are now calculated by only adjusting the basic EPS earnings for the after tax effect of financing costs and the effect of conversion to ordinary shares associated with dilutive potential ordinary shares, rather than including the notional earnings on the funds that would have been received by the entity had the potential ordinary shares been converted.

The diluted EPS weighted average number of shares now includes the weighted average number of shares assumed to be issued for no consideration in relation to dilutive potential ordinary shares, rather than the total number of dilutive potential ordinary shares. The consolidated entity has not disclosed diluted earnings per share, as it has no dilutive potential ordinary shares.

The identification of dilutive potential ordinary shares is now based on net profit or loss from continuing ordinary operations, not net profit or loss before extraordinary items and is applied on a cumulative basis, taking into account the incremental earnings and incremental number of shares for each series of potential ordinary share.

(b) Segment reporting

The consolidated entity has applied the revised AASB 1005 Segment Reporting (issued in August 2000) for the first time from 1 July 2001. Individual geographical segments have been identified on the basis of grouping material profits/losses by the geographical segment in which they were derived. The geographical segments identified are Australia and Canada.

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
3. REVENUE				
Revenue from operating activities				
Interest income	37,438	35,763	28,385	35,763
Other revenue	47,738	33,773	18,302	12,847
Capital gains tax refund	-	26,131	-	26,131
Revenue from outside operating activities				
Proceeds from sale of tenements	27,060	250,000	27,060	-
Proceeds from sale of equity investments	2,283,826	2,157,166	1,306,962	2,157,166
Reversal of provision for diminution in controlled entities	-	-	523,486	-
Proceeds from sale of property, plant and equipment	1,244	11,816	1,244	11,816
Total revenue from ordinary activities	2,397,306	2,514,649	1,905,439	2,264,649

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
4. PROFIT (LOSS) FROM ORDINARY ACTIVITIES BEFORE INCOME TAX BENEFIT				
(a) Profit/(Loss) from ordinary activities before income tax benefit has been arrived at after charging/(crediting) the following items:				
Depreciation of:				
– exploration equipment	637	-	-	-
– furniture, fitting and office equipment	40,693	30,860	34,479	28,780
– mining plant	59	12,565	59	12,565
Amortisation of:				
– leasehold improvement	5,157	233	5,157	233
	46,546	43,658	39,695	41,578
Profit/(loss) on sale of property plant and equipment	728	(39,158)	728	(39,158)
Net foreign exchange gain/(loss)	77	(16,436)	108	(23,074)
Amount set aside to/(reversed from) provisions for:				
– employee entitlements	1,347	(534)	1,848	(534)
Exploration expenditure incurred	215,034	479,222	33,248	479,222
Exploration expenditure written off	-	258,753	-	-
Operating lease expenses	26,425	-	4,435	-
(b) Individually significant items included in profit/(loss) from ordinary activities before income tax				
Profit/(loss) on disposal of equity investments	1,324,612	(249,119)	576,568	(249,119)
Profit/(loss) on disposal of tenements	27,060	(250,000)	27,060	(250,000)
Provision for diminution in value of Investments	(260,750)	1,692,410	(89,782)	1,168,531
Reversal of prior year diminution	-	-	(208,800)	-
Provision for diminution in value of Investments – controlled entities	-	-	-	514,827
Reversal of provision for doubtful receivable – controlled entities	-	-	523,546	-

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
5. TAXATION				
(a) The prima facie tax on profit/(loss) from ordinary activities is reconciled to the income tax provided for in the accounts as follows:				
Prima facie tax expense/(benefit) on profit/loss from ordinary activities before income tax at 30% (2001: 34%)	112,268	(1,039,518)	112,268	(1,039,518)
Add/(less) tax effect of:				
Non deductible items	3,028	4,083	3,028	4,083
Capitalised expenditure written off	-	87,976	-	-
Profit/(loss) on sale of tenement	8,118	85,000	8,118	-
Capital (gain) on sale of shares	(397,383)	-	(172,970)	-
Provision for diminution in value	78,225	575,419	89,575	572,342
Recovery of provision for diminution in value	-	-	(157,046)	-
	(195,744)	(287,040)	(117,027)	(463,093)
Future income tax benefit not brought to account	195,744	287,040	117,027	463,093
Income tax benefit attributable to loss from ordinary activities	-	-	-	-
(b) Future income tax benefits at 30% not brought to account, the benefit of which will be realised only if the conditions for deductibility set out in Note 1(j) occur.				
Revenue and capital losses	3,891,278	3,695,534	3,244,777	3,127,750

The potential future income tax benefit will only be obtained if:

- the relevant company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised, or the benefit can be utilised by another company in the consolidated entity in accordance with Division 170 of the Income Tax Assessment Act 1997;
- the relevant company and/or the consolidated entity continues to comply with the conditions for deductibility imposed by the law; and
- no changes in tax legislation adversely affect the relevant company and/or the consolidated entity in realising the benefits.

	Consolidated Entity	
	2002	2001
	\$	\$
6. EARNINGS/(LOSS) PER SHARE		
Basic profit/(loss) per share (cents per share)	0.24	(3.23)
Weighted average number of ordinary shares used as the denominator	141,626,304	94,532,673

As at 30 June 2002, there were 43,425,000 (2001: 21,468,303) options outstanding over unissued capital exercisable at amounts ranging between \$0.10 and \$0.37 each substantially below market price.

There are no dilutive potential ordinary shares therefore diluted EPS has not been calculated or disclosed.

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
7. AUDITORS' REMUNERATION				
Amounts received or due and receivable by the auditors of the Company for				
– auditing the accounts	16,093	15,000	16,093	15,000
– other services	10,290	-	10,290	-
	26,383	15,000	26,383	15,000
8. RECEIVABLES				
CURRENT				
Receivable – controlled entities	-	-	-	19,000
Other debtors	49,914	3,609	7,371	4,809
	49,914	3,609	7,371	23,809
NON CURRENT				
Other debtors	7,603	-	-	-
Amounts receivable from controlled entities	-	-	5,661,609	4,985,321
Provision for doubtful receivables	-	-	(598,550)	(1,122,035)
	7,603	-	5,063,059	3,863,286

Amounts receivable from controlled entities are interest free, unsecured and with no fixed term for repayment.

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
9. OTHER FINANCIAL ASSETS				
CURRENT				
Prepayments	17,191	-	17,191	-
Investments:				
Shares in other corporations listed on a stock exchange at cost	289,532	7,486,809	-	3,501,526
Provision for diminution in value	(170,994)	(6,130,172)	-	(2,672,512)
	135,729	1,356,637	17,191	829,014
NON CURRENT				
Mineral tenement bonds	-	30,000	-	30,000
Investments:				
Shares in other corporations listed on a stock exchange at cost	142,032	-	142,032	-
Provision for diminution in value	-	-	-	-
	142,032	-	142,032	-
Shares in controlled entities at cost	-	-	9,842,204	8,162,204
Provision for diminution in value	-	-	(8,000,755)	(8,000,755)
	-	-	1,841,449	161,449
	142,032	30,000	1,983,481	191,449
Market value of investments listed on a stock exchange as at 30 June 2002				
– shares in other corporations	260,570	1,356,637	149,140	829,015

Mineral tenement bonds comprise bank guarantees relating to a rehabilitation bond on the Radio leases secured by a cash deposit with the provider.

10. PROPERTY, PLANT & EQUIPMENT

Furniture, fittings and office equipment at cost	294,246	306,234	111,705	143,160
Less: Accumulated depreciation	(236,722)	(251,979)	(78,198)	(99,670)
	57,524	54,255	33,507	43,490
Mining plant at cost	361,330	361,330	361,330	361,330
Less: Accumulated depreciation	(361,225)	(361,166)	(361,225)	(361,166)
	105	164	105	164
Leasehold Improvements at cost	82,784	-	82,784	-
Less: Accumulated amortisation	(5,157)	-	(5,157)	-
	77,627	-	77,627	-
Exploration equipment at cost	11,352	-	-	-
Less: Accumulated depreciation	(637)	-	-	-
	10,715	-	-	-
Total property, plant & equipment	145,971	54,419	111,239	43,654

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
10. PROPERTY, PLANT & EQUIPMENT (continued)				
Reconciliation's of the carrying amount of each class of property, plant and equipment are set out below:				
Leasehold improvements				
Carrying amount at the beginning of the year	-	2,518	-	2,518
Amortisation	(5,157)	(233)	(5,157)	(233)
Additions	82,784	-	82,784	-
Disposals	-	(2,285)	-	(2,285)
Carrying amount at end of year	77,627	-	77,627	-
FURNITURE, FITTING AND OFFICE EQUIPMENT				
Carrying amount at the beginning of the year	54,255	99,617	43,490	86,772
Depreciation	(40,693)	(30,860)	(34,479)	(28,780)
Additions	44,478	-	25,012	-
Disposals	(516)	(14,502)	(516)	(14,502)
Carrying amount at end of year	57,524	54,255	33,507	43,490
MINING PLANT				
Carrying amount at the beginning of the year	164	66,654	164	66,654
Depreciation	(59)	(12,565)	(59)	(12,565)
Disposals	-	(53,925)	-	(53,925)
Carrying amount at end of year	105	164	105	164
EXPLORATION EQUIPMENT AT COST				
Carrying amount at the beginning of the year	-	-	-	-
Depreciation	(637)	-	-	-
Additions	11,352	-	-	-
Disposals	-	-	-	-
Carrying amount at end of year	10,715	-	-	-
11. EXPLORATION EXPENDITURE EXPENDITURE PAYABLES				
Capitalised exploration expenditure	1,905,590	-	-	-

The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective areas.

Note	Consolidated Entity		Company	
	2002 \$	2001 \$	2002 \$	2001 \$
12. PAYABLES				
CURRENT				
Sundry creditors and accruals	97,556	120,640	31,861	120,640
Other	9,171	9,171	9,171	9,171
	106,727	129,811	41,032	129,811
NON CURRENT				
Payables – controlled entities	-	-	4,699,655	3,459,749

Amounts owing to controlled entities are interest free, unsecured and with no fixed term for repayment.

13. PROVISIONS

CURRENT				
Employee entitlements	630	1,978	130	1,978
Number of employees				
Number of employees at year end	1	2	1	2
NON CURRENT				
Rehabilitation and restoration costs	-	57,060	-	57,060

14. CONTRIBUTED EQUITY

(a) Issued and paid up capital				
203,151,509 ordinary fully paid shares (2001: 102,451,509 ordinary fully paid shares)	33,951,148	30,095,563	33,951,148	30,095,563
	2002 Number	2001 \$	2002 Number	2001 \$
(b) Movements in contributed equity				
Opening Balance	102,451,509	30,095,563	86,951,509	29,475,563
Conversion of \$100,000 debt to equity at 4 cents per share	-	-	2,500,000	100,000
Capital raising of \$520,000 for working capital at 4.0 cents per share	-	-	13,000,000	520,000
Issue of shares at 4.0 cents each in consideration for professional services rendered	625,000	25,000	-	-
Capital raising of \$330,750 for working capital at 3.5 cents per share	9,450,000	330,750	-	-
Capital raising of \$100,000 for working capital at 4.0 cents per share	2,500,000	100,000	-	-

	2002 Number	2001 \$	2002 Number	2001 \$
(b) Movements in contributed equity (continued)				
Acquisition of Navigator Resources Limited by the issue of shares at 3.5 cents each (recorded at fair value of 4 cents)	42,000,000	1,680,000	-	-
Capital raising of \$1,688,000 for working capital at 4 cents per share	42,200,000	1,688,000	-	-
Issue of shares at 4.0 cents each in consideration for services rendered	1,875,000	75,000	-	-
Conversion of \$82,000 debt to equity at 4 cents per share	2,050,000	82,000	-	-
Capital raising costs incurred	-	(125,165)	-	-
	203,151,509	33,951,148	102,451,509	30,095,563

(c) Terms and conditions

Holders of ordinary share are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders meetings.

In the event of winding up of the Company ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

(d) Options

Unissued ordinary shares of the Company under option at balance date are:

Expiry Date	Exercise Price	2002 Number	2001 Number
30 June 2002	0.20	-	20,253,303
1 July 2002	0.37	500,000	500,000
18 November 2002	0.37	100,000	100,000
24 December 2003	0.20	615,000	615,000
30 September 2005	0.10	41,460,000	-
30 September 2006	0.20	750,000	-
		43,425,000	21,468,303

	Consolidated Entity		Company	
	2002 \$	2001 \$	2002 \$	2001 \$
15. RESERVES				
Capital profits reserve	136,445	136,445	136,445	136,445

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
16. ACCUMULATED LOSSES				
Accumulated losses at the beginning of the financial year	(28,890,044)	(25,832,639)	(28,890,044)	(25,832,639)
Net profit/(loss)	330,200	(3,057,405)	330,200	(3,057,405)
Accumulated losses at the end of the financial year	(28,559,844)	(28,890,044)	(28,559,844)	(28,890,044)

17. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

(a) Interest rate risk exposures

The Consolidated Entity's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and liabilities is set out below:

2002	Note	Fixed interest maturing in:				Total	Weighted average interest rate
		Floating interest rate	1 year or less	Over 1-5 years	Non-interest bearing		
		\$	\$	\$	\$	\$	%
Financial assets							
Cash	23(a)	1,248,062	2,000,000	-	205	3,248,267	3.75
Receivables	8	-	-	-	57,517	57,517	
Investments	9	-	-	-	260,570	260,570	
		1,248,062	2,000,000	-	318,292	3,566,354	

Financial liabilities							
Payables	12	-	-	-	106,727	106,727	
Employee entitlements	13	-	-	-	630	630	
	-	-	-	107,357	107,357		

2002	Note	Fixed interest maturing in:				Total	Weighted average interest rate
		Floating interest rate	1 year or less	Over 1-5 years	Non-interest bearing		
		\$	\$	\$	\$	\$	%
Financial assets							
Cash assets	23(a)	39,150	-	-	205	39,355	4.75
Receivables	8	-	-	-	3,609	3,609	-
Investments	9	-	-	-	1,356,637	1,356,637	-
Other	9	-	-	-	76,793	76,793	-
		39,150	-	-	1,437,244	1,476,394	

Financial liabilities							
Payables	12	-	-	-	129,811	129,811	-
Employee entitlements	13	-	-	-	1,978	1,978	-
		-	-	-	131,789	131,789	

(b) Credit risk exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on financial assets, excluding investments, of the Consolidated Entity which have been recognised on the statement of financial position, is the carrying amount, net of any provision for doubtful debts.

(c) Net fair values of financial assets and liabilities

Valuation approach

Net fair values of financial assets and liabilities are determined by the Consolidated Entity on the following bases:

Listed shares included in “Other financial assets” are traded in an organised financial market. The net fair values of listed shares are determined by as the last quoted sale price of the security as at balance date.

Monetary financial assets and financial liabilities not readily traded in an organised financial market are determined by valuing them at the present value of contractual future cash flows on amounts due from counterparties (reduced for expected credit losses) or due to suppliers where appropriate. Cash flows are discounted using standard valuation techniques at the applicable market yield having regard to the timing of the cash flows. The carrying amounts of bank term deposits, accounts receivable and accounts payable approximate net fair value.

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
18. COMMITMENTS				
Non-cancellable operating lease expense commitments				
Future operating lease rentals not provided for in the financial statements and payable:				
Within one year	134,550	-	-	-
After one year but no later than five years	489,138	-	-	-
	623,688	-	-	-

The Consolidated Entity leases property under non-cancellable operating leases expiring in 5 years time.

Leases generally provide the Consolidated Entity with a right of renewal at which time all terms are renegotiated.

The Consolidated Entity has sub-leases in place with unrelated parties reducing its exposure by approximately \$60,000 per annum.

Contractual commitments

The Consolidated Entity has certain obligations imposed by the Government and other contractual commitments to perform minimum exploration work and expend minimum amounts of money on such works on exploration tenements. These obligations may be varied from time to time subject to approval by the appropriate Mines Department.

Minimum requirements are expected to be fulfilled in the normal course of operations of the Consolidated Entity.

19. CONTINGENT LIABILITIES

In accordance with normal industry practice the Company has agreed to provide financial support to its 100% controlled entities.

Note	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
20. DIRECTORS' AND EXECUTIVES' REMUNERATION				
(a) Directors' remuneration				
Total income paid or payable, or otherwise made available, to all directors of each entity in the Consolidated Entity from the Company or any related party.	180,115	143,135	180,115	143,135

The number of Directors of the Company whose income from the Company or any related party falls within the following bands:

	Number 2002	Number 2001
0 - \$ 9,999	1	-
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	-	1
\$30,000 - \$39,999	2	-
\$40,000 - \$49,999	-	1
\$50,000 - \$60,999	2	1

(b) Executive officers' remuneration

No executive officers of the Consolidated Entity or the controlled entities received or are due to receive income exceeding \$100,000 during the year.

21. RELATED PARTIES

Directors

The names of Directors of the Company who have held office during the financial year are:

M Cordiner	(Continuing)
P Cordin	(Continuing)
S Farrell	(Continuing)
R Linnell	Appointed 1 August 2001
T Sanders	Appointed 15 February 2002

21. RELATED PARTIES (continued)

Directors' share transactions and holdings

The following share transactions in the Company were carried out by Directors and Director-related entities during the year.

	Balance 1/7/01	Issues or Purchases	Balance 30/6/02
Shares			
M Cordiner	-	-	-
P Cordin	544,593	-	544,593
S Farrell	1,875,000	150,000	2,025,000
R Linnell	-	-	-
T Sanders	-	14,137,500	14,137,500
Options			
M Cordiner	-	1,000,000	1,000,000
P Cordin	-	1,000,000	1,000,000
S Farrell	-	3,000,000	3,000,000
R Linnell	-	7,000,000	7,000,000
T Sanders	-	1,587,500	1,587,500

As a consequence of the Company's acquisition of Navigator Resources Ltd and the satisfaction of outstanding Navigator Creditors as a condition of the acquisition, Mr Tom Sanders was issued with a total of 14,137,500 shares and 1,587,500 options (of varying terms).

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
(a) Consulting fees were paid to entities related to the following Directors for services during the year:				
P Cordin	12,000	24,720	12,000	24,720
G Davis	-	12,888	-	12,888
M Cordiner	5,750	39,172	5,750	39,172
T Sanders	59,851	-	59,851	-
These amounts have been included in Directors remuneration at Note 20.				
(b) Current amounts receivable from controlled entities:				
Cove Mining NL	-	-	-	19,000
	-	-	-	19,000

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
21. RELATED PARTIES (continued)				
(c) Non current amounts receivable from controlled entities:				
– Golden Valley Services Pty Ltd	-	-	52,158	-
– Cove Mining NL	-	-	(852,534)	(871,690)
– Evoc Mining NL	-	-	4,734,576	4,734,576
– Navigator Resources Limited	-	-	604,974	-
– Greenstone Goldmines NL	-	-	1,122,435	1,122,435
	-	-	5,661,609	4,985,321
Provision for doubtful receivables	-	-	(598,550)	(1,122,035)
	-	-	5,063,059	3,863,286
(d) Non current amounts payable to controlled entities:				
– Cove Mining NL	-	-	3,512,508	3,458,266
– Evoc Mining NL	-	-	1,187,147	1,483
	-	-	4,699,655	3,459,749

22. CONTROLLED ENTITIES

(a) Particulars in relation to controlled entities

	Country of Incorporation	Owned %	
		2002	2001
Golden Valley Mines Limited	Australia		
<i>Controlled Entities:</i>			
Cove Mining NL	Australia	100	100
Evoc Mining NL	Australia	100	100
Greenstone Gold Mines NL	Australia	100	100
Golden Valley Services Pty Ltd	Australia	100	100
Golden Valley Investments Pty Ltd	Australia	100	100
PetroAsia NL	Australia	100	100
Navigator Resources Limited	Australia	100	100

22. CONTROLLED ENTITIES (continued)

(b) Acquisition of controlled entities

The following controlled entity was acquired during the financial year:

During the financial year the consolidated entity purchased 100% of the issued capital (and voting rights) of Navigator Resources Ltd. Details of the acquisition are as follows:

	Consolidated Entity	
	2002	
	\$	
Cash acquired	1,183	
Inflow of cash	1,183	
Fair value of assets acquired		
Cash assets	1,183	
Receivables	19,111	
Payables	(245,884)	
	(225,590)	
Capitalised exploration on acquisition	1,905,590	
Consideration (non-cash)	1,680,000	

Navigator Resources Ltd was acquired on 15 February 2002. Non-cash consideration paid was the issue of 42,000,000 fully paid ordinary shares in the capital of the Company at a fair value of 4 cents per share. Net liabilities acquired together with the acquisition price have been capitalised in full.

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
23. NOTES TO THE STATEMENT OF CASHFLOWS				
(a) Reconciliation of cash				
For the purposes of the statements of cash flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts. Cash as at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position.				
Cash assets	3,248,267	86,148	3,086,225	39,350

	Consolidated Entity		Company	
	2002	2001	2002	2001
	\$	\$	\$	\$
23. NOTES TO THE STATEMENT OF CASHFLOWS (continued)				
(b) Reconciliation of loss from ordinary activities after income tax to net cash used in operating activities				
Profit/(Loss) from ordinary activities after income tax	330,200	(3,057,405)	330,200	(3,057,405)
<i>Add/(less) non- cash items:</i>				
Amounts set aside (reversed from) provisions	(1,347)	(534)	(1,848)	(534)
Depreciation/amortisation of property, plant and equipment	46,546	43,658	39,695	41,579
Property, plant and equipment written off	-	19,714	-	19,714
Unrealised foreign exchange gain	-	(5,878)	-	(5,878)
(Profit)/loss on disposal of property, plant and equipment	728	39,158	728	39,158
(Profit)/loss on disposal of equity investments	(1,324,612)	249,119	(576,568)	249,119
(Profit) on disposal of tenements	(27,060)	(250,000)	(27,060)	-
Exploration expenditure written off	-	258,753	-	-
Diminution in value of investments	260,750	1,692,410	89,782	1,683,358
Reversal of prior year diminution	-	-	208,800	-
Share issues in lieu of services rendered	25,000	-	25,000	-
Writeback to provision for doubtful receivables	-	-	(523,486)	-
<i>Change in assets and liabilities:</i>				
(Increase) in trade debtors and other receivables	(53,908)	(3,609)	(2,562)	(4,809)
(Increase)/Decrease in prepayments	(17,191)	3,545	(17,191)	3,545
Decrease in bonds	-	18,287	-	24,926
Increase in interest payable to Thistle	-	74,874	-	74,874
Increase/(decrease) in creditors	(74,996)	(79,070)	(74,105)	(79,133)
Net cash used in operating activities	(835,890)	(996,978)	(528,615)	(1,011,486)

(c) Non-cash financing activities

During the 2002 year, creditors totalling \$107,000 were satisfied by the issue of 2,675,000 shares at a deemed issue price of 4 cents per share. Further, the Company issued to Mr Tom Sanders a total of 1,875,000 shares at a deemed issue price of 4 cents per share to reimburse Mr Sanders for expenditure previously incurred on various Navigator properties totalling \$75,000.

During the 2001 year an amount of \$100,000 was repaid to Thistle Mining through a conversion to equity via the issue of 2,500,000 shares at 4 cents each. On the 30 June 2001, the outstanding balance of \$348,000 payable to Thistle Mining was forgiven in exchange for a transfer of 1,000,000 shares in Thistle Mining.

24. SEGMENT INFORMATION

Golden Valley Mines Limited operated in one major geographical segment during the period, being Australia, however the Company also disposed of its majority interest in Canadian listed miner Thistle Mining, Inc. ("Thistle"). The operating profit for the year amounted to \$330,200 [2001: (3,057,405)]. Included in this profit was approximately \$1,063,862 (2001: loss of \$249,119) relating to the net profit on disposal of shares in Thistle. Other than the investment in Thistle, no other material profits, losses or other activities were carried on out outside Australia. As at 30 June 2002, the only asset of the Company held outside Australia was the consolidated entity's remaining holding in Thistle, which had a written down value of \$118,538. All other material expenditures were incurred in Australia.

25. SUBSEQUENT EVENTS

On the 15 August 2002, the Company announced its intention to acquire a 35% interest in South African Mineral Resources Corporation Ltd (SAMROC). The first instalment payable as part of this acquisition was completed and announced on 19 September 2002.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

DIRECTORS' *declaration*

In the opinion of the directors of Golden Valley Mines Limited

- (a) the financial statements and notes set out on pages 9 to 31 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the Company and Consolidated Entity as at 30 June 2002 and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Simon Farrell

Director

27 September 2002

Independent**AUDIT REPORT**

to the members of Golden Valley Mines Limited

SCOPE

We have audited the financial report of Golden Valley Mines Limited for the financial year ended 30 June 2002, consisting of the statements of financial performance, statements of financial position, statements of cash flows, accompanying notes 1 to 25, and the directors' declaration. The financial report includes the consolidated financial statements of the consolidated entity, comprising the Company and the entities it controlled at the end of the year or from time to time during the financial year. The Company's directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Company's and the consolidated entity's financial position, and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion, the financial report of Golden Valley Mines Limited is in accordance with:

- (a) 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 2002 and of their performance for the financial year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.

KPMG

A M KITCHEN

Partner

Perth

30 September 2002

SHAREHOLDERS information

Details of shares and options outstanding over unissued shares as at 27 September 2002.

Substantial shareholders

The details recorded in the Company's register of substantial shareholders are set out below.

Mr Thomas Stephen Sanders & Ms Helen Sanders	14,050,000	ordinary shares
ANZ Nominees Limited	11,012,138	ordinary shares

The 20 largest registered holders of each class of security as at 27 September 2002 were:

Fully paid ordinary shares

Name	No. of Shares	%	Name	No. of Options	%
Mr T S Sanders & Ms H Sanders	14,050,000	6.92	Mr Richard Linnell	7,000,000	16.88
ANZ Nominees Limited	11,012,138	5.42	Commonwealth Custodial Services Ltd	3,125,000	7.54
Commonwealth Custodial Services Ltd	6,250,000	3.08	Mr Simon James Farrell	3,000,000	7.24
D & D Nominees Pty Ltd	5,300,000	2.61	M & K Korkidas Pty Ltd	1,488,750	3.59
Blackmort Nominees Pty Ltd	4,000,000	1.97	Spinel Pty Ltd	1,300,000	3.14
Hightime Investments Pty Ltd	2,500,000	1.23	Clodene Pty Ltd	1,250,000	3.01
Lionheart Insurance Pty Ltd	2,318,254	1.14	Hightime Investments Pty Ltd	1,250,000	3.01
Lionheart Insurance Pty Ltd	2,200,998	1.08	Mr Peter George Cordin	1,000,000	2.41
Craigton Pty Ltd	2,085,000	1.03	Mr Morrice Cordiner	1,000,000	2.41
Lionheart Insurance Pty Ltd	2,000,000	0.98	Mr T S Sanders & Ms H Sanders	837,500	2.02
Cherek Pty Ltd	1,928,588	0.95	Fats Pty Ltd	700,000	1.69
Mr Simon Coxhell	1,725,000	0.85	Mr J C H Clark & Ms R K Clark	650,000	1.57
Nefco Nominees Pty Ltd	1,686,251	0.83	Ord Corporate Pty Ltd	625,000	1.51
Mr Ian Keith MacPherson	1,600,000	0.79	Balthazar Pty Ltd	575,000	1.39
Mr Anthony William Farrell	1,500,000	0.74	Lawrence Crowe Consulting Pty Ltd	555,000	1.33
Gee Vee Pty Ltd	1,478,098	0.73	Asea Consulting & Capital Pty Ltd	500,000	1.21
F A T S Pty Ltd	1,414,000	0.70	Clodene Pty Ltd	500,000	1.21
Thistle Mining Inc	1,275,000	0.63	Mr David John Eggers	500,000	1.21
Mr Roy Andrew Isaac	1,200,000	0.59	Rosewarne Superannuation Pty Ltd	451,425	1.09
Lawrence Crowe Consulting Pty Ltd	1,200,000	0.59	Mr Frank Danze	400,000	0.96
	66,723,327	32.86		26,702,675	64.42

Shares Range	Holders	Units	%	Options Range	Holders	Units	%
1 - 1,000	167	69,760	0.03	1 - 1,000	0	0	0.00
1,001 - 5,000	306	992,615	0.49	1,001 - 5,000	0	0	0.00
5,001 - 10,000	469	3,562,490	1.75	5,001 - 10,000	5	43,929	0.11
10,001 - 100,000	1,084	46,082,215	22.68	10,001 - 100,000	124	5,825,767	14.05
100,001 - Over	303	152,444,429	75.04	100,001 - over	66	35,590,304	85.84
Total	2,329	203,151,509	100.00	Total	195	41,460,000	100.00

Holders of unmarketable parcel of shares

Holding less than a marketable parcel of ordinary shares
(being 15,151 shares as at 27 September 2002)

Holders	Units
1,201	8,147,920

Restricted Securities

The Company currently has no restricted securities.

Other Securities – Employee Option Scheme

The Company has not issued any options under the Employee Option Scheme.

Voting Rights

The voting rights attaching to ordinary shares are:

On a show of hands every member present in person or by proxy shall have one vote and upon a poll each share shall have one vote.

On-Market Buy Back

There is no current on-market buy-back.



NOTES

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