



GREATLANDGOLD

ANNUAL REPORT & ACCOUNTS

for the year ended 30 June 2010



CONTENTS

Company information	3
Chairman's statement	4
Chief Executive's review	5
Board of directors	7

Directors' report	9
Statement of directors' responsibilities	12
Corporate governance statement	13
Independent auditor's report	16
Group statement of comprehensive income	18
Group balance sheet	19
Group statement of changes in equity	20
Company balance sheet	21
Company statement of changes in equity	22
Group cash flow statement	23
Company cash flow statement	24
Notes to financial statements	25
Notice of Annual General Meeting	39



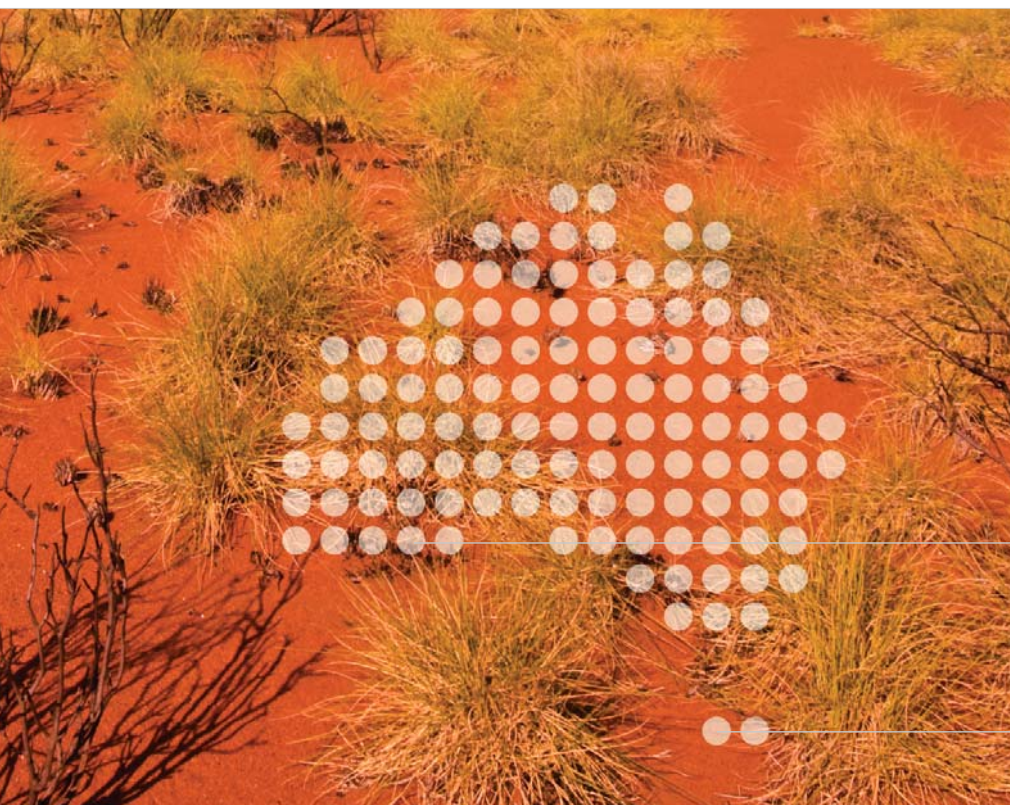
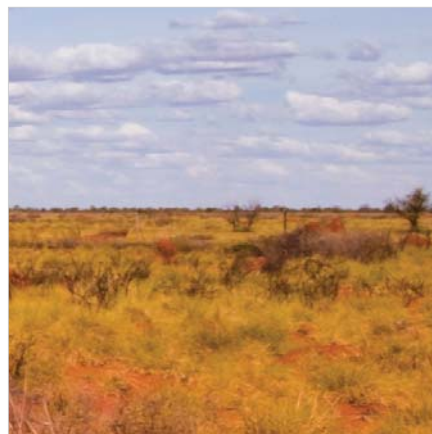
GREATLANDGOLD

ANNUAL REPORT & ACCOUNTS

Greatland Gold was established in 2005 as a mineral exploration and development company.

In July 2006 Greatland Gold plc was admitted to AIM, a market operated by the London Stock Exchange.

The board seeks to increase shareholder value by the systematic evaluation of its existing resource assets, as well as the acquisition of suitable exploration and development projects and producing assets. Greatland currently has five mineral projects located in Australia and is focused on growth through the development of large gold resources.



ERNEST GILES GOLD PROJECT
LACKMAN ROCK GOLD PROJECT

FIRETOWER GOLD PROJECT
WARRENTINNA GOLD PROJECT
LISLE GOLD PROJECT



COMPANY INFORMATION

Directors Andrew R M Bell - Non-executive Chairman
Callum N Baxter - Chief Executive
Paul W Askins - Technical Director
John Watkins - Non-executive Chairman

all of 115 Eastbourne Mews
London W2 6LQ

Secretary Stephen F Ronaldson

Registered Office 55 Gower Street
London WC1E 6HQ

Website www.greatlandgold.com

Nominated Advisor Grant Thornton Corporate Finance
30 Finsbury Square
London EC2P 2YU

Solicitors Ronaldsons LLP
55 Gower Street
London WC1E 6HQ

Auditors Chapman Davis LLP
2 Chapel Court
London SE1 1HH

Nominated Broker Simple Investments
1 High Street
Godalming
Surrey GU7 1AZ

Bankers Coutts & Co
440 Strand
London WC2R 0QS

Registrars Share Registrars Limited
Suite E, First Floor
9 Lion & Lamb Yard
Farnham
Surrey GU9 7LL

Registered number 5625107



CHAIRMAN'S STATEMENT

Dear Shareholders

I can report progress in all areas of our exploration operations. We are looking forward to further development for Greatland in the next twelve months.

The operating context for Greatland has been very encouraging with the gold price steadily pushing upward, lifting interest and investment flows into the gold sector, and valuations of gold reserves. When I last reported to you in 2009, gold stood at US\$900 per ounce, much below the current levels. We remain confident that our strategies will deliver attractive gold projects and add to existing resources in due course.

In Australia a great deal of media comment, and indeed a General Election, was focused on the Minerals Resources Tax. It is pleasing to note that in its amended form, and assuming the current proposals become law, we do not anticipate any taxation impact on Greatland Gold in the foreseeable future; nor do we expect that the changing Australian fiscal landscape will deter new investment or interest in Australian junior precious metal explorers.

The year started well with two exciting new assets in our portfolio - the Ernest Giles licence, a highly prospective area in the Eastern Yilgarn and the Lackman Rock licence. During the past twelve months we have completed our first drill programme and taken the immediate step to expand our licence area at Ernest Giles. This property is exciting from a geological standpoint and its ability to attract interest from major players.

We can also report that after some delay due to heavy rainfall in Tasmania last summer, we made up lost ground and have furthered our understanding of our core portfolio of Tasmanian licences, to the point where we can pinpoint two areas for further evaluation, first Derby North as a potential open pit resource and secondly at Firetower to further develop the gold resource.

We note the encouraging increase in the Greatland share price which we attribute to our activity acceleration, new licences, higher gold prices and improved sentiment towards AIM listed gold exploration companies. We are proud to have steered Greatland through a difficult period over the last two years maintaining budgetary discipline and relatively high levels of capital. We have continued to seek local external funding and are thankful to have received funding support from the Western Australian Department of Mines and Petroleum.

During May 2010 Greatland Gold placed 50,000,000 ordinary shares raising £600,000 before expenses. At the end of June 2010 Greatland Gold had 289,550,000 ordinary shares with 6,000,000 options outstanding. Our current cash levels at approximately £1,200,000 provides funding for foreseeable expenses well into 2011.

Outlook

The Board believes this financial year has seen Greatland move forward. Our portfolio has benefited from drill programmes, and we are better placed to secure joint venture interest and possible farm out deals with our current knowledge base. Post the accounting period the Greatland board has pursued interest from third parties looking at taking a direct stake in some of our assets.

Closing remarks

I would express my sincere gratitude to our shareholders for their continued support. We will continue to provide timely updates as appropriate to AIM and on our website. We also take this opportunity to thank our professional advisors for their work.

Andrew R. McM. Bell

Chairman

15 October 2010



CHIEF EXECUTIVE'S REVIEW OF OPERATIONS

Greatland started the 2010 financial year poised to commence drilling programmes at our Tasmanian licence interests, Firetower and Warrentinna whilst conducting preparatory work at the East Lisle property. Heavy rainfall marginally delayed what would have been an autumn operation, but by December 2009 we had completed the drill programme at both properties with results reported in January 2010 confirming gold mineralisation at Derby North in a new zone that has the potential for an open pit mining operation.

We extended our licence term at Warrentinna for a further 12 months to allow further time to study the Derby North mineralised zone. In our view, Derby North would benefit from further evaluation in conjunction with a joint venture partner. Drilling at Derby North returned solid results which included 5m at 29.26g/t gold and 1 metre at 103.07g/t gold.

Our drill programme at the Anomaly 1 prospect within the Firetower project area produced results that showed anomalous readings for copper, lead and zinc. Also, we need to undertake possible further investigation of gold mineralisation at the Lobster prospect.

We also planned to drill the Ernest Giles property in Western Australia shortly after the Tasmanian operations were completed, and indeed field operations were underway by April 2010. Ernest Giles has proved an exciting addition to the Greatland portfolio from the point of view of its location and geology and the fact that it has, in our view, been overlooked by larger miners. Drilling at Ernest Giles intersected extensive gold bearing alteration systems and indications of gold mineralisation, confirming the potential for large scale mineralisation at the project.

The Company currently owns five mineral projects comprising eleven mineral licences all located in Australia;

PROJECT/LICENCE	SIZE (SQ KM)	POTENTIAL ACTIVITIES 2010-2011
FIRETOWER PROJECT TAS		
Firetower	23	Drilling Resource
Firetower East	30	Surface Geochemistry
Quamby	97	Surface Geochemistry
Beulah	105	Surface Geochemistry
WARRENTINNA PROJECT TAS		
Warrentinna	71	Infill RC Drilling Derby North
Southern Cross	42	Surface Geochemistry
LISLE PROJECT TAS		
East Lisle	72	RC Drilling
LACKMAN PROJECT WA		
Lackman Rock	210	Surface Geochemistry
ERNEST GILES PROJECT WA		
Calanchini	340	RC Drilling
Peterswald	346	RC Drilling
Ida Range	262	Data Review



CHIEF EXECUTIVE'S REVIEW OF OPERATIONS

So far our policy has been to hold licence interests as 100% owner. However, this position can be tailored to fit future commercial agreements to share risk and cost that we may negotiate on specific projects with third party financial investors or under joint venture arrangements.

We welcome the return to relative stability in the global capital markets, stronger share prices in our sector and an easier fund raising environment. When coupled with the strong gold price, these factors should encourage corporate activity. Greatland is pleased to have made it through this tough period in good shape, with healthy cash levels that should encourage potential joint venture and financial counterparties to view the Company as a survivor with a reliable and sustainable shareholder value enhancing strategy. We have, in my view, passed the test the difficult market conditions have thrown at junior companies like Greatland in the last twenty-four months.

Looking ahead to the current financial year our short-term plan is to continue to undertake drill programmes over targeted and defined areas, thereby building on the knowledge base gained in the last year. As ever mindful of our budgetary constraints I am pleased to note our current cash is in excess of £1,200,000 and sufficient for all foreseeable expenditures in the current year to June 2011 - Greatland remains well capitalised in my view.

I am pleased at the revival in our share price and view it as an endorsement of our approach. The Board, as shareholders themselves, is determined in its resolve that delivering shareholder value must always be our top corporate objective. The board contains a talented team with a diverse skill set that will serve Greatland well in the immediate future.

I would like to also note, and say a special thank you for the keen interest and support you have shown as shareholders. Please find regular updates on our website and we look forward to hearing from you.

Callum N Baxter

Chief Executive

15 October 2010



BOARD OF DIRECTORS



Andrew Bell



Callum Baxter



Paul Askins



John Watkins

Andrew Bell

MA, LLB, Non-executive Chairman

In the late 1970s Andrew Bell was a natural resources analyst at Morgan Grenfell & Co. His business experience encompasses periods in fund management and advisory work at financial institutions including Grieson Grant & Co and Phillips & Drew, corporate finance in Hong Kong, and private equity. Andrew Bell is currently Chairman of Regency Mines plc and of Red Rock Resources plc, companies trading on AIM as well as a non-executive director of Jupiter Mines Limited and Resource Star Limited, both ASX traded.

Callum Baxter

MSc (Ore Deposit Geology), MAIG, MAusIMM, Chief Executive

Callum Baxter is a geologist with over fifteen years global multi-commodity experience and is a member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy.

He has developed considerable experience in the natural resources sector as an exploration geologist with companies that include Orpheus Geoscience Ltd, Eagle Mining Corporation NL, Hunter Exploration NL and Equinox Resources NL. Latterly he was a director and principal geologist for Baxter Geological a mineral exploration services and management support consultancy.

Paul Askins

MSc (Mining and Exploration Geology), MAusIMM, CPGeo, MSEG, Technical Director

Paul Askins is a generalist mineral explorer with considerable experience in the exploration of gold and base metals in Australia and internationally. His experience has been gained from working for companies that include Billiton in Australia, covering all aspects of exploration over a fourteen year period, and as exploration manager for Central Kalgoorlie Gold Mines NL. He currently is an independent consultant advising companies that include Avoca Resources Ltd, Heron Resources Ltd, Capricorn Resources Australia NL, Minorco Aust Ltd, Portman Mining Ltd, Homestake Gold Aust Ltd., Alcaston Mining NL, Placer Pacific, Quaestus Ltd, and A1 Minerals Ltd.

Paul Askins is a member of the Australian Institute of Mining and Metallurgy, the Geological Society of Australia, the Society of Economic Geologists, Inc and the Society for Geology Applied to Mineral Deposits

John Watkins

FCA, Non-executive Director

John Watkins is a chartered accountant and a former partner of Ernst & Young and Neville Russell. He has experience as a public company director, and is finance director of Starvest plc, a substantial shareholder of the Company. Of his directorships, Starvest plc, Regency Mines plc and Red Rock Resources plc are listed on AIM. He is also Chairman of Lisungwe plc, a mineral exploration company and of Equity Resources plc, both traded on PLUS.

GREATLAND**GOLD**

DIRECTORS REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 30 JUNE 2010





DIRECTORS' REPORT

The Directors present their fourth annual report on the affairs of the Group and parent company, together with the Group financial statements for the year ended 30 June 2010.

Principal activities and business review

The Company has been established as a mineral exploration and development company focussed on gold in Tasmania and Western Australia.

The developments during the period are given in the Chairman's statement and the Chief Executive's review of operations.

Fundraising

During the year, the Company raised £570,000, net of expenses, by the issue of 50,000,000 new Ordinary shares at a price of 1.2 pence per share.

Results and dividends

The Group's results are described in the Group statement of comprehensive income. The audited financial statements for the year ended 30 June 2010 follow in this report.

The Group has incurred a loss for the year of £616,732 (2009: £356,103).

The Directors do not recommend the payment of a dividend.

Principle risks and uncertainties

The management of the business and the execution of the Board's strategy are subject to a number of risks:

- Exploration is speculative in nature.
- The economic viability of a project is affected by world commodity prices.
- Commodity prices are subject to international economic trends, currency fluctuations and consumption patterns.

Key performance indicators

Given the straightforward nature of the Group's activities, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Directors

The Directors who served during the year are as follows:

Andrew R M Bell
Paul W Askins
Callum N Baxter
John Watkins

Share capital

Information relating to shares issued during the period is given in notes to the accounts.



DIRECTORS' REPORT

Substantial shareholdings

On 30 June 2010 and 30 June 2009 the following were registered as being interested in 3% or more of the Company's ordinary share capital:

	Ordinary shares of £0.001 each	30 June 2010 Percentage of issued share capital	Ordinary shares of £0.001 each	30 June 2009 Percentage of issued share capital
Paul W Askins	9,500,000	3.28%	9,500,000	3.97%
Barclayshare Nominees Limited	12,977,739	4.48%	8,751,410	3.65%
City Equities (Nominees) Limited	16,575,000	5.72%	24,145,000	10.08%
Hargreaves Lansdown (Nominees) Limited	15,316,755	5.29%	-	-
HSDL Nominees Limited	13,579,470	4.69%	-	-
Pershing Keen Nominees Limited	-	-	9,605,499	4.01%
Raven Nominees Limited	35,248,809	12.17%	8,618,010	3.6%
Rock (Nominees) Limited	12,308,513	4.25%	11,508,783	4.80%
Starvest plc	16,000,000	5.53%	16,000,000	6.68%
Sunvest Corporation Limited	12,000,000	4.14%	12,000,000	5.01%
TD Waterhouse Nominees (Europe) Limited	13,289,168	4.59%	8,625,373	3.60%

Charitable and political donations

During the period there were no charitable or political contributions.

Payment of suppliers

The Company's policy is to settle terms of payment with suppliers when agreeing terms of business, to ensure that suppliers are aware of the terms of payment and to abide by them. It is usual for suppliers to be paid within 30 days of receipt of invoice. At 30 June 2010 the Company's creditors were equivalent to 114 day's costs.

Post balance sheet events

There are no significant post balance sheet events to disclose for the year ended 30 June 2010.

Auditors

The Directors will place a resolution before the annual general meeting to reappoint Chapman Davis LLP as auditors for the coming year.

Management Incentives

The Group has no bonus, share purchase, or other management incentive scheme.

Directors' remuneration report

The following information regarding directors' remuneration has been audited by the Company's auditors as required by the Companies Act 2006.

The remuneration of the directors paid during the year was fixed by the remuneration committee consisting of Andrew Bell and John Watkins. This has been achieved acknowledging the need to maximise the effectiveness of the Company's limited resources during the year.



DIRECTORS' REPORT

During the year, the Board agreed to pay fees to each director of £6,000 per annum (2009: £6,000). In addition to this, the businesses with which each director is associated have charged fees and expenses relating to professional services provided as set out in note 7 to the financial statements.

Corporate Governance

A corporate governance statement follows in this report.

Control Procedures

The Board has approved financial budgets and cash forecasts; in addition, it has implemented procedures to ensure compliance with accounting standards and effective reporting.

Environmental Responsibility

The Company is aware of the potential impact that its subsidiary companies may have on the environment. The Company ensures that it and its subsidiaries at a minimum comply with the local regulatory requirements and the revised Equator Principles with regard to the environment.

Employment Policies

The Group will be committed to promoting policies which ensure that high calibre employees are attracted, retained and motivated, to ensure the ongoing success for the business. Employees and those who seek to work within the Group are treated equally regardless of sex, marital status, creed, colour, race or ethnic origin.

Health and Safety

The Group's aim will be to achieve and maintain a high standard of workplace safety. In order to achieve this objective the Group will provide training and support to employees and set demanding standards for workplace safety.

Going Concern

Notwithstanding the loss incurred during the period under review, the Directors are of the opinion that ongoing evaluations of the Company's interests indicate that preparation of the Group's accounts on a going concern basis is appropriate.

By order of the Board

Callum N Baxter

Chief Executive
15 October 2010



STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors' responsibilities for the financial statements

Company law in the United Kingdom requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.
- So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware, and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for ensuring that the annual report includes information required by the AIM market of the London Stock Exchange.

The maintenance and integrity of the Company's website is the responsibility of the directors: the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.



CORPORATE GOVERNANCE STATEMENT

The Board is committed to maintaining high standards of corporate governance. The Listing Rules of the Financial Services Authority incorporate the Combined Code, which sets out the principles of Good Governance, and the Code of Best Practice for listed companies. Whilst the Company is not required to comply with the Combined Code, the Company's corporate governance procedures take due regard of the principles of Good Governance set out in the Combined Code in relation to the size and the stage of development of the Company.

Board of Directors

The Board of Directors currently comprises two Non-Executive Directors one of whom is the Chairman and two Executive Directors. The Directors are of the opinion that the Board comprises a suitable balance and that the recommendations of the Combined Code have been implemented to an appropriate level. The Board, through the Chairman, the Chief Executive and the Non-executive Director, maintains regular contact with its advisers and public relations consultants in order to ensure that the Board develops an understanding of the views of major shareholders about the Company.

Board Meetings

The Board meets regularly throughout the year. For the period ending 30 June 2010 the Board met three times in relation to normal operational matters. The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operating performance. Day to day management is devolved to the Executive Directors who are charged with consulting the Board on all significant financial and operational matters.

All Directors have access to the advice of the Company's solicitors and the Company Secretary, necessary information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively, and all Directors have access to independent professional advice, at the Company's expense, as and when required.

Board Committees

The Board has established the following committees, each of which has its own terms of reference:

Audit Committee

The Audit Committee considers the Group's financial reporting, including accounting policies, and internal financial controls. The Audit Committee comprises two Directors, John Watkins as Chairman and, Andrew Bell. It is responsible for ensuring that the financial performance of the Group is properly monitored and reported on.

Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board on Directors' and senior executives' remuneration. It comprises two Directors, Andrew Bell as Chairman, and John Watkins. Non-Executive Directors' remuneration and conditions are considered and agreed by the Board. Financial packages for Executive Directors are established by reference to those prevailing in the employment market for executives of equivalent status both in terms of level of responsibility of the position and their achievement of recognised job qualifications and skills. The Committee will also have regard to the terms which may be required to attract an equivalent experienced executive to join the Board from another company.

Internal controls

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Company and to ensure the reliability of financial information for both internal use and external publication. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in the light of increased activity and further development of the Company, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.



CORPORATE GOVERNANCE STATEMENT

Risk Management

The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by senior management to forecasts. Project milestones and timelines are regularly reviewed.

Risks and uncertainties

The principal risks facing the Company are set out below. Risk assessment and evaluation is an essential part of the Group's planning and an important aspect of the Group's internal control system.

General and economic risks

- Contractions in the world's major economies or increases in the rate of inflation resulting from international conditions;
- movements in the equity and share markets in the United Kingdom and throughout the world;
- weakness in global equity and share markets, in particular, in the United Kingdom, and adverse changes in market sentiment towards the resource industry;
- currency exchange rate fluctuations and, in particular, the relative prices of the Australian Dollar, and the UK Pound;
- exposure to interest rate fluctuations; and
- adverse changes in factors affecting the success of exploration and development operations, such as increases in expenses, changes in government policy and further regulation of the industry; unforeseen major failure, breakdowns or repairs required to key items of plant and equipment resulting in significant delays, notwithstanding regular programmes of repair, maintenance and upkeep; and variations in grades and unforeseen adverse geological factors or prolonged weather conditions.

Funding risk

The Group or the companies in which it has invested may not be able to raise, either by debt or further equity, sufficient funds to enable completion of planned exploration, investment and/or development projects.

Commodity risk

Commodities are subject to high levels of volatility in price and demand. The price of commodities depends on a wide range of factors, most of which are outside the control of the Company. Mining, processing and transportation costs also depend on many factors, including commodity prices, capital and operating costs in relation to any operational site.

Exploration and development risks

- Exploration and development activity is subject to numerous risks, including failure to achieve estimated mineral resource, recovery and production rates and capital and operating costs.
- Success in identifying economically recoverable reserves can never be guaranteed. The Company also cannot guarantee that the companies in which it has invested will be able to obtain the necessary permits and approvals required for development of their projects.
- Some of the countries in which the Company operates have native title laws which could affect exploration and development activities. The companies in which the Company has an interest may be required to undertake clean-up programmes on any contamination from their operations or to participate in site rehabilitation programmes which may vary from country to country. The Group's policy is to follow all applicable laws and regulations and the Company is not currently aware of any material issues in this regard.
- Timely approval of mining permits and operating plans through the respective regulatory agencies cannot be guaranteed.
- Availability of skilled workers is an ongoing challenge.
- Geology is always a potential risk in mining activities.



CORPORATE GOVERNANCE STATEMENT

Market risk

The ability of the Group (and the companies in which it invests) to continue to secure sufficient and profitable sales contracts to support its operations is a key business risk.

Insurance

The Group maintains insurance in respect of its Directors and Officers against liabilities in relation to the Company.

Treasury Policy

The Group finances its operations through equity and holds its cash as a liquid resource to fund the obligations of the Group. Decisions regarding the management of these assets are approved by the Board.

Securities Trading

The Board has adopted a Share Dealing Code that applies to Directors, senior management and any employee who is in possession of 'inside information'. All such persons are prohibited from trading in the Company's securities if they are in possession of 'inside information'. Subject to this condition and trading prohibitions applying to certain periods, trading can occur provided the relevant individual has received the appropriate prescribed clearance.

Relations with Shareholders

The Board is committed to providing effective communication with the shareholders of the Company. Significant developments are disseminated through stock exchange announcements and regular updates of the Company website. The Board views the AGM as a forum for communication between the Company and its shareholders and encourages their participation in its agenda.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREATLAND GOLD PLC

We have audited the financial statements of Greatland Gold plc for the year ended 30 June 2010 which comprise the Group Statement of Comprehensive Income, the Group and Parent Company Balance Sheets, the Group and Parent Company Cash Flow Statements, the Group and Parent Company Statements of Recognised Income and Expense, the Group and Parent Statements of Changes in Equity, and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with sections 495, 496 and 497 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the Parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2010 and of the Group's and the Parent Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREATLAND GOLD PLC

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Keith Fulton (Senior Statutory Auditor)

for and on behalf of Chapman Davis LLP

Chartered Accountants and Statutory Auditors

London, United Kingdom

15 October 2010



GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2010

	Notes	Year ended 30 June 2010 £	Year ended 30 June 2009 £
Revenue	2	-	-
Exploration costs		(417,477)	(192,422)
Administrative expenses		(203,178)	(201,958)
Currency (loss)		-	(225)
Operating loss	3	(620,655)	(394,605)
Finance revenue		3,923	38,502
Loss before taxation		616,732	(356,103)
Income tax expense	4	-	-
Loss for the year		(616,732)	(356,103)
Other comprehensive income			
Exchange differences on translation of foreign operations		50,367	15,372
Gain/(loss) on revaluation of available for sale investments		4,048	(62,475)
Other comprehensive income for the year net of taxation		(562,317)	(403,206)
Total comprehensive income for the year attributable to equity holders of the parent		(562,317)	(403,206)
Loss per share - basic and diluted	8	(0.25) pence	(0.18) pence

All operations are considered to be continuing.



GROUP BALANCE SHEET AS AT 30 JUNE 2010

	Note	£	30 June 2010 £	£	30 June 2009 £
ASSETS					
Non-current assets					
Tangible assets	9	6,627		4,749	
Intangible assets	10	<u>666,116</u>		<u>525,372</u>	
			672,743		530,121
Current assets					
Cash and cash equivalents	18	1,752,949		1,779,720	
Trade and other receivables	12	62,222		50,073	
Available for sale financial assets	13	<u>44,547</u>		<u>34,709</u>	
Total current assets			1,859,718		1,864,502
TOTAL ASSETS			2,532,461		2,394,623
LIABILITIES					
Current liabilities					
Trade and other payables	14	<u>(213,904)</u>		<u>(83,750)</u>	
TOTAL LIABILITIES			(213,904)		(83,750)
NET ASSETS			2,318,557		2,310,873
EQUITY					
Called-up share capital	15	289,550		239,550	
Share premium reserve		3,718,471		3,198,471	
Share based payment reserve	16	74,443		74,443	
Retained earnings		(2,013,247)		(1,396,516)	
Other reserves	17	<u>249,340</u>		<u>194,925</u>	
TOTAL EQUITY			2,318,557		2,310,873

These financial statements were approved by the Board of Directors on 15 October 2010 and signed on its behalf by:

Andrew R M Bell
Chairman

Callum N Baxter
Chief Executive



GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2010

	Share capital	Share premium account	Share based payment reserve	Retained earnings	Other reserves	Total
	£	£	£	£	£	£
As at 30 June 2008	196,550	2,955,521	74,443	(1,040,413)	242,028	2,428,129
Loss for the year	-	-	-	(356,103)	-	(356,103)
Loss on revaluation of available for sale investments	-	-	-	-	(62,475)	(62,475)
Currency translation differences	-	-	-	-	15,372	15,372
Total comprehensive income				(356,103)	(47,103)	(403,206)
Share capital issued	43,000	258,000	-	-	-	301,000
Cost of share issue	-	(15,050)	-	-	-	(15,050)
As at 30 June 2009	239,550	3,198,471	74,443	(1,396,516)	194,925	2,310,873
Loss for the year	-	-	-	(616,731)	-	(616,731)
Gain on revaluation of available for sale investments	-	-	-	-	4,048	4,048
Currency translation differences	-	-	-	-	50,367	50,367
Total comprehensive income	-	-	-	(616,731)	54,415	(562,317)
Share capital issued	50,000	550,000	-	-	-	600,000
Cost of share issue	-	(30,000)	-	-	-	(30,000)
As at 30 June 2010	289,550	3,718,471	74,443	(2,013,247)	249,340	2,318,557

Other reserves	Merger reserve	Foreign currency translation reserve	Available for sale financial assets reserve	Total other reserves
	£	£	£	£
As at 30 June 2008	225,000	59,990	(42,962)	242,028
Loss on revaluation of available for sale investments	-	-	(62,475)	(62,475)
Currency translation differences	-	15,372	-	15,372
Total comprehensive income	-	15,372	(62,475)	(47,103)
As at 30 June 2009	225,000	75,362	(105,437)	194,925
Gain on revaluation of available for sale investments	-	-	4,048	4,048
Currency translation differences	-	68,499	(18,132)	50,367
Total comprehensive income	-	68,499	(14,084)	54,415
As at 30 June 2010	225,000	143,861	(119,521)	249,340



COMPANY BALANCE SHEET AS AT 30 JUNE 2010

	Note	£	30 June 2010 £	£	30 June 2009 £
ASSETS					
Non-current assets					
Investment in subsidiary	11		250,000		250,000
Current assets					
Cash and cash equivalents		1,736,684		1,749,393	
Trade and other receivables	12	1,368,113		1,033,248	
Total Current Assets			3,104,797		2,782,641
TOTAL ASSETS			3,354,797		3,032,641
LIABILITIES					
Current Liabilities					
Trade and other payables	14	(72,733)		(74,266)	
TOTAL LIABILITIES			(72,733)		(74,266)
NET ASSETS			3,282,064		2,958,375
EQUITY					
Called-up share capital	15	289,550		239,550	
Share premium reserve		3,718,471		3,198,471	
Share based payment reserve	16	74,443		74,443	
Merger reserve	17	225,000		225,000	
Retained earnings		(1,025,400)		(779,089)	
TOTAL EQUITY			3,282,064		2,958,375

These financial statements were approved by the Board of Directors on 15 October 2010 and signed on its behalf by:

Andrew R M Bell
Chairman

Callum N Baxter
Chief Executive



COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2010

	Share capital	Share premium account	Share based payment reserve	Retained earnings	Merger reserves	Total
	£	£	£	£	£	£
As at 30 June 2008	196,550	2,955,521	74,443	(567,637)	225,000	2,883,877
Loss for the year	-	-	-	(211,452)	-	(211,452)
Total comprehensive income	-	-	-	(211,452)	-	(211,452)
Share capital issued	43,000	258,000	-	-	-	301,000
Cost of share issue	-	(15,050)	-	-	-	(15,050)
As at 30 June 2009	239,550	3,198,471	74,443	(779,089)	225,000	2,958,375
Loss for the year	-	-	-	(246,311)	-	(246,311)
Total comprehensive income	-	-	-	(246,311)	-	(246,311)
Share capital issued	50,000	550,000	-	-	-	600,000
Cost of share issue	-	(30,000)	-	-	-	(50,000)
As at 30 June 2010	289,550	3,718,471	74,443	(1,025,400)	225,000	3,282,064



GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

	Notes	Year ended 30 June 2010 £	Year ended 30 June 2009 £
Cash flows from operating activities			
Operating loss		(620,655)	(394,605)
Decrease / (increase) in debtors		(12,149)	14,321
(Decrease) / increase in creditors		130,154	(14,232)
Depreciation		1,483	1,913
Currency adjustments		-	225
Net cash outflow from operations		(501,167)	(392,378)
Cash flows from investing activities			
Interest received		3,923	38,502
Payments to acquire intangible assets		(97,506)	(28,922)
Payments to acquire tangible assets		(1,743)	(409)
Payments to acquire available for sale financial assets		-	-
Net cash flows used in investing activities		(95,326)	9,171
Cash inflows from financing activities			
Proceeds from issue of shares		600,000	301,000
Transaction costs of issue of shares		(30,000)	(15,050)
Net cash flows from financing activities		570,000	285,950
Net (decrease)/increase in cash and cash equivalents	18	(26,493)	(97,257)
Cash and cash equivalents at the beginning of period		1,779,720	1,866,289
Exchange gain on cash and cash equivalents		(278)	10,688
Cash and cash equivalents at end of period	18	1,752,949	1,779,720



COMPANY CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2010

	Notes	Year ended 30 June 2010 £	Year ended 30 June 2009 £
Cash flows from operating activities			
Operating loss		(248,936)	(248,991)
Decrease / (increase) in debtors		135	10,415
Increase / (decrease) in creditors		(1,533)	15,587
Net cash outflow from operations		(250,334)	(222,989)
Cash flows from investing activities			
Interest received		2,625	37,539
Loans to subsidiary		(335,000)	(166,676)
Net cash flows used in investing activities		(332,375)	(129,137)
Cash inflows from financing activities			
Proceeds from issue of shares		600,000	301,000
Transaction costs of issue of shares		(30,000)	(15,050)
Net cash flows from financing activities		570,000	285,950
Net (decrease) / increase in cash and cash equivalents	18	(12,709)	(66,176)
Cash and cash equivalents at the beginning of period		1,749,393	1,815,569
Cash and cash equivalents at end of period	18	1,736,684	1,749,393



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

1 Principal accounting policies

1.1 Authorisation of financial statements and statement of compliance with IFRS

The group financial statements of Greatland Gold plc for the year ended 30 June 2010 were authorised for issue by the board on 15 October 2010 and the balance sheets signed on the board's behalf by Mr Callum Baxter and Mr Andrew Bell. Greatland Gold plc is a public limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on AIM.

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The principal accounting policies adopted by the group are set out below.

Adoption of standards and interpretations

As at the date of authorisation of these financial statements, there were Standards and Interpretations that were in issue but are not yet effective and have not been applied in these financial statements. The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the group or company, except for additional disclosures when the relevant Standards come into effect.

1.2 Significant accounting judgments, estimates and assumptions

Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Impairment of goodwill and intangibles with indefinite useful lives

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash-generating units to which the goodwill and intangibles with indefinite useful lives are allocated.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model.

1.3 Basis of preparation

The consolidated financial statements of Greatland Gold plc and its subsidiary have been prepared in accordance with International Reporting Standards (IFRS) as adopted for use in the European Union.

The consolidated financial statements have been prepared on the historical cost basis, except for the measurement to fair value of assets and financial instruments as described in the accounting policies below, and on a going concern basis.

1.4 Basis of consolidation

The consolidated accounts combine the accounts of the Company and its sole subsidiary, Greatland Pty Ltd, using the purchase method of accounting.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

In the Company's balance sheet the investment in Greatland Pty Ltd includes the nominal value of shares issued together with the cash element of the consideration. As required by the Companies Act 2006, no premium was recognised on the share issue. The difference between nominal and fair value of the shares issued was credited to the merger reserve.

1.5 Goodwill

Goodwill on acquisition is capitalised and shown within fixed assets. Positive goodwill is subject to annual impairment review with movements charged in the income statement.

Negative goodwill is reassessed by the Directors and attributed to the relevant assets to which it relates.

1.6 Non-current asset investments

Investments in subsidiary companies are classified as non-current assets and included in the balance sheet of the Company at cost at the date of acquisition irrespective of the application of merger relief under the Companies Act.

1.7 Financial assets available for sale

Equity investments intended to be held for an indefinite period of time are classified as available-for-sale investments. They are carried at fair value, where this can be reliably measured, with movements in fair value recognised directly in the available-for-sale reserve. Where the fair value cannot be reliably measured, the investment is carried at cost.

Any impairment losses in equity investments classified as available-for-sale investments are recognised in the income statement and are not reversible through the income statement, and are determined with reference to the closing market share price at the balance sheet date. Any subsequent increase in the fair value of the available-for-sale investment above the impaired value will be recognised within the available-for-sale reserve.

Available-for-sale investments are included within non-current assets unless the carrying value is expected to be recovered principally through sale rather than continuing use, in which case they are included within current assets. On disposal, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had previously been recognised directly in reserves is recognised in the income statement.

Income from available for sale investments is accounted for in the income statement on an accruals basis.

1.8 Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

1.9 Income tax and deferred taxation

Current tax assets and liabilities for the current and prior periods are measured as the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the balance sheet date.

Full provision is made for deferred taxation resulting from timing differences which have arisen but not reversed at the balance sheet date.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

1.10 Tangible fixed assets

Fixed assets are depreciated on a straight-line basis at annual rates that will reduce the book amounts to estimated residual values over their anticipated useful lives as follows:

- Motor vehicles: 25% per annum
- Equipment: 7% per annum

1.11 Foreign currencies

Both the functional and presentational currency of Greatland Gold plc is sterling (£). Each group entity determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The functional currency of the foreign subsidiary, Greatland Pty Ltd is Australian Dollars (A\$).

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

On consolidation of a foreign operation, assets and liabilities are translated at the balance sheet rates, income and expenses are translated at rates ruling at the transaction date. Exchange differences on consolidation are taken to the income statement.

1.12 Revenue

The Group had no revenue during the period ending 30 June 2010.

1.13 Finance costs/revenue

Borrowing costs are recognised as an expense when incurred.

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

1.14 Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

1.15 Financial instruments

The Group's financial instruments, other than its investments, comprise cash and items arising directly from its operation such as trade debtors and trade creditors. The Group has an overseas subsidiary in Australia whose expenses are denominated in Australian Dollars. Market price risk is inherent in the Group's activities and is accepted as such.

There is no material difference between the book value and fair value of the Group's cash.

1.16 Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

1.17 Earnings per share

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

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

1.18 Exploration and development expenditure

Exploration and development costs include expenditure on prospects at an exploratory stage. These costs include the cost of acquisition, exploration, determination of recoverable reserves, economic feasibility studies and all technical and administrative overheads directly associated with those projects. A substantial proportion of these costs are carried forward in the balance sheet as intangible fixed assets.

Recoupment of capitalised exploration and development costs is dependent upon successful development and commercial exploitation of each area of interest and are amortised over the expected commercial life of each area once production commences. The Company adopts the 'area of interest' method of accounting whereby a substantial proportion of exploration and development costs relating to an area of interest are capitalised and carried forward until abandoned. In the event that an area of interest is abandoned, or if the Directors consider the expenditure to be of no value, accumulated exploration costs are written off in the financial year in which the decision is made. All expenditure incurred prior to approval of an application is expensed with the exception of refundable rent which is raised as a debtor.

Impairment reviews will be carried out regularly by the Directors of the Company. Where a project is abandoned or is considered not to be of commercial value to the Company, the related costs will be written off.

1.19 Share based payments

The fair value of options granted to directors and others in respect of services provided is recognised as an expense in the profit and loss account with a corresponding increase in equity reserves - the share based payment reserve.

On exercise or cancellation of share options, the proportion of the share based payment reserve relevant to those options is transferred to the profit and loss account reserve. On exercise, equity is also increased by the amount of the proceeds received.

The fair value is measured at grant date charged in the accounting period during which the option becomes unconditional.

The fair value of options is calculated using the Black-Scholes model taking into account the terms and conditions upon which the options were granted. Vesting conditions are non-market and there are no market vesting conditions. The exercise price is fixed at the date of grant and no compensation is due at the date of grant.

2 Revenue and segmental analysis

The Group's prime business segment is mineral exploration.

The Group operates within two geographical segments, the United Kingdom and Australia. The UK sector consists of the parent company which provides administrative and management services to the subsidiary undertaking based in Australia.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

2 Revenue and segmental analysis (cont)

The following tables present revenue and loss information and certain asset and liability information by geographical segments:

	UK £	Australia £	Total £
Year ended 30 June 2010			
Revenue			
Total segment revenue	-	-	-
Total consolidated revenue			-
Result			
Segment results	(248,937)	(371,718)	(620,655)
Loss before tax and finance costs			(620,655)
Interest receivable			3,923
Loss before taxation			(616,732)
Taxation expense			-
			(616,732)
Year ended 30 June 2010			
Assets and liabilities			
Segment assets	1,779,495	708,419	2,487,914
Available for sale assets	-	44,547	44,547
Total assets	1,779,495	752,966	2,532,461
Segment liabilities	(72,733)	(141,171)	(213,904)
Total liabilities			(213,904)
Other segment information			
Capital expenditure	-	99,249	99,249
Depreciation	-	1,483	1,483
Year ended 30 June 2009			
Revenue			
Total segment revenue	-	-	-
Total consolidated revenue			-
Result			
Segment results	(263,991)	(130,614)	(394,605)
Loss before tax and finance costs			(394,605)
Interest receivable			38,502
Loss before taxation			(356,103)
Taxation expense			-
			(356,103)



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

2 Revenue and segmental analysis (cont)

	UK £	Australia £	Total £
Year ended 30 June 2009			
Assets and liabilities			
Segment assets	1,792,340	567,574	2,359,914
Available for sale assets	-	34,709	34,709
Total assets	1,792,340	602,283	2,394,623
Segment liabilities	(74,266)	(9,484)	(83,750)
Total liabilities			(83,750)
Other segment information			
Capital expenditure	-	29,331	29,331
Depreciation	-	1,913	1,913

3 Loss on ordinary activities before taxation

	2010 £	2009 £
Loss on ordinary activities before taxation is stated after charging:		
Auditors' remuneration - audit	16,067	12,000
Auditors' remuneration - non audit services	-	-
Depreciation	1,483	1,913
Directors' emoluments	134,820	148,999
Exchange differences - (loss) / gain	-	(225)

Auditors' remuneration for audit services above includes AU\$ 3,700 (2009: AU\$ 3,600) charged by Charles Foti (Australia) relating to the audit of the subsidiary company.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

4 Taxation

	2010 £	2009 £
Analysis of charge in year		
Tax on profit on ordinary activities	-	-

Factors affecting tax charge for year

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows:

	2010 £	2009 £
Loss on ordinary activities before tax	(616,732)	(356,103)
Standard rate of corporation tax in the UK	28%	28%
Loss on ordinary activities multiplied by the standard rate of corporation tax	(172,685)	(99,709)
Effects of:		
Expenses not deductible for tax	-	-
Future tax benefit not brought to account	172,685	99,709
Income tax expense	-	-

No deferred tax asset has been recognised because there is insufficient evidence of the timing of suitable future profits against which they can be recovered.

5 Employee information

	2010 £	2009 £
Staff costs comprised:		
Wages and salaries	-	13,178
	Number	Number
Administration	-	1

6 Dividends

No dividends were paid or proposed by the Directors. (2009: £Nil)



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

7 Directors' emoluments

	2010 £	2009 £
Directors' remuneration	134,820	148,999

	Directors' fees £	Consultancy fees £	Shares/ options £	Total £
2010				
Executive directors				
P W Askins	6,000	19,000	-	25,000
C N Baxter	6,000	78,820	-	84,820
Non-executive directors				
A R M Bell	6,000	4,000	-	10,000
J Watkins	6,000	9,000	-	15,000
	24,000	110,820	-	134,820
2009				
Executive directors				
P W Askins	6,000	29,842	-	35,842
C N Baxter	6,000	82,157	-	88,157
Non-executive directors				
A R M Bell	6,000	4,000	-	10,000
J Watkins	6,000	9,000	-	15,000
	24,000	124,999	-	148,999

Fees in respect of A R M Bell were payable to Condorex Limited and General Mining Limited, companies of which he is a director and which provided his services.

Fees in respect of P W Askins were payable to Geotech International Pty Limited, a company of which he is a director and which provided his services at a fee of £19,000 (2009: £29,842) related to the provision of professional services.

Fees in respect of C N Baxter were payable to Baxter Geological, a company of which he is a director and which provided his services.

Fees in respect of John Watkins were payable with the addition of VAT to his business as a chartered accountant in public practice.

No pension benefits are provided for any director.

Also, see note 20 for related party transactions.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

8 Loss per share

The basic loss per share is derived by dividing the loss for the period attributable to ordinary shareholders by the weighted average number of shares in issue.

	2010 £	2009 £
Loss for the period	(616,732)	(356,103)
Weighted average number of Ordinary shares of £0.001 in issue	245,029,452	201,262,329
Loss per share - basic	(0.25) pence	(0.18) pence
Weighted average number of Ordinary shares of £0.001 in issue inclusive of outstanding options	251,029,452	207,262,329

As inclusion of the potential Ordinary shares would result in a decrease in the loss per share they are considered to be anti-dilutive, as such, a diluted earnings per share is not included.

9 Tangible fixed assets - Group

	Motor vehicle £	Equipment £	Total £
At 30 June 2009	11,213	1,956	13,169
Additions during the period	-	1,743	1,743
Foreign exchange rate fluctuations	1,871	1,223	3,094
At 30 June 2010	13,084	4,922	18,006
Impairment			
At 30 June 2009	6,464	1,956	8,420
Charge for the period	1,361	122	1,483
Foreign exchange rate fluctuations	1,103	373	1,476
At 30 June 2010	8,928	2,451	11,379
Net book amount			
At 30 June 2010	4,156	2,471	6,627
At 30 June 2009	4,749	-	4,749



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

10 Intangible non-current assets - Group

£

Exploration properties

At 30 June 2009	525,372
Additions during the period	97,506
Foreign exchange rate fluctuations	43,360
At 30 June 2010	666,238

Impairment

At 30 June 2009	-
Charge for the period	122
Foreign exchange rate fluctuations	-
At 30 June 2010	122

Net book amount

At 30 June 2010	666,116
At 30 June 2009	525,372

Impairment review

As at 30 June 2010, the Directors have carried out an impairment review and confirmed that no further impairment charge was required.

11 Non-current asset investments in subsidiary - Company

£

Cost

At 30 June 2009	250,000
Additions during the period	-
At 30 June 2010	250,000

Impairment

At 30 June 2009	-
Charge for the period	-
At 30 June 2010	-

Net book amount

At 30 June 2010	250,000
At 30 June 2009	250,000

The parent company of the Group holds more than 20% of the share capital of the following company:

Company	Country of registration	Class	Proportion held	Nature of business
Greatland Pty Ltd	Australia	Common	100%	Mineral exploration



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

12 Trade and other receivables

	Group 2010 £	2009 £	Company 2010 £	2009 £
Current trade and other receivables:				
Prepayments	32,447	40,610	30,655	39,120
Other debtors	29,775	9,463	12,156	3,826
Loans due from subsidiary	-	-	1,325,302	990,302
Total	62,222	50,073	1,368,113	1,033,248

The loan due from subsidiary was interest free throughout the period, and has no fixed repayment date.

13 Available for sale financial assets - Group

	2010 £	2009 £
Group listed investments		
At beginning of period	34,709	96,147
Currency translation differences	5,790	1,037
Movement in market value	4,048	(62,475)
At 30 June	44,547	34,709
The available for sale investments are split as below:		
Current assets	44,547	34,709
	44,547	34,709

Available for sale investments comprises investments in listed securities which are traded on stock markets throughout the world, and, which are held by the Group as a mix of strategic and short term investments. No unlisted available for sale investments are held. The market value of the above listed investments as at 12 October 2010 was £48,464.

14 Trade and other payables

	Group 2010 £	2009 £	Company 2010 £	2009 £
Current trade and other payables:				
Trade creditors	195,926	71,384	54,755	61,900
Accruals	17,978	12,366	17,978	12,366
Total	213,904	83,750	72,733	74,266



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

15 Share capital

The authorised share capital of the Company and the called up and fully paid amounts were as follows:

<i>Authorised</i>	Number	Nominal £
As at 30 June 2009 and as at 30 June 2010, Ordinary shares of £0.001 each	1,000,000,000	1,000,000
<i>Called up, allotted, issued and fully paid</i>		
As at 30 June 2009, Ordinary shares of £0.001 each	239,550,000	239,550
Issued 21 May 2010, at a premium issue price of £0.012	50,000,000	50,000
As at 30 June 2010	289,550,000	289,550

Total share options in issue

During the year ended 30 June 2010, no options over Ordinary shares were issued. (2009: Nil)

No options lapsed or were cancelled or exercised during the year ended 30 June 2010.

As at 30 June 2010 the unexercised options in issue were:	Options in issue	Expiry date
At an exercise price of 3 pence per share:	6,000,000	30 June 2012

16 Share based payments

The Company has an employee share option plan to enable the issue of options as part of the remuneration of key management personnel and directors to enable them to purchase ordinary shares in the Company. Under the plan, the options were granted for no consideration, they were granted for a period of five years and vested immediately. Options granted under the plan carry no dividend or voting rights.

Under IFRS 2 'Share Based Payments', the Company determines the fair value of the options issued to directors and employees as remuneration and recognises the amount as an expense in the income statement with a corresponding increase in equity.

The Company has issued options to subscribe for ordinary shares as follows:

	30 June 2009	Exercisable at 30 June 2010	Exercise price	Date from which exercisable	Expiry date
ARM Bell	500,000	500,000	3p	29 March 2007	30 June 2012
PW Askins	1,500,000	1,500,000	3p	29 March 2007	30 June 2012
CN Baxter	1,500,000	1,500,000	3p	29 March 2007	30 June 2012
G McLean	2,000,000	2,000,000	3p	29 March 2007	30 June 2012
J Watkins	500,000	500,000	3p	29 March 2007	30 June 2012
Total	6,000,000	6,000,000			



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

17 Nature and purpose of reserves - Other reserves

Merger Reserve

The merger reserve was created in accordance with the merger relief provisions of the Companies Act 1985 (as amended), and 2006, relating to accounting for business combinations involving the issue of shares at a premium. In preparing group consolidated financial statements, the amount by which the fair value of the shares issued exceeded their nominal value was recorded within a merger reserve on consolidation, rather than in a share premium account.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Available for sale financial asset reserve

This reserve is used to record the post-tax fair value movements in available for sale assets and investments

18 Cash and cash equivalents - Group

	30 June 2010	Net Cash flow	30 June 2009
	£	£	£
Cash at bank and in hand	1,752,949	(26,771)	1,779,720
Total cash and cash equivalents	1,752,949	(26,771)	1,779,720

Cash and cash equivalents - Company

	30 June 2010	Net Cash flow	30 June 2009
	£	£	£
Cash at bank and in hand	1,736,684	(12,709)	1,749,393
Total cash and cash equivalents	1,736,684	(12,709)	1,749,393

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

19 Commitments

As at 30 June 2010, the Company had entered into the following commitment:

Exploration commitments

Ongoing exploration expenditure is required to maintain title to the Group mineral exploration permits. No provision has been made in the financial statements for these amounts as the expenditure is expected to be fulfilled in the normal course of the operations of the Group.

20 Related party transactions

On 1 July 2006, the Company agreed with Regency Mines plc, a company of which the directors Andrew Bell and John Watkins are also directors, to enter into a sub licence agreement and share the rental, service costs and other outgoings of an office at 115 Eastbourne Mews London W2 6LQ with Regency Mines plc and Red Rock Resources plc. This agreement has been effective throughout the year. The total cost to the Company during the year was £23,522 (2009: £20,195).



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

20 Related party transactions cont

Remuneration of key management personnel

The remuneration of the directors, and other key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS24 Related Party Disclosures.

	2010	2009
	£	£
Short-term employee benefits	134,820	148,999
Share based payments	-	-
	<u>134,820</u>	<u>148,999</u>

21 Financial instruments - Group

The Group uses financial instruments comprising cash, liquid resources and debtors/creditors that arise from its operations.

The Group's exposure to currency and liquidity risk is not considered significant. The Group's cash balances are held in Pound Sterling and in Australian dollars, the latter being the currency in which the significant operating expenses are incurred.

To date the Group has relied upon equity funding to finance operations. The Directors are confident that adequate cash resources exist to finance operations to commercial exploitation, but controls over expenditure are carefully managed.

The net fair value of financial assets and liabilities approximates the carrying values disclosed in the financial statements. The currency of the financial assets is as follows:

Cash and short term deposits	30 June 2010	30 June 2009
	£	£
Sterling	1,736,684	1,749,393
Australian Dollars	16,265	30,327
	<u>1,752,949</u>	<u>1,779,720</u>

The financial assets comprise interest earning bank deposits.

22 Post balance sheet events

There are no significant post balance sheet events to disclose.

23 Control

There is considered to be no ultimate controlling entity.

24 Profit and loss account of the parent Company

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent Company has not been separately presented in these accounts. The parent Company loss for the period was £246,311 (2009: £211,452).



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Greatland Gold PLC (the "Company") will be held at the offices of Grant Thornton UK LLP at 30 Finsbury Square, London EC2A 1AG on 30 November 2010 at 11.00 am for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions in the cases of resolutions 1-4 and as a special resolution in the case of resolution 5.

ORDINARY BUSINESS

- 1 To receive the report of the Directors and the audited financial statements of the Company for the year ended 30 June 2010.
- 2 To re-elect Callum Baxter as a Director of the Company, who retires by rotation under the Articles of Association of the Company and, being eligible, offers himself for re-election.
- 3 To re-appoint Chapman Davis LLP as auditors of the Company to act until the conclusion of the next Annual General Meeting and to authorise the Directors to determine the remuneration of the auditors.
- 4 That in substitution for all existing authorities under the following section to the extent unutilised, the Directors be generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the "Act") to allot relevant securities (within the meaning of section 560) up to an aggregate nominal amount of £100,000. The authority referred to in this resolution shall be in substitution for all other existing authorities, and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the earlier of the next Annual General Meeting of the Company and the date falling 15 months following the date of the Annual General Meeting being convened by this Notice. The Company may, at any time prior to the expiry of the authority, make an offer or agreement which would or might require relevant securities to be allotted after the expiry of the authority and the Directors are hereby authorised to allot relevant securities in pursuance of such offer or agreement as if the authority had not expired

SPECIAL RESOLUTION

- 5 That in substitution for all existing authorities to the extent unutilised, the Directors, pursuant to Section 570 of the Act, be empowered to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 4 as if Section 561(1) of the Act did not apply to any such allotment provided that this power shall be limited to:
 - (a) the allotment of equity securities where such securities have been offered (whether by way of a rights issue, open offer or otherwise) to the holders of ordinary shares in the capital of the Company in proportion (as nearly as may be) to their holdings of such ordinary shares but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with equity securities representing fractional entitlements and with legal or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in, any territory; and
 - (b) the allotment, other than pursuant to (a) above, of equity securities:
 - (i) arising from the exercise of options and warrants outstanding at the date of this resolution;
 - (ii) other than pursuant to (i) above, up to an aggregate nominal value of £50,000,

and this power shall, unless previously revoked or varied by special resolution of the Company in general meeting, expire at the earlier of the conclusion of the next Annual General Meeting of the Company and the date falling 15 months following the date of the Annual General Meeting being convened by this Notice. The Company may, before such expiry, make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors are hereby empowered to allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired.

If you are a registered holder of Ordinary Shares in the Company, whether or not you are able to attend the meeting, you may use the enclosed form of proxy to appoint one or more persons to attend and vote on a poll on your behalf. A proxy need not be a member of the Company.



NOTICE OF ANNUAL GENERAL MEETING

A form of proxy is provided.

This may be sent by facsimile transfer to 01252 719 232 or by mail using the reply paid card to:

The Company Secretary
Greatland Gold Plc
c/o Share Registrars Limited
Suite E, First Floor
9 Lion and Lamb Yard
Farnham
Surrey GU9 7LL

In either case, the signed proxy must be received no later than 48 hours (excluding non-business days) before the time of the meeting, or any adjournment thereof.

Registered Office:
Third Floor
55 Gower Street
London WC1E 6HQ
18 October 2010

By order of the Board
Stephen Ronaldson
Company Secretary

Registered in England and Wales Number: 5625107

NOTES TO THE NOTICE OF GENERAL MEETING

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members 48 hours before the time of the Meeting shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the registrars of the Company, Share Registrars Limited on 01252 821 390.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.



NOTICE OF ANNUAL GENERAL MEETING

Appointment of proxy using hard copy proxy form

6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- completed and signed;
- sent or delivered to Share Registrars Limited at Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by facsimile transmission to 01252 719 232; and
- received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

8. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Share Registrars Limited on 01252 821 390.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

9. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:
By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited at Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by facsimile transmission to 01252 719 232. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

In either case, the revocation notice must be received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.



NOTICE OF ANNUAL GENERAL MEETING

Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Issued shares and total voting rights

10. As at 18 October 2010, the Company's issued share capital comprised 289,550,000 ordinary shares of £0.001 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 18 October 2010 is 289,550,000.

Communications with the Company

11. Except as provided above, members who have general queries about the Meeting should telephone Stephen Ronaldson on 020 7580 6075 (no other methods of communication will be accepted). You may not use any electronic address provided either in this notice of general meeting; or any related documents (including the chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

CREST

12. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual.

CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via euroclear.com/CREST).

The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: 7RA36) by the latest time(s) for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of CREST by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

