

BUREY GOLD LIMITED

ABN 14 113 517 203

Financial Report 2007

Burey Gold Ltd
Corporate Directory

Directors	Ron Gajewski Bruce Stainforth Nigel Ferguson Susmit Shah
Company Secretary	Susmit Shah
Registered and Administrative Office	30 Ledger Road Balcatta Western Australia 6021 PO Box 717 Balcatta Western Australia 6914 Telephone: (61 8) 9240 7660 Facsimile: (61 8) 9240 2406
Auditors	BDO Kendalls Audit & Assurance (WA) Pty Ltd 128 Hay Street Subiaco Western Australia 6008
Share Registry	Advanced Share Registry Services 110 Stirling Highway Nedlands Western Australia 6009 Telephone: (61 8) 9389 8033 Facsimile: (61 8) 9389 7871

Website: www.bureygold.com

Securities trade on the Australian Securities Exchange – BYR and BYRO

Burey Gold Ltd
Contents

	<i>Page Numbers</i>
Review of Operations	3-8
Directors' Report	9-16
Auditors' Independence Declaration	17
Income Statements	18
Balance Sheets	19
Statements of Changes in Equity	20
Cash Flow Statements	21
Notes to the Financial Statements	22-39
Directors' Declaration	40
Independent Audit Report	41-42
Corporate Governance Statement	43-45
Additional Shareholder Information	46-49

Mansounia Gold Project (Burey earning 70%)

Following the farm-in and joint venture agreement with Caspian Oil & Gas Ltd early in the financial year, the Burey Group commenced set up of infrastructure and facilities to undertake exploration activities at Mansounia.

Burey Gold Guinee SARL established a registered office, in the capital, Conakry. A field base for the Mansounia Project was also established some 5km by road immediately to the north of the project area within the village of Balan. An office has also been set up in Accra, Ghana to serve as a logistics and administrative base and the Burey Group has also flagged a number of areas within the Central and Western Regions of Ghana for follow-up and project generation.

The Mansounia Project concerns a broadly rectangular N-S elongated Exploration Licence, Mansounia, of some 145km², located in the region of Haute (Upper) Guinea, approximately 440km east-of the Guinea capital, Conakry, and some 150km from of the international borders with Mali and Ivory Coast.

Mansounia is sited immediately to the west of and south from Kiniero townsite, a sub-district centre developed on the west bank of the Niandan River some 31km and slightly east and south from the Prefecture (administrative) centre of Kouroussa and roughly mid-way between Kouroussa and the second city of Guinea, Kankan.

Local and Regional Geology, Gold Mineralisation and Mining Update

Regionally, the Siguiiri Basin hosts a number of more significant gold deposits. The Siguiiri Mine, located in the north of the Siguiiri Basin, some 150km northeast of Mansounia, is a large tonnage low-grade deposit (previously employing HCL, now CIL) run by AngloAshanti's Société Aurifères de Guinée (SAG) with current combined resources and reserves reported to be (Dec., 2006, 258Mt @ 0.71gAu/t) 5.9Moz Au. Crew Gold acquired from Guinor, 2006 the Lero Mine, located in the north west of the Siguiiri Basin. It is another low-grade gold resource in many respects not too dissimilar to that at the Siguri Mine. Having operated for 11+ years as a modest HL operation and having produced an estimated (<) 800,000 ounces; now referred to as the Lefa Project, it has combined resources and reserves also reported as 5.9Moz and like Siguri has also been recently recapitalised to become a 7Mt/annum operation commencing CIP production in the first quarter of 2007.

Of more significance to the Mansounia Project, is the Kiniero (formerly Jean-Gobelet) Mining Licence owned by Toronto listed company, Semafo Inc. TSX(-SMF) which shares a common E-W licence abutment with Mansounia. From a resource reported (Dec., 2006) to be 0.76 Moz., reserves are being processed using a small CIL plant (production < 60,000 oz/annum) which is located south of Semafo's currently active open-pits and less than 2km north from Mansounia.

Gold mineralization at the Kiniero Mine is associated with quartz vein arrays and associated alteration developed about fractures and rheo-lithological contrasts within the composite volcanic suite and hyperbyssals.

Within the regional context, the gold mineralisation that has been located in Mansounia is set on/within the SW margin of the Siguri Basin margin where an east-southeast dipping thrust array expressed in composite volcanics has been ramped over the granite-gneiss complex located to the southwest of the project area and in consequence Birimian volcanics and sediments can appear locally to be sub-vertical (Kiniero Mine open-pits).

Within the local Birimian Series (south from Kouroussa) two closely spaced but distinctly separate, sub-parallel, fault disrupted, NNE-SSW aligned volcanic suites are mapped. The volcanic suite, located closest to the basin edge (western), is a composite pile, varying in form and in composition from acid pyroclastites to andesitic basalts; the basin-ward (eastern) volcanic suite is essentially composed of mafic volcanics (deep water komatiitic). These volcanic suites evidence the presence of significant Birimian age basin sutures. The subsequent proximity of these volcanic suites reflects compression (terrain docking?) associated with basin closure. Otherwise, Birimian distal volcano-sedimentary facies (fine grained greywackes, cherts and black shales) constitute the bulk of the Kouroussa segment of the Siguri Basin margin, with intrusives appearing to be more of a feature away from the basin perimeter.

The Primary gold mineralisation of the Mansounia precinct is exclusively expressed in mesothermal vein settings consistent with the majority of Archaean and Proterozoic terrains worldwide, including the Birimian Series elsewhere in West Africa. This style of mineralisation is generally associated with regionally metamorphosed terrains that have undergone considerable deformation and polyphase intrusive events. As such, the Birimian deposits invariably display dominant structural, as opposed to lithological, control.

Burey Gold Ltd ***Review of Operations***

The presence of numerous ancient artisanal pits and workings implies a long history of gold production from Mansounia. A segment of Sinkalamba creek continued to be a very busy artisanal field (900+ orpailleur) up until 2004.

The modern era of exploration within Mansounia began when Afminex (now Caspian Oil & Gas Ltd) took up tenure over the ground in 1997 and carried out a systematic soil sampling and geological mapping programme, which was progressively expanded as successive soil sampling campaigns identified an expanse of anomalous low level gold in the lateritic soil.

Ashanti Exploration Limited initially and then Gold Field's continued exploring the project area under farm-in arrangements with Afminex.

Therefore, work carried out prior to Burey's involvement had identified a +10ppb gold-in-soil halo in the northern portion of Mansounia extending over some 3.9km in strike on a broad northeast trend within which a number of well defined 200m to 400m wide zones exceeding 250ppb Au. A number of these anomalous soil zones were tested by Gold Fields initially by scout RAB drilling and confirmed by followed up RC drilling.

At the close of Gold Fields' involvement the mineralisation located by their drilling at Mansounia remained open to the north - they had not tested beneath soil anomalies adjacent the northern boundary. Although primary mineralisation had been intercepted by their drilling, gold mineralisation appeared to be best expressed within the saprolite profile. As seen in the Kiniero pit exposures, mineralisation at Mansounia is interpreted to occur in an en echelon series of north northeast trending sub-vertical to east plunging shoots which may incorporate quartz vein cores, occurring within northeast bound compartments of volcanics and sediments.

The southern portion of Mansounia where soil anomalies, admittedly of somewhat weaker expression, extend over some 3.3km within in a less developed laterite profile, remained to be drill tested.

So outlined, the Mansounia Project presented a large tonnage, low grade, HCL (heap-cyanide-leach) target, exhibiting mineralisation set in laterite and sap-rock of a similar type and tenor to the HCL ores treated previously elsewhere in the Siguiri Basin. Burey's Directors believe that by undertaking careful systematic exploration there is good potential for the discovery of a significant low grade gold resource at Mansounia and perhaps to delineate thereafter a primary portion bearing a tenor to complement Semafo's commercial tonnage.

2006 / 2007 Programme of Work

Burey's objective in undertaking its initial 2006 drilling programme [Project Phase III Drilling] at Mansounia was to confirm the presence, locate the peripheral limits to and test the internal continuity of the low grade gold mineralization, interpreted from drill data provided by the previous explorers.

Based on the drilling results returned by the previous explorers at Mansounia, it was considered reasonable to expect that additional drilling would demonstrate internal continuity and increase the extent of the sap-rock mineralisation so indicated.

Project Phase III Drilling

Project Phase III Drilling, was undertaken by the Layne Christensen Company, West African Drilling Services (WADS). A total of 90 inclined (at a nominal < of 60°) exploration RC drill holes were drilled (a nominal 80+m length for 7,725m aggregate) using a Cummins powered rig generating 900CFM/350PSI to a 133 diameter PR-40 full face down-hole hammer, all drill holes aligned on a UTM west azimuth, with a nominal 45m collar spacing, variously distributed along twelve, 100 or 200 metre spaced, drill fences. Regular down hole declination surveys were carried out using a camera.

Figure 1 is a plan which shows the distribution of drill holes completed by Burey and past drill-hole collar locations.

Each one metre interval drilled was continuously sampled. Laboratory assay samples were generated - when dry using a clean 3-tier riffle splitter; -damp and wet samples were dried coned and quartered whereas, saturated samples were decanted, thoroughly tumble mixed then speared as required.

Gold assay results for Burey's drill samples (some 8,536 field samples, including blind field duplicates, generated for assay) were processed at Transworld Laboratory's analytical facility in Tarkwa, Ghana. The analytical method used for gold determination of the exploration drill samples was BLEG, wherein the whole sample (nominal 6Kgm, wet) as

Burey Gold Ltd ***Review of Operations***

delivered to the laboratory was dried and pulped to 95% <90# prior to availing a 2kgm split for a 24hr saturated cyanide leach bottle-roll Au extraction. Tests and statistical studies, to provide appropriate qualification of sampling and analytical procedures (QA/QC) continued beyond the 2006 December Quarter, with final reports returned in February, 2007.

Significantly, Burey's exploration drilling results have confirmed the concept of a NNE trend to the gold mineralization at Mansounia and further, that it more or less extends along the entire strike tested (at least 1.5km, including 800m to the north, not previously drill tested), albeit not equally well developed throughout, but continuously up to the common boundary with the Semafo property.

The primary source of the gold mineralization outlined by Burey's exploration drilling on the Mansounia is interpreted to lie within the array of a NNE trending thrust fault coupling, the weathering of which has led to the development at or near to surface, in part (ie/ preserved where topographically favoured), of a substantial diffusion "mushroom" of secondary mineralization within the down-slope laterite / sap-rock profile (Refer to cross-sections presented in Figures 2, 3 & 4). Alignment and interpreted cross-sectional geometry of the primary source is not inconsistent with that which has been recognized as the setting of the primary gold mineralization exploited in Semafo's neighbouring Kiniero Mine. (ie/ primary gold emplacement at both locations is most likely a response to and a similar expression of the same stress regime).

As seen from Figure 1, exploration drilling undertaken by Burey was along wide spaced (100m and 200m apart) fences. There is reasonable geological support to suggest mineralized continuity between these fences. However, sample density is currently inadequate for the preparation of an acceptable mineral resource estimate. There was adequate encouragement offered by the Phase III drill results to warrant Burey to commit to a second stage of exploration work.

Project Phase IV Drilling

Following on directly from the favourable outcome to the Project Phase III Drilling, Project Phase IV Drilling was planned to commence late in the first Quarter of 2007. Unfortunately, political turmoil in Guinea effectively disrupted business activity in Guinea for over two months and with compressed operating schedules WADS was not able to actually commence drilling [Project Phase IV Drilling] until late July 2007.

In the final quarter of 2006/2007, Burey completed designing and preparation for the follow up program. By quarter end, clearing, preparation of access roads, drill pads and fuel delivery had all been completed. Burey's follow up programme will comprise RC and oriented DD drilling (approximately 78 holes for a total of 6,200 metres), sampling and metallurgical test work over the identified area of oxide mineralization, with surface mapping followed up by RAB or RC drilling over wider zones in the project area to expand the inventory of known zones of mineralization. The longer term objective remains the preparation of a bankable feasibility study for the development of a commercial heap leach operation.

The follow up programme is designed to:

- close off known extensions to the oxide mineralization;
- test for the possibility of proximal parallel repetitions (to the west) of the oxide mineralisation;
- locate the primary source from which the main body of secondary oxide mineralization is interpreted to have developed and test such primary mineralization to determine whether it might offer additional opportunity for economic development;
- recover adequate large diameter core samples of the oxide mineralization to permit a comprehensive assessment of the metallurgical character of the oxide resource;
- recover a spread of oriented core from the main body of oxide mineralization to generate sufficient structural data with which to validate a resource model; and
- to locate and test for additional proximal areas (Sinkalimba and Intermediate Creek) of gold mineralisation (aided by aeromagnetic based structural interpretations and artisanal vectors).

Drilling commenced in late July 2007 and continues as at the date of this Report.

This drilling will serve as the precursor to a further 6,000+ metres of assigned RC (plus ancillary DD) panel drilling, to be carried out later in the 2007/2008 year, the placement of which will be designed to reveal detail of the internal geometry and validate grade distribution and continuity within the main body of oxide mineralization.

Additional drilling will be required should the initial Sinkalimba and/or Intermediate prospect drilling prove encouraging.

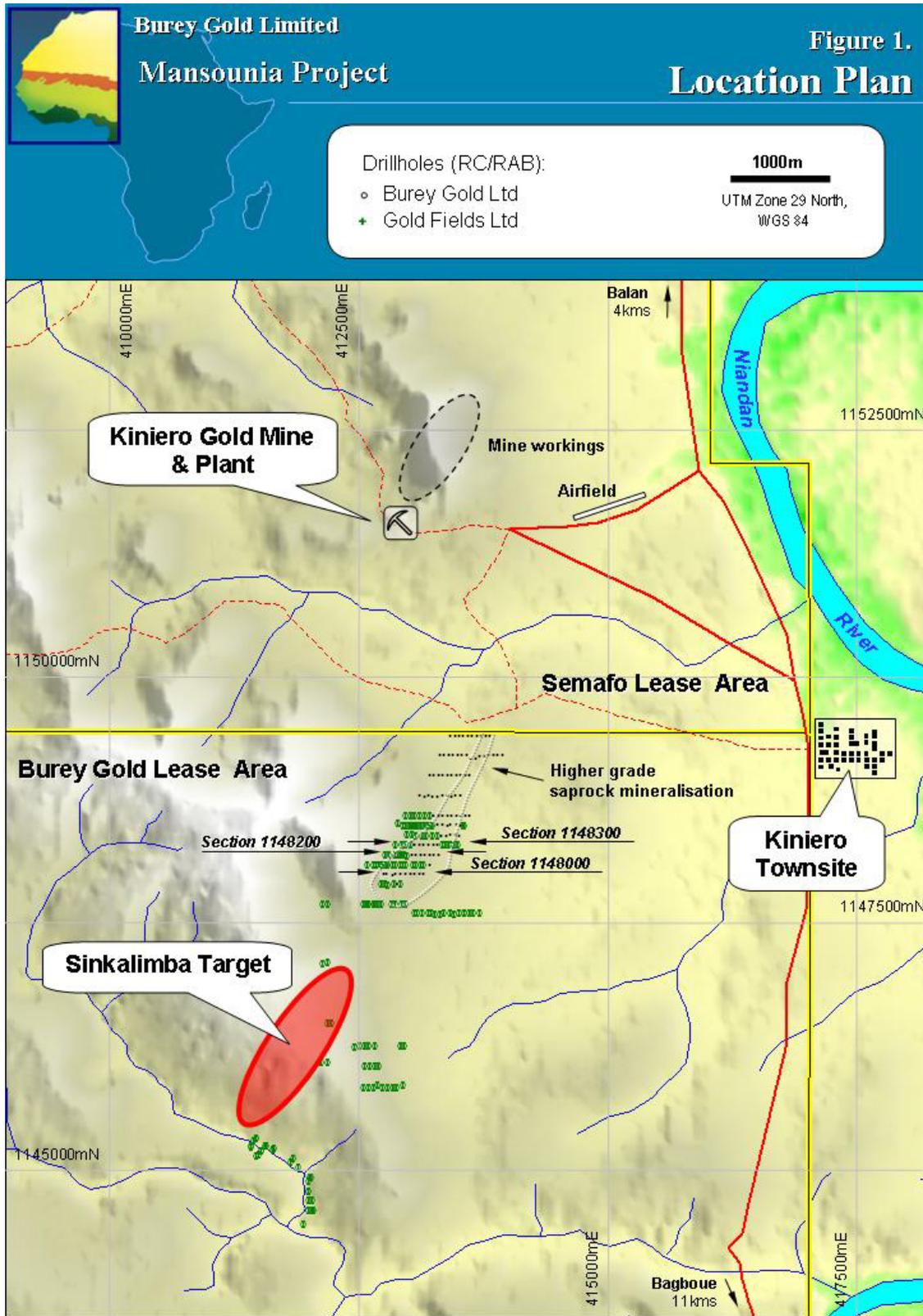


Figure 1

Mansounia Project
Cross Section 114800N

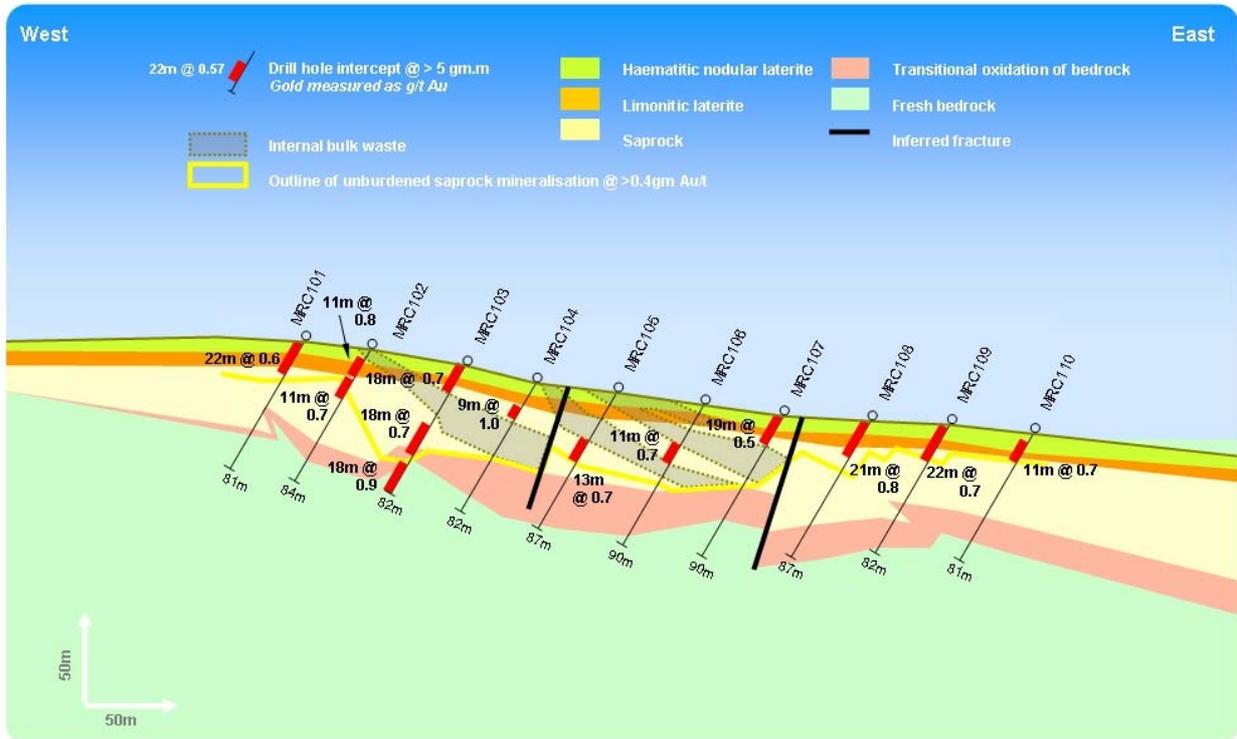


Figure 2

Mansounia Project
Cross Section 1148200N

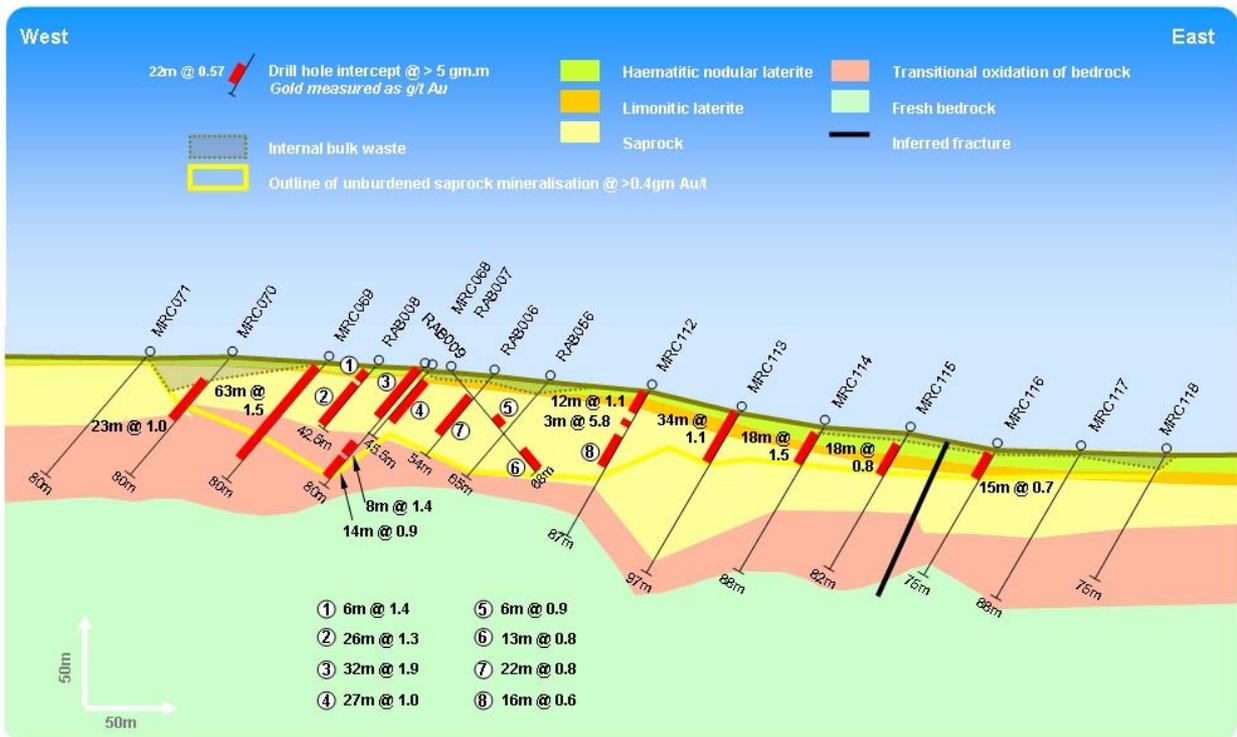


Figure 3

Mansounia Project
Cross Section 1148300N

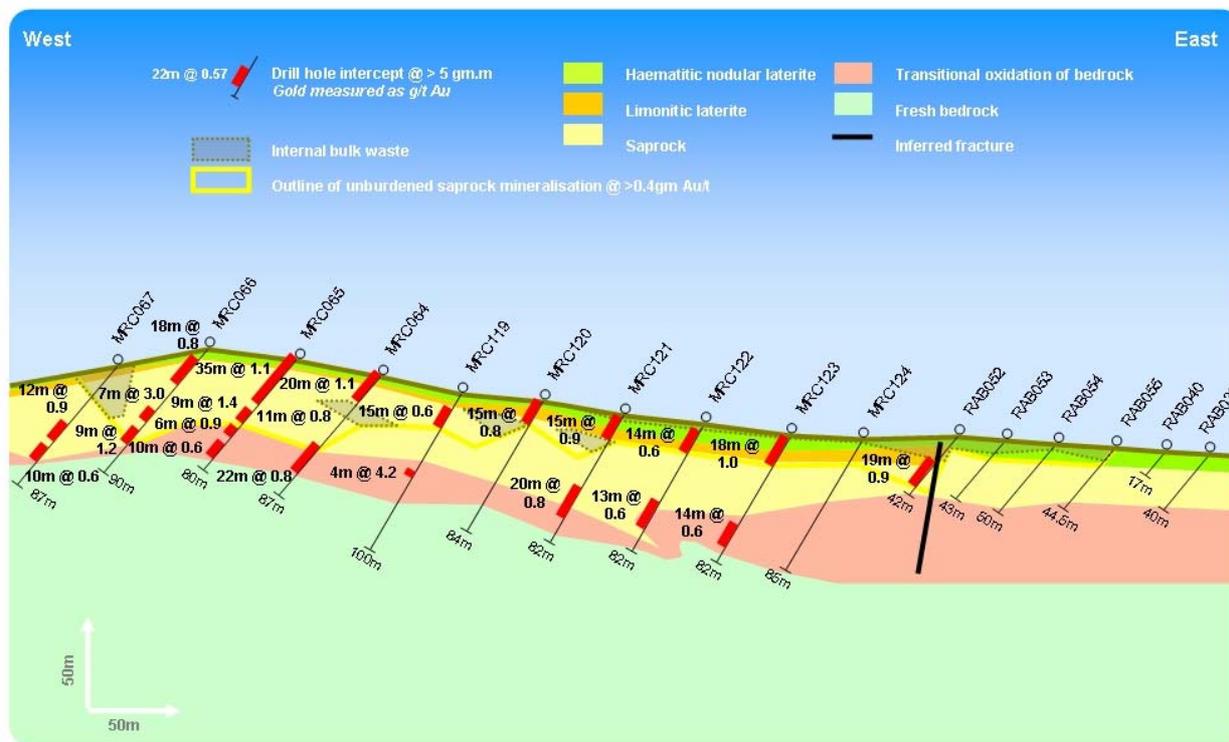


Figure 4

Uranium Properties - Australia

After a prolonged due diligence period, Burey exercised its option to acquire a number of uranium prospective properties in Western and South Australia. The option terms were renegotiated and the option was exercised mainly for a cash consideration, thus preventing a significant (28%) dilution in Burey’s share capital. Total purchase consideration comprised \$1.75m cash paid in June 2007 and the issue of 2.5m shares (completed in September 2007).

Burey’s uranium interests cover a total area of approximately 4,850 km², including 3,645 km² of granted exploration licences. These include 12 exploration licences in South Australia and 5 exploration licences in Western Australia. In addition, Burey’s interest includes 10 applications for exploration licences covering a further 1,205 km² of prospective ground in Western Australia.

Uranium interests include an option to acquire 90% of the Jailor Bore property, 250km north east of Carnarvon, Western Australia. A previous ground radiometric survey and exploration drilling of some 245 Reverse Circulation drill holes has identified 6.5 hectares of uranium mineralization (carnotite) within 4 to 10 metres of the surface. Average length (of hole) weighted grades for a selection of drill holes ranged from 423ppm to 1,049ppm U₃O₈ with a number of 1 metre intercepts in the range 1,200ppm to 1,800ppm U₃O₈. This property will receive immediate attention.

Commencing in the last week of June 2007, Zephyr Consulting Group Pty Ltd (Zephyr) was engaged to undertake an assessment of the Jailor Bore uranium prospect and provide recommendations for a follow up field program. Zephyr has completed a detailed assessment of the work undertaken by previous explorers including compilation of all drill hole and radiometric data into digital format. A site visit was also undertaken to the project area which included an assessment of the regolith-landform units, local geology, and an assessment of the significance of the radiometric signatures with regard to regolith features.

Zephyr has recommended re-establishing the historical local grid with DGPS prior to undertaking a shallow confirmatory RC drilling over previously identified anomalies. In addition, an aircore or vacuum drilling program has been recommended over the interpreted strike extensions of radiometric anomalies.

Burey is studying these recommendations and will prepare a program for follow-up, including the recruitment of a dedicated technical team.

Burey Gold Ltd
Directors' Report
For the year ended 30 June 2007

Your directors present their report together with the financial report of Burey Gold Ltd ("the Company") and its controlled entities ("the Consolidated Entities"), for the financial year ended to 30 June 2007 and the auditor's report thereon.

DIRECTORS

The names and details of the Directors in office during or since the end of the financial year are as follows. Directors were in office for the entire year unless otherwise stated.

Ron Norbert Gajewski
BBus., CPA
Executive Chairman
(Director since 23 March 2005)

Ron Gajewski is an accountant by profession, with many years of experience as a director of public listed companies and as a corporate advisor to public companies. Mr Gajewski was formerly an executive Director of ASX listed Spinifex Gold Limited, executive Chairman of Contact Resources Ltd and has held directorships with mining companies listed in both Canada and Australia. During the past three years he has also served as a director of the following listed companies:

Contact Resources Ltd (22 March 2004 – 27 June 2006)
Carnavale Resources Ltd (appointed 18 October 2006)
Erongo Energy Ltd (appointed 9 July 2007)

Bruce Stainforth
B.Sc., F.AUSIMM
Chief Executive Officer /
Managing Director
(Appointed 6 July 2006)

Bruce Stainforth has more than 32 years experience in the exploration and mining sectors in Australia, Asia-Pacific and West Africa. During this time, Mr Stainforth has worked in a variety of technical and managerial roles, including as chief geologist and chief mine geologist. He has 12 years of experience in West Africa and has previously worked in Guinea for Gold Fields. Mr Stainforth has not served as a director of any other listed entity in the past three years.

Nigel Munro Ferguson
BSc MAusIMM
Non-Executive Director
(Director since 23 March 2005)

Nigel Ferguson is a geologist with over twenty years of experience in the exploration and definition of precious and base metal mineral resources. He has worked in a number of diverse locations, including Saudi Arabia, South East Asia, Central America and Africa. Mr Ferguson is presently the Chief Executive Officer and a director of Condor Resources plc (appointed March 2006), a company that is listed on the London Stock Exchange and is exploring for gold, silver and copper in Central America. In the last three years, Mr Ferguson's only other listed company directorship has been in Condor Resources plc.

Susmit Mohanlal Shah
BSc Econ, CA
Non-Executive Director /
Company Secretary
(Director since 16 June 2005)

Susmit Shah is a chartered accountant with over 25 years' experience. Over the last 12 years, Mr Shah has been involved with a diverse range of Australian public listed companies in company secretarial and financial roles. His experience includes negotiation and conduct of mining joint ventures, public flotations and mergers and acquisitions. Mr Shah has not served as a director of any other listed entity in the past three years.

CORPORATE INFORMATION

Corporate Structure

Burey Gold Ltd is a limited liability company that is incorporated and domiciled in Australia. During the financial year, it had two wholly owned subsidiaries:

- Burey Gold Guinee sarl – earning an interest in the Mansounia Gold Project
- Burey Gold (Ghana) Limited

Burey Gold Ltd
Directors' Report
For the year ended 30 June 2007

PRINCIPAL ACTIVITIES

The principal activity of the consolidated entity during the course of the year was acquiring and exploring mineral interests, prospective for precious metals and energy.

RESULTS AND DIVIDENDS

The consolidated loss after tax for the year ended 30 June 2007 was \$344,664 (30 June 2006: \$103,630). No dividends were paid during the period and the directors do not recommend payment of a dividend.

EARNINGS PER SHARE

Basic loss per share for the year was 1.02 cents (30 June 2006: 1.35 cents)

REVIEW OF OPERATIONS

A review of operations of the consolidated entity during the year ended 30 June 2007 is provided in the "Review of Operations" section immediately preceding this Directors' Report.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

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

- In July 2006 the Company entered into a Farmin agreement with Caspian Oil & Gas Ltd (Caspian) in respect of the Mansounia Gold project located in Guinea, West Africa. The Company is required to solely fund exploration expenditure up to the bankable feasibility stage to earn a 70% interest in the project. The Company issued 500,000 ordinary shares to Caspian at a deemed issue price of 12.5 cents each upon execution of the Farmin agreement in reimbursement of Caspian's previous expenditure.
- On 20 October 2006, the Company issued a prospectus offering up to 25 million shares at a price of 20 cents each to raise up to \$5 million and to list on ASX Ltd. In December 2006, the Company successfully completed its initial offer of shares by raising \$5 million and listed on ASX.
- On 26 March 2007, the Company issued a prospectus for a non-renounceable entitlement offer of options on the basis of one option for every two shares held at an issue price of one cent per option. The offer was completed in April 2007 with a total of 22,629,996 options being issued to raise \$226,300.
- On 22 June 2007, the Company announced that it had acquired a portfolio of uranium interests in Western and South Australia within known uranium mineral provinces through the exercise of an option previously granted by Kalgoorlie-Boulder Resources Ltd. The total purchase consideration comprised \$1,750,000 in cash and the issue of 2,500,000 shares. The issue of shares was completed in September 2007.
- On 29 June 2007, the Company issued 6,789,000 shares at 27.5 cents each to raise \$1,866,975 to fund the cash purchase price of the recently acquired uranium assets. Subscribers to the placement issue were also entitled to receive one free attaching option exercisable at 20 cents each on or before 30 June 2009 for every two shares subscribed. The issue of 3,394,500 free attaching options was completed in September 2007.

Burey Gold Ltd
Directors' Report
For the year ended 30 June 2007

EVENTS SUBSEQUENT TO BALANCE DATE

Since the end of the financial year and to the date of this report no matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years, other than the matters referred below:

- In September 2007, the Company completed the issue and allotment of 2,500,000 shares to satisfy the settlement terms of the purchase agreement with Kalgoorlie-Boulder Resources Ltd and it also completed the issue of 3,394,500 free attaching options to subscribers who had participated in the placement of 6,789,000 shares in June 2007.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company's objective is to maximise shareholder value through the discovery of significant gold deposits in West Africa, focussing initially on its Mansounia project in Guinea. The Company will also initiate a systematic exploration program on its newly acquired uranium prospective interests.

Whilst the Company's focus is on its current Project areas, the directors intend to identify and assess additional opportunities in the minerals and energy sectors within Australia and overseas.

The Directors are unable to comment on the likely results from the Company's planned exploration activities due to the speculative nature of such activities.

DIRECTORS' MEETINGS

The number of meetings of the Company's Directors and the number of meetings attended by each Director during the year ended 30 June 2007 are:

	Directors' meetings held during period of office	Directors' meetings attended
R N Gajewski	10	10
B Stainforth (appointed 6 July 2006)	10	7
N M Ferguson	10	10
S M Shah	10	10

There were 10 directors' meeting held during the year. However, matters of board business have been resolved by circular resolutions of directors, which are a record of decisions made at a number of informal meetings of the directors held to control, implement and monitor the Company's activities throughout the period.

At present, the Company does not have any formally constituted committees of the Board. The Directors consider that the Company is not of a size nor are its affairs of such complexity as to justify the formation of special committees.

Burey Gold Ltd
Directors' Report
For the year ended 30 June 2007

DIRECTORS' INTERESTS

The interests of each Director in the shares and options of Burey Gold Ltd at the date of this report are as follows:

	Fully Paid Ordinary Shares	Options Over Ordinary Shares
R N Gajewski	2,900,001	2,950,000
B Stainforth	1,000,000	3,500,000
N M Ferguson	100,001	1,050,000
S M Shah	500,000	1,250,000

Options granted to directors of the Company

During or since the end of the financial year, the Company granted options for no consideration over unissued ordinary shares in the Company to the following directors of the Company as part of their remuneration:

Directors	Options over ordinary shares	Exercise Price	Expiry Date
R N Gajewski	750,000	20c	31 December 2009
R N Gajewski	750,000	25c	31 December 2009
B Stainforth	1,500,000	20c	31 December 2009
B Stainforth	1,500,000	25c	31 December 2009
N M Ferguson	500,000	20c	31 December 2009
N M Ferguson	500,000	25c	31 December 2009
S M Shah	500,000	20c	31 December 2009
S M Shah	500,000	25c	31 December 2009

SHARE OPTIONS

As at the date of this report, there were 32,504,496 options on issue.

	Number	Exercise Price	Expiry Date
Listed Options:	26,004,496	20 cents	30 June 2009
Directors Unlisted Options:	3,250,000	20 cents	31 December 2009
Directors Unlisted Options:	3,250,000	25 cents	31 December 2009

During or since the end of the financial year end 20,000 options were exercised to acquire shares in the Company.

Options issued during the year are as follows:-

- 22,629,996 options to subscribe for ordinary shares were issued pursuant to a non-renounceable entitlement offer of one option for every two shares held by shareholders and as shortfall options pursuant to the offer. These quoted options are exercisable at 20 cents each on or before 30 June 2009.

Options issued after the year end and up to the date of this report are as follows:

- 3,394,500 options to subscribe for ordinary shares were issued as free attaching options to share placement participants for a capital raising completed in June 2007. These quoted options are exercisable at 20 cents each on or before 30 June 2009. These options were allotted on 20 September 2007.

SHARE OPTIONS (continued)

- 6,500,000 options to subscribe for ordinary shares were issued to Messrs Gajewski, Stainforth, Ferguson and Shah as an incentive for future services and as a reward for past services. 3,250,000 options have an expiry date of 31 December 2009 with an exercise price of 20 cents each. 3,250,000 options have an expiry date of 31 December 2009 with an exercise price of 25 cents each. The options were allotted on 10 September 2007.

REMUNERATION REPORT (audited)

This report outlays the remuneration arrangements in place for the directors of Burey Gold Limited. The consolidated entity does not have any executive officers as defined under Section 300A of the Corporations Act 2001 (other than executives who are also directors).

It also provides the remuneration disclosures required by paragraphs Aus 25.4 to Aus 25.7.2 of AASB 124 "Related Party Disclosures", which have been transferred to the Remuneration Report in accordance with Corporations Regulations and have been audited.

Remuneration philosophy

The Board reviews the remuneration packages applicable to the executive Directors and non-executive Directors on an annual basis. The broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and level of performance and that remuneration is competitive in attracting, retaining and motivating people of the highest quality. Independent advice on the appropriateness of remuneration packages is obtained, where necessary.

Remuneration committee

The Company does not have a formally constituted remuneration committee of the Board. The Directors consider that the Company is not of a size nor are its affairs of such complexity as to justify the formation of a Remuneration committee.

The Board assesses the appropriateness of the nature and amount of remuneration of directors and senior managers on a periodical basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and management team.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive Directors and executive Directors remuneration is separate and distinct.

Non-executive Directors remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive Directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed.

The Board reviews the remuneration packages applicable to the non-executive Directors on an annual basis. The Board considers fees paid to non-executive directors of comparable companies when undertaking the annual review process.

REMUNERATION REPORT (continued)

It has been agreed that non-executive directors (of whom there are two at present) shall receive a fee of \$20,000 each per annum from 1 July 2006. Non-executive Directors may also be remunerated for additional specialised services performed at the request of the Board. The remuneration of the non-executive directors for the year ending 30 June 2007 is detailed in Table 1 of this report.

Executive Directors remuneration

Objective

The Company aims to reward the Executive Directors with a level of remuneration commensurate with their position and responsibilities within the Company and so as to:

- align the interests of the Executive Directors with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

Structure

Remuneration consists of the following key elements:

- Fixed remuneration
- Variable remuneration

Fixed remuneration

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Fixed remuneration is reviewed annually by the Board and the process consists of a review of companywide, business unit and individual performance, relevant comparative remuneration in the market and internal and, where appropriate, external advice on policies and practice. Independent advice on the appropriateness of remuneration packages is obtained, where necessary.

The fixed component of the Executive Directors remuneration for the year ending 30 June 2007 is detailed in Table 1 of this report. No fees or remuneration were paid to any of the directors during the financial period ended 30 June 2006.

Variable remuneration – Long Term Incentive ('LTI')

Objective

The objective of the LTI plan is to reward executives and senior managers in a manner which aligns this element of remuneration with the creation of shareholder wealth.

As such LTI grants are only made to executives who are able to influence the generation of shareholder wealth and thus have a direct impact on the Company's performance.

Structure

LTI grants to executives are delivered in the form of options. The issue of options as part of the remuneration packages of executive and non-executive directors is an established practice of junior public listed companies and, in the case of the Company, has the benefit of conserving cash whilst properly rewarding each of the directors.

Burey Gold Ltd
Directors' Report
For the year ended 30 June 2007

REMUNERATION REPORT (continued)

No options were issued during the year ended 30 June 2007.

Employment agreements (audited)

Mr Gajewski has entered into an agreement with the Company to be engaged as an executive chairman at a fee of \$10,000 per month from 1 July 2006. Under the agreement, he undertakes to dedicate 50% of his time to Burey's affairs.

Mr Stainforth has entered into an agreement with the Company to be employed as the Managing Director of the Company. Prior to his appointment as a director on 6 July 2006, he was engaged as a General Manager commencing 1 April 2006 at a monthly fee of US\$10,000. This rate remained unchanged when he was appointed Managing Director. His annual remuneration increased to US\$150,000 with a two year term and a six months notice of termination from 1 December 2006. Mr Stainforth is expected to spend a majority of his time in West Africa and other components of his remuneration package include reasonable accommodation costs outside Australia, the equivalent of two business class return airfares per annum to Australia, and medical evacuation and insurance cover.

Table 1: Director Remuneration for the year ended 30 June 2007 (audited)

Director		Short term		Post	Equity	Total
		Salary/Fees	Non-Cash	Employment	Value of	
		\$	Benefits	Superannuation	Options	\$
				\$	\$	
R Gajewski	2007	120,000	-	-	-	120,000
	2006	-	-	-	-	-
B Stainforth	2007	174,954	12,443	-	-	187,397
(Appointed 6/07/2006)	2006	16,272	-	-	-	16,272
N Ferguson	2007	20,000	-	-	-	20,000
	2006	-	-	-	-	-
S Shah	2007	20,000	-	1,804	-	21,804
	2006	-	-	-	-	-
Total	2007	334,954	12,443	1,804	-	349,201
	2006	16,272	-	-	-	16,272

There were no key management personnel during the year other than the Directors. Payments in relation to Mr Gajewski's and Mr Ferguson's services were made to Vienna Holdings Pty Ltd and Ridgeback Holdings Pty Ltd respectively, being companies controlled by these directors.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

The Company's Constitution requires it to indemnify directors and officers of any entity within the consolidated entity against liabilities incurred to third parties and against costs and expenses incurred in defending civil or criminal proceedings, except in certain circumstances. An indemnity is also provided to the Company's auditors under the terms of their engagement. Subsequent to the end of the year, directors and officers of the consolidated entity have been insured against all liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law. The insurance premium, amounting to \$10,420, relates to:

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

Burey Gold Ltd
Directors' Report
For the year ended 30 June 2007

ENVIRONMENTAL REGULATIONS

The consolidated entity's operations during the year were not subject to any significant Australian environmental laws but its exploration and development activities in West Africa are subject to environmental laws, regulations and permit conditions. There have been no known breaches of environmental laws or permit conditions while conducting operations in West Africa during the year.

NON AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or Consolidated Entity are important. During the period ended 30 June 2007 no fees for non-audit services were paid/payable to the external auditors. Horwath Securities (WA) Pty Ltd, an associate firm of the auditor, acted as Independent Accountant with respect to the Company's October 2006 Prospectus and was paid a fee of \$8,250 for the provision of the Independent Accountant's Report contained in the October 2006 Prospectus.

AUDITORS' INDEPENDENCE DECLARATION

The auditor, BDO Kendalls Audit & Assurance (WA) Pty Ltd, has provided the Board of Directors with an independence declaration in accordance with section 307C of the Corporations Act 2001.

The independence declaration is attached to and forms part of this Directors' Report.

Signed in accordance with a resolution of Directors.



R N Gajewski
Executive Chairman

Perth, 28 September 2007



28 September 2007

The Directors
Burey Gold Limited
30 Ledger Road
BALCATTWA WA 6021

Dear Sirs

DECLARATION OF INDEPENDENCE BY BDO KENDALLS TO THE DIRECTORS OF BUREY GOLD LIMITED

As lead auditor of Burey Gold Limited for the year ended 30 June 2007, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Burey Gold Limited and the entities it controlled during the period.

Yours faithfully

BDO Kendalls Audit & Assurance (WA) Pty Ltd

BDO Kendalls


Glyn O'Brien
Director

Burey Gold Ltd
Income Statements
For the year ended 30 June 2007

	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
Revenue from continuing operations	2	152,675	17,926	152,675	17,926
Consultants and corporate costs		(288,665)	(35,040)	(281,682)	(9,585)
Salaries and wages		(68,920)	(18,126)	(41,810)	-
Depreciation expense		(10,096)	(75)	(1,014)	(75)
Exploration expenses written off	3	-	(39,003)	-	(39,003)
Occupancy expenses		(64,474)	(5,998)	(9,097)	-
Travel expenses	3	(58,560)	(15,301)	(38,781)	(7,750)
Other expenses		(6,624)	(8,013)	(5,497)	(3,803)
Loss before related income tax		(344,664)	(103,630)	(225,206)	(42,290)
Income tax (expense)/benefit	5	-	-	-	-
Net loss attributable to members of the parent entity		(344,664)	(103,630)	(225,206)	(42,290)
Basic earnings/(loss) per share	6	(1.02) cents	(1.35) cents		

The above income statements should be read in conjunction with the accompanying notes.

Burey Gold Ltd
Balance Sheets
As at 30 June 2007

	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
Current Assets					
Cash and cash equivalents	8	4,032,757	876,149	3,987,913	775,941
Trade and other receivables	9	116,193	30,342	20,336	645
Total Current Assets		4,148,950	906,491	4,008,249	776,586
Non-Current Assets					
Trade and other receivables	9	-	-	1,684,519	198,008
Other financial assets	10	-	-	3,029	1,444
Property, plant & equipment	11	176,189	7,076	4,079	675
Deferred exploration and evaluation expenditure	12	3,762,932	-	2,607,607	-
Total Non-Current Assets		3,939,121	7,076	4,299,234	200,127
Total Assets		8,088,071	913,567	8,307,483	976,713
Current Liabilities					
Trade and other payables	13	1,031,107	27,952	939,451	27,092
Total Current Liabilities		1,031,107	27,952	939,451	27,092
Total Liabilities		1,031,107	27,952	939,451	27,092
Net Assets		7,056,964	885,615	7,368,032	949,621
Equity					
Share Capital	14	7,409,178	991,911	7,409,178	991,911
Reserves	15	96,080	(2,666)	226,350	-
Accumulated losses		(448,294)	(103,630)	(267,496)	(42,290)
Total Equity		7,056,964	885,615	7,368,032	949,621

The above balance sheets should be read in conjunction with the accompanying notes.

Burey Gold Ltd
Consolidated Statements of Changes in Equity
For the year ended 30 June 2007

CONSOLIDATED	Issued Capital	Accumulated Losses	Option Premium Reserve	Foreign Currency Translation Reserve	Total Equity
	\$	\$	\$	\$	\$
Opening balance 23 March 2005	-	-	-	-	-
Currency translation differences	-	-	-	(2,666)	(2,666)
Net income/(expense) recognised directly in equity	-	-	-	(2,666)	(2,666)
Loss attributable to members of the parent entity	-	(103,630)	-	-	(103,630)
Total recognised income and expense for the year	-	(103,630)	-	(2,666)	(106,296)
Shares issued during the period	1,013,000	-	-	-	1,013,000
Share issue expenses	(21,089)	-	-	-	(21,089)
Balance at 30 June 2006	991,911	(103,630)	-	(2,666)	885,615
Balance at 1 July 2006	991,911	(103,630)	-	(2,666)	885,615
Currency translation differences	-	-	-	(127,604)	(127,604)
Net income/(expense) recognised directly in equity	-	-	-	(127,604)	(127,604)
Loss attributable to members of the parent entity	-	(344,664)	-	-	(344,664)
Total recognised income and expense for the year	-	(344,664)	-	(127,604)	(472,268)
Shares/options issued during the year	6,972,475	-	226,350	-	7,198,825
Share issue expenses	(555,208)	-	-	-	(555,208)
Balance at 30 June 2007	7,409,178	(448,294)	226,350	(130,270)	7,056,964
PARENT ENTITY	Issued Capital	Accumulated Losses	Option Premium Reserve	Total Equity	
	\$	\$	\$	\$	
Balance at 23 March 2005	-	-	-	-	
Loss attributable to members of the parent entity	-	(42,290)	-	(42,290)	
Total recognised income and expense for the year	-	(42,290)	-	(42,290)	
Shares issued during the period	1,013,000	-	-	1,013,000	
Share issue expenses	(21,089)	-	-	(21,089)	
Balance at 30 June 2006	991,911	(42,290)	-	949,621	
Balance at 1 July 2006	991,911	(42,290)	-	949,621	
Loss attributable to members of the parent entity	-	(225,206)	-	(225,206)	
Total recognised income and expense for the year	-	(225,206)	-	(225,206)	
Shares/options issued during the year	6,972,475	-	226,350	7,198,825	
Share issue expenses	(555,208)	-	-	(555,208)	
Balance at 30 June 2007	7,409,178	(267,496)	226,350	7,368,032	

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Burey Gold Ltd
Cash Flow Statements
For the year ended 30 June 2007

	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
Cash Flows from Operating Activities					
Payments to suppliers and employees		(489,352)	(147,626)	(320,389)	(54,783)
Interest received		152,675	17,926	152,675	17,926
Net Cash (outflow) from Operating Activities	19	(336,677)	(129,700)	(167,714)	(36,857)
Cash Flows from Investing Activities					
Payments for plant and equipment		(186,093)	(7,151)	(4,418)	(750)
Payments for investments		-	-	(1,586)	(1,444)
Payments for mineral projects acquisition costs		(1,801,040)		(1,801,040)	-
Payments for exploration and development expenditure		(1,183,262)		(54,067)	-
Advances to controlled entities		-	-	(1,424,011)	(198,008)
Net Cash (outflow) from Investing Activities		(3,170,395)	(7,151)	(3,285,122)	(200,202)
Cash Flows from Financing Activities					
Proceeds from share and option issues		7,136,325	1,013,000	7,136,325	1,013,000
Share issue expenses		(466,297)	-	(466,297)	-
Net Cash inflow from Financing Activities		6,670,028	1,013,000	6,670,028	1,013,000
Net Increase in Cash and Cash Equivalents		3,162,956	876,149	3,217,192	775,941
Cash and cash equivalents at the beginning of the period		876,149	-	775,941	-
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies		(6,348)	-	(5,220)	-
Cash and Cash Equivalents at 30 June	8	4,032,757	876,149	3,987,913	775,941

The above cash flow statements should be read in conjunction with the accompanying notes.

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis, except for available-for-sale investments, which have been measured at fair value.

The financial report is presented in Australian dollars.

Statement of compliance

The financial report was authorised for issue on 28 September 2007.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS), except that the parent entity has elected to apply the relief provided to parent entities in report of certain disclosure requirements contained in AASB 132 Financial Instruments: Disclosure and Presentation.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of Burey Gold Ltd (the “Company”) and subsidiaries, and the Company as an individual parent entity. Burey Gold Ltd is a public company, incorporated and domiciled in Australia.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity and cease to be consolidated from the date on which control is transferred out of the consolidated entity.

New Accounting Standards and Australian Accounting Interpretations

In the year ended 30 June 2007, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2006. It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the consolidated entity and the revenue is capable of being reliably measured.

Interest income is recognised in the income statement as it accrues, using the effective interest method.

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

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments readily convertible to cash.

Receivables

Trade receivables, which generally have 30-90 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 collection of the full amount is no longer probable. Bad debts are written off when identified.

Foreign currency transactions and balances

The functional and presentation currency of Burey Gold Limited is Australian dollars.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences in the consolidated financial report are taken to the income statement with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of a net investment, at which time they are recognised in the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value was determined.

The functional currencies of the overseas subsidiaries are as follows:

Ghanaian subsidiary	Ghanaian cedis (GHC)
Guinean subsidiary	United States dollars (USD)

As at the reporting date, the assets and liabilities of these overseas subsidiaries are translated into the reporting currency of Burey Gold Limited at the rate of exchange ruling at the balance sheet date and the income statements are translated at the weighted average exchange rates for the period.

The exchange differences on the retranslation are taken directly to a separate component of equity.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity is recognised in the income statement.

Taxes

Income tax

Deferred income tax is provided for on all temporary differences at balance date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Taxes - continued

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

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 Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law. The carrying amount of deferred tax assets is reviewed at each balance date and only recognised to the extent that sufficient future assessable income is expected to be obtained.

At the reporting date, the Directors have not made a decision to elect to be taxed as a single entity. In accordance with Urgent Issues Group ('UIG') Interpretation 1039, "Substantive Enactment of Major Tax Bills in Australia", the financial effect of the legislation has therefore not been brought to account in the financial statements for the year ended 30 June 2007, except to the extent that the adoption of the tax consolidation would impair the carrying value of any deferred tax assets.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Investments and other financial assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transactions costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

During the year, the consolidated entity has held loans and receivables.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Property, Plant and Equipment

Items of plant and equipment are carried at cost less accumulated depreciation and impairment losses (see accounting policy (impairment testing)).

Plant and equipment

Plant and equipment acquired is initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

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

Depreciation

All assets have limited useful lives and are depreciated using the straight line method over their estimated useful lives commencing from the time the asset is held ready for use.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only. The estimated useful lives used in the calculation of depreciation for plant and equipment for the current and corresponding period are between three and ten years.

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

Mineral interest acquisition, exploration and development expenditure

Mineral interest acquisition, exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the Group's rights of tenure to that area of interest are current and either the costs are expected to be recouped through the successful development and commercial exploitation of the area of interest or where exploration activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations, in, or in relation to, the area of interest are continuing.

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

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment accounting policy).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Impairment testing

The carrying amount of the consolidated entity's assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. Where such an indication exists, a formal assessment of recoverable amount is then made and where this is in excess of carrying amount, the asset is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset or cash generating unit. In estimating value in use, a pre-tax discount rate is used which reflects current market assessments of the time value of money and the risks specific to the asset. Any resulting impairment loss is recognised immediately in the income statement.

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Joint Ventures

Joint venture interests are incorporated in the financial statements by including the Group's proportion of joint venture assets and liabilities under the appropriate headings.

Where part of a joint venture is farmed out and in consideration the farminee undertakes to carry out further expenditure in the joint venture area of interest, expenditure incurred prior to farmout is carried forward without adjustment unless the terms of the farmout indicate that the expenditure carried forward is excessive based on the diluted interest retained. Provision is then made to reduce expenditure carried forward to a recoverable amount.

Any cash received in consideration for farming out part of a joint venture interest is treated as a reduction in the carrying value of the related mineral property.

Payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year that are unpaid and arise when the consolidated entity becomes obliged to make future payments in respect of the purchase of these goods and services.

Provisions

Provisions are recognised when the consolidated entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Employee Benefits

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Contributions are made by the consolidated entity to superannuation funds as stipulated by statutory requirements and are charged as expenses when incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per Share

Basic earnings per share is determined by dividing the net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends), by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is determined by dividing the net result attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and any expenses associated with dividends and interest of dilutive potential ordinary shares, by the weighted average number of ordinary shares (both issued and potentially dilutive) adjusted for any bonus element.

Segment Reporting

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists.

Segment assets include all assets used by a segment and consist principally of cash, receivables, property, plant and equipment net of accumulated depreciation and mineral interest acquisitions, exploration and development expenditure. Whilst most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of accounts payable, employee entitlements, accrued expenses, provisions and borrowings. Segment assets and liabilities do not include deferred income taxes.

Where segment revenues and expenses include transfers between segments, these are at the same rates which would apply to parties outside the consolidated entity on an arm's length basis. These transfers are eliminated on consolidation.

Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The area that may have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period is:

Exploration and evaluation expenditure

The Board of Directors determines when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. The Directors' decision is made after considering the likelihood of finding commercially viable reserves.

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
2. REVENUE FROM CONTINUING OPERATIONS					
Other revenue					
Interest - other parties		152,675	17,926	152,675	17,926
3. EXPENSES					
Loss includes the following specific expenses:					
<i>Other expenses include:</i>					
Auditors' remuneration	4	24,031	4,000	24,031	4,000
Depreciation expense		10,096	75	1,014	75
Exploration expenses written off		-	39,003	-	39,003
Travel and accommodation		58,560	15,301	38,781	7,750
4. AUDITORS' REMUNERATION					
Audit services:					
- Auditors of the company – BDO Kendalls Audit & Assurance (WA) Pty Ltd		24,031	4,000	24,031	4,000
Amounts paid for other services or to related practices of the auditor		8,250	-	8,250	-

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

	Consolidated		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
5. INCOME TAX EXPENSE				
(a) The prima facie tax benefit at 30% on loss for the year is reconciled to the income tax provided in the financial statements as follows:				
Loss	344,664	103,630	225,206	42,290
Prima facie income tax benefit @ 30%	103,399	31,089	67,562	12,687
Tax effect of permanent differences:				
Capital raising costs	33,312		33,312	-
Company formation expenses	-	(400)	-	(400)
Deductible exploration expenses	346,597	-	27,921	-
Due diligence costs	-	(430)	-	(430)
Legal fees	(15,085)		(15,085)	-
Travel not deductible	-	(1,486)	-	(1,486)
Income tax benefit / (loss) adjusted for permanent differences	468,223	28,773	113,710	10,371
Income tax benefit / (loss) not brought to account	(468,223)	(28,773)	(113,710)	(10,371)
Income tax attributable to operating losses	-	-	-	-

(b) **The following deferred tax balances have not been recognised:**

Deferred Tax Assets at 30%:

- Carry forward revenue losses	517,995	28,773	117,739	10,371
- Carry forward capital losses	-	-	-	-
- Capital raising costs	144,446	6,053	144,446	6,053
- Provisions and accruals	2,220	1,200	2,220	1,200
	664,661	36,026	264,405	17,624

The tax benefits of the above deferred tax assets will only be obtained if:

- the Company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- the Company continues to comply with the conditions for deductibility imposed by law; and
- no changes in income tax legislation adversely affect the Company in utilising benefits.

	Consolidated	
	2007	2006
	cents	cents
6. EARNINGS PER SHARE		
Basic earnings/(loss) per share	(1.02)	(1.35)
	2007	2006
	Number	Number
Weighted average number of ordinary shares used in the calculation of basic earnings per share	33,903,340	7,672,977

The Company's potential ordinary shares, being its options granted, are not considered dilutive as the conversion of these options would result in a decrease in the net loss per share.

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

7. SEGMENT INFORMATION

The Company operated principally in one business segment being mineral exploration and two geographical segments being Australia and West Africa.

The segment information is prepared in conformity with the accounting policies described in Note 1.

GEOGRAPHICAL SEGMENTS

	Australia		West Africa		Consolidated	
	2007	2006	2007	2006	2007	2006
	\$	\$	\$	\$	\$	\$
Revenue						
Segment revenue	152,675	17,926	-	-	152,675	17,926
Unallocated revenue	-	-	-	-	-	-
Total segment revenue	152,675	17,926	-	17,926	152,675	17,926
Results						
Operating loss before income tax	(225,206)	(42,290)	(119,458)	(61,340)	(344,644)	(103,630)
Income tax expense					-	-
Net loss					(344,644)	(103,630)
Non-Cash Expenses						
Depreciation	1,014	75	9,082	-	10,096	75
Assets						
Segment assets	6,619,935	777,262	1,468,136	136,305	8,088,071	913,567
Non-current assets acquired	2,557,958	750	245,010	6,401	2,802,968	7,151
Liabilities						
Segment liabilities	939,451	27,093	91,656	859	1,031,107	27,952

	Consolidated		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$

8. CASH AND CASH EQUIVALENTS

Cash at bank and in hand	4,032,757	876,149	3,987,913	775,941
--------------------------	-----------	---------	-----------	---------

9. TRADE AND OTHER RECEIVABLES

Current

Other receivables	23,099	645	20,336	645
Prepayments	93,094	29,697	-	-
	116,193	30,342	20,336	645

Non-current

Loans to related parties (wholly owned subsidiaries)	-	-	1,684,519	198,008
--	---	---	-----------	---------

The loans to related parties are unsecured and interest free. They have no fixed repayment terms and the parties understand that repayment will only take place from profitable activities in the subsidiaries or from proceeds of sale of their assets.

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

	Consolidated		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
10. OTHER FINANCIAL ASSETS				
Shares in subsidiaries (refer 10(a)) – at cost	-	-	3,029	1,444

(a) Particulars in relation to subsidiaries

Name of Subsidiary	Place of Incorporation	Class of Shares	Consolidated	Consolidated	
			Entity Interest	Entity Interest	
			2007	2006	
			%	%	
Parent Entity					
Burey Gold Ltd	Australia				
Subsidiary					
Burey Gold (Ghana) Ltd	Ord	Ghana	100	100	Ord
Burey Gold Guinee sarl	Ord	Guinea	100	-	Ord

In August 2006, a new wholly owned subsidiary, Burey Gold Guinee sarl was registered in the Republic of Guinea. This subsidiary has the contractual rights to earn an interest in the Mansounia Gold Project.

	Consolidated		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
11. PROPERTY, PLANT AND EQUIPMENT				
<i>Plant and equipment</i>				
At cost	193,244	7,151	5,168	750
Less accumulated depreciation	(17,055)	(75)	(1,089)	(75)
	176,189	7,076	4,079	675

Reconciliation

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

Balance at the beginning of the year	7,076	-	675	-
Additions	186,928	7,151	4,418	750
Depreciation expense	(17,587)	(75)	(1,014)	(75)
Foreign currency translation difference movement	(228)	-	-	-
Carrying amount at the end of the year	176,189	7,076	4,079	675

12. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Balance at the beginning of the year	-	-	-	-
Acquisition costs incurred	2,616,040	-	2,553,540	-
Expenditure incurred during the year	1,146,892	39,003	54,067	39,003
Exploration expenditure written off during the year	-	(39,003)	-	(39,003)
Carrying amount at the end of the year	3,762,932	-	2,607,607	-

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

	Consolidated		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
13. TRADE AND OTHER PAYABLES				
Current				
Trade payables	211,581	23,952	135,637	23,092
Other payables	819,526	4,000	803,814	4,000
	1,031,107	27,952	939,451	27,092

Terms and conditions relating to the above financial instruments:

- Trade and other creditors are non-interest bearing and are normally settled on 30 day terms.

14. CONTRIBUTED EQUITY

(a) Issued and paid-up share capital

Ordinary shares, fully paid 52,049,003 (2006: 16,440,003)	7,409,178	991,911	7,409,178	991,911
---	------------------	---------	------------------	---------

Movements in Ordinary Shares:

Details	Number of Shares	Issue Price	\$
Subscriber Shares issued on 23/03/2005	3	\$0.20	-
Shares issued as Promoter Shares on 20/09/2005	7,000,000	\$0.001	7,000
Shares issued as Seed capital on 20/09/2005	2,000,000	\$0.10	200,000
Shares issued as Seed capital on 25/10/2005	3,400,000	\$0.125	425,000
Shares issued as Seed capital on 16/03/2006	400,000	\$0.125	50,000
Shares issued as Promoter Shares on 26/04/2006	1,000,000	\$0.001	1,000
Shares issued as Seed capital on 22/05/2006	1,340,000	\$0.125	167,500
Shares issued as Seed capital on 22/06/2006	1,300,000	\$0.125	162,500
Share issue costs relating to the Company's Prospectus dated 20 October 2006			(21,089)
Balance at 30 June 2006	16,440,003		991,911
Shares issued as seed capital on on 19/07/2006	320,000	\$0.125	40,000
Shares issued as reimbursement of exploration expenditure under the Mansounia Agreement	500,000	\$0.125	62,500
Shares issued as promoter shares on 18/08/2006	3,000,000	\$0.001	3,000
Initial public offer of shares	25,000,000	\$0.20	5,000,000
Placement issue of shares on 29/06/2007	6,789,000	\$0.275	1,866,975
Share issue expenses relating to initial public offer of shares / share placement issues			(555,208)
Balance at 30 June 2007	52,049,003		7,409,178

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

14. CONTRIBUTED EQUITY (continued)

(b) Share Options

Options to take up ordinary shares in the capital of the Company have been granted as follows:

Exercise Period	Note	Exercise Price	Opening Balance 1 July 2006	Options Issued 2006/07	Options Exercised/ Expired 2006/07	Closing Balance 30 June 2007
			<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
On or before 30 June 2009	(i)	\$0.20	-	22,629,996	-	22,629,996
			-	22,629,996	-	22,629,996

- (i) 22,629,996 options were issued pursuant to an option entitlement issue prospectus dated 26 March 2007 and as shortfall options. The options were issued at \$0.01 each.

None of the options have any voting rights, any entitlement to dividends or any entitlement to the proceeds of liquidation in the event of a winding up.

(c) Terms and conditions of contributed equity

Ordinary Shares:

Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

15. RESERVES

Nature and purpose of reserves

Option Premium Reserve

The option premium reserve represents amounts received in consideration for the issue of options to subscribe for ordinary shares in the Company.

Foreign Currency Translation Reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

16. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk Exposures

The consolidated entity may be exposed to interest rate risk through primary financial assets and liabilities. The following table summarises interest rate risk for the consolidated entity, together with effective interest rates as at balance date.

2007	Weighted Average effective interest rate	Floating interest rate \$	Fixed interest rate maturing in:		Non- interest bearing \$	Total \$
			1 year or less \$	Over 1 year \$		
Financial Assets:						
Current:						
Cash and cash equivalents	2.54%	3,987,913	-	-	44,844	4,032,757
Receivables		-	-	-	116,193	116,193
Total Financial Assets		3,987,913	-	-	161,037	4,148,950
Financial Liabilities:						
Current:						
Trade and other payables		-	-	-	1,031,107	1,031,107
Total Financial Liabilities		-	-	-	1,031,107	1,031,107

2006	Weighted Average effective interest rate	Floating interest rate \$	Fixed interest rate maturing in:		Non- interest bearing \$	Total \$
			1 year or less \$	Over 1 year \$		
Financial Assets:						
Current:						
Cash and cash equivalents	3.16%	775,941	-	-	100,208	876,149
Receivables		-	-	-	645	645
Total Financial Assets		775,941	-	-	100,853	876,794
Financial Liabilities:						
Current:						
Trade and other payables		-	-	-	27,952	27,952
Total Financial Liabilities		-	-	-	27,952	27,952

(b) Net fair values

The aggregate net fair value of financial assets and financial liabilities approximate the carrying amount of the financial assets and financial liabilities as indicated in the Balance Sheets. There are no unrecognised financial assets or financial liabilities at year-end.

(c) Credit risk exposures

The consolidated entity's maximum exposures to credit risk at year end in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the Balance Sheets.

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

16. FINANCIAL INSTRUMENTS (continued)

(d) Concentration of credit risk

As the consolidated entity is exclusively involved in exploration rather than trading there is currently very little credit risk. The risk is considered immaterial to the operations of the consolidated entity.

(e) Exchange rate exposures

The Company has not entered into any general or specific contracts to hedge against losses that may arise from exchange rate fluctuations. The Company may suffer such exchange rate fluctuation losses as it has a number of assets and liabilities denominated in foreign currencies, particularly US dollars.

17. COMMITMENTS

(a) **Capital Commitments**

The Company entered into an agreement for the purchase of mineral interests from Kalgoorlie-Boulder Resources Ltd in June 2007. Under the terms of that agreement, the Company was required to issue 2,500,000 shares as part purchase consideration. These shares were not issued until 20 September 2007, however a liability has been recognised for this issue of shares in these financial statements at the balance date.

In June 2007, the Company also offered 6,789,000 shares and 3,394,500 free attaching options under a placement issue of securities. At that time, the Company was not in a position to complete the issue of the 3,394,500 attaching options under ASX listing rules. Consequently, these attaching options have been issued subsequent to year end on 20 September 2007.

(b) **Exploration expenditure commitments**

For those mineral concessions where the consolidated entity is not the titleholder, the earning of equity interest is by incurring exploration expenditure of specified amounts by certain dates. Where the consolidated entity or its joint venture partners are the concession holder, renewal will be subject to satisfying the relevant authority as to the adequacy of exploration programs by comparison to work programs submitted at the time of grant of the concession. It is estimated that the consolidated entity is required to make the following outlays to satisfy joint venture and exploration permit conditions. These commitments are subject to variation dependent upon matters such as the results of exploration on the mineral concessions and any expenditure exceptions that may be granted by the relevant authorities.

Should parties with whom the parent entity has farm-in agreements fail to contribute to their share of farm in agreement obligations, the Company will become liable to meet additional expenditure commitments. At balance date, the Directors were not aware of any such commitments.

	Consolidated		Company	
	2007	2006	2007	2006
	\$	\$	\$	\$
Within one year	929,000	-	929,000	-
One year or later and not later than five years	2,834,000	-	2,834,000	-
Later than five years	-	-	-	-
	3,763,000	-	3,763,000	-

18. CONTINGENCIES

There were no contingent liabilities of the consolidated entity, not provided for in the financial statements at 30 June 2007.

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

	Consolidated		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
19. STATEMENTS OF CASH FLOWS				
(a) Reconciliation of loss after income tax to net cash (outflow) from operating activities				
Loss after income tax	(344,664)	(103,630)	(225,206)	(42,290)
Add back non-cash items:				
Depreciation	10,096	75	1,015	75
Exchange loss	-	(2,666)	-	-
Change in assets and liabilities:				
(Increase) in receivables	(85,851)	(30,342)	(19,691)	(645)
Increase in operating payables	83,742	6,863	76,168	6,003
Net cash (outflow) from operating activities	(336,677)	(129,700)	(167,714)	(36,857)

(b) Non-Cash Financing and Investing Activities

In July 2006 the Company entered into a Farmin agreement with Caspian Oil & Gas Ltd (Caspian) in respect of the Mansounia Gold project located in Guinea, West Africa. The Company issued 500,000 ordinary shares to Caspian at a deemed issue price of 12.5 cents each upon execution of the Farmin agreement in reimbursement of Caspian's previous expenditure.

20. KEY MANAGEMENT PERSONNEL DISCLOSURES

The following were key management personnel of the consolidated entity at any time during the year and unless otherwise indicated were key management personnel for the year:

Executive Directors	Non Executive Directors
Mr Ron Gajewski	Mr Nigel Ferguson
Mr Bruce Stainforth (appointed 6 July 2006)	Mr Susmit Shah

Other than the directors of the Company disclosed above, there were no other executives who have direct responsibility for the strategic direction and operational management of the consolidated entity.

The directors did not receive directors' fees for the period 23 March 2005 to 30 June 2006.

The key management personnel compensation included in 'salaries and wages' are as follows:

	Consolidated		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
Short-term employee benefits	347,397	16,272	160,000	-
Post-employment benefits	1,804	-	1,804	-
Share-based payments	-	-	-	-
	349,201	16,272	161,804	-

Individual directors and executives compensation disclosures

Information regarding individual directors and executives' compensation and some equity instruments disclosures as permitted by Section 2M.6.04 Corporations Regulations 2001 is provided in the Remuneration Report section of the Directors' report. Apart from the details disclosed in this note, no director has entered into a material contract with the Company or the Group since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end.

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

20. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

Loans to key management personnel and their related parties

There were no loans outstanding at the reporting date to key management personnel and their related parties.

Shareholdings

The numbers of shares in the Company held during the financial period by directors, including shares held by entities they control, are set out below:

30 June 2007	Balance at 1 July 2006	Received as Remuneration	Options Exercised	Other Movements	Balance at 30 June 2007
<i>Parent entity directors</i>					
Ron Gajewski	2,900,001	-	-	-	2,900,001
Bruce Stainforth (6/07/06)	-	-	-	1,000,000	1,000,000
Nigel Ferguson	100,001	-	-	-	100,001
Susmit Shah	500,000	-	-	-	500,000

30 June 2006	Balance at 23 March 2005	Received as Remuneration	Options Exercised	Other Movements	Balance at 30 June 2006
<i>Parent entity directors</i>					
Ron Gajewski	-	-	-	2,900,001	2,900,001
Nigel Ferguson	-	-	-	100,001	100,001
Susmit Shah	-	-	-	500,000	500,000
Gavin Argyle (resigned 1/09/05)	-	-	-	1	N/A
Mathew Walker (resigned 30/03/06)	-	-	-	3,000,000	N/A

Optionholdings

The numbers of options in the Company held during the financial period by directors, including shares held by entities they control, are set out below:

30 June 2007	Balance at 1 July 2006	Received as Remuneration	Options Exercised	Other Movements	Balance at 30 June 2007
<i>Parent entity directors</i>					
Ron Gajewski	-	-	-	1,450,000	1,450,000
Bruce Stainforth (6/07/06)	-	-	-	500,000	500,000
Nigel Ferguson	-	-	-	50,000	50,000
Susmit Shah	-	-	-	250,000	250,000

No options were issued during the 2006 financial year.

Other movements refers to options purchased or sold during the year. Directors participated in the non-renounceable entitlement offer in relation to the prospectus dated 26 March 2007.

All options are vested and exercisable at balance date.

Burey Gold Ltd
Notes to the Financial Statements
For the year ended 30 June 2007

20. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

Other transactions with key management personnel

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

	Consolidated		Company	
	2007	2006	2007	2006
	\$	\$	\$	\$
Accounting, secretarial and corporate service fees paid or payable to Corporate Consultants Pty Ltd, a company in which Mr Gajewski and Mr Shah, are directors and have beneficial interests.	57,290	-	57,290	-
<i>Balances due to Directors and Director Related Entities at year end</i>				
- included in trade creditors and accruals	57,958	-	20,446	-

Under an agreement between the Company and Mr Ron Gajewski, the Company agreed, subject to shareholder approval, to issue 1,500,000 options to Mr Gajewski. Subject to shareholder approval, the options will be issued free, have an expiry date of 31 December 2009 and be exercisable at 20 cents each (750,000) and 25 cents each (750,000).

Under an agreement between the Company and Mr Bruce Stainforth, the Company agreed, subject to shareholder approval, to issue 3,000,000 options to Mr Stainforth. Subject to shareholder approval, the options will be issued free, have an expiry date of 31 December 2009 and be exercisable at 20 cents each (1,500,000) and 25 cents each (1,500,000).

Under an agreement between the Company and Mr Nigel Ferguson, the Company agreed, subject to shareholder approval, to issue 1,000,000 options to Mr Ferguson. Subject to shareholder approval, the options will be issued free, have an expiry date of 31 December 2009 and be exercisable at 20 cents each (500,000) and 25 cents each (500,000).

Under an agreement between the Company and Mr Susmit Shah, the Company agreed, subject to shareholder approval, to issue 1,000,000 options to Mr Shah. Subject to shareholder approval, the options will be issued free, have an expiry date of 31 December 2009 and be exercisable at 20 cents each (500,000) and 25 cents each (500,000).

Pursuant to shareholder approval received in August 2007, the Company issued the options referred to in the above paragraphs to the directors in September 2007.

Fees of \$16,272 were paid to Mr Stainforth for geological services rendered to the Company between 1 April and 30 June 2006. Mr Stainforth was appointed a director on 6 July 2006.

21. RELATED PARTY TRANSACTIONS

(a) Key Management Personnel

Disclosures relating to key management personnel are set out in Note 20.

(b) Subsidiaries

Wholly Owned Group

The parent entity incurs exploration expenditure on behalf of the controlled entities. Investments in and loans to wholly owned controlled entities are disclosed in Notes 10 and 9 respectively.

Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

(c) Parent entity

Burey Gold Limited is the ultimate parent entity.

22. EVENTS OCCURRING AFTER THE REPORTING DATE

There are no matters or circumstances that have arisen since 30 June 2007 that have or may significantly affect the operations, results, or state of affairs of the consolidated entity in future financial years, other than the matter referred to below:

In September 2007, the Company completed the issue and allotment of 2,500,000 shares to satisfy the settlement terms of the purchase agreement with Kalgoorlie-Boulder Resources Ltd and it also completed the issue of 3,394,500 free attaching options to subscribers who had participated in the placement of 6,789,000 shares in June 2007. A liability in relation to the issue of 2,500,000 shares has been recognised in the financial statements as at balance date.

Burey Gold Limited
Directors' Declaration
30 June 2007

In the opinion of the Directors of Burey Gold Ltd ("the Company"):

- (a) The financial statements and the notes and the additional disclosures included in the directors' report designated as audited of the Company and of the consolidated entity are in accordance with the Corporations Act 2001, including:
- (i) Giving a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2007 and of their performance for the period ended that date; and
 - (ii) Complying with Accounting Standards and Corporations Regulations 2001; 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.
- c) This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial period ended 30 June 2007.

Signed in accordance with a resolution of the Directors made pursuant to s 295(5) of the Corporations Act 2001.

On behalf of the Directors



R N Gajewski
Chairman

Dated at Perth, 28 September 2007

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF BUREY GOLD LIMITED

We have audited the accompanying financial report of Burey Gold Limited, which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

We have also audited the remuneration disclosures contained in the directors' report. As permitted by the *Corporations Regulations 2001*, the consolidated entity has disclosed information about the remuneration of directors and executives ("remuneration disclosures"), required by Accounting Standard AASB 124 *Related Party Disclosures*, under the heading "Remuneration Report" in the directors' report and not in the financial report.

Directors' Responsibility for the Financial Report and the AASB 124 Remuneration Disclosures Contained in the Directors' Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the consolidated financial statements and notes, complies with International Financial Reporting Standards.

The directors of the company are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement. Our responsibility is to also express an opinion on the remuneration disclosures contained in the directors' report based on our audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report and the remuneration disclosures contained in the directors' report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report and the remuneration disclosures contained in the directors' report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report and the remuneration disclosures contained in the directors' report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report and the remuneration disclosures contained in the directors' report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Burey Gold Ltd on 28 September 2007, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion on the Financial Report

In our opinion:

- (a) the financial report of Burey Gold Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2007 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the consolidated financial statements and notes also complies with International Financial Reporting Standards as disclosed in Note 1.

Auditor's Opinion on the AASB 124 Remuneration Disclosures Contained in the Directors' Report

In our opinion the remuneration disclosures that are contained in the directors' report comply with Accounting Standard AASB 124.

BDO Kendalls Audit & Assurance (WA) Pty Ltd

BDO Kendalls


Glyn O'Brien
Director

Perth, Western Australia
Dated this 28th day of September 2007

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of Directors of Burey Gold Limited is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of Burey Gold Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs. To the extent they are applicable and given its size and circumstances the Company has adopted the Eight Essential Corporate Governance Principles and Recommendations ("Recommendations"), as published by ASX Corporate Governance Council ("CGC").

As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance structures will be given further consideration.

The Board sets out below its "if not, why not" report in relation to those matters of corporate governance where the Company's practices depart from the Recommendations.

The Company's corporate governance practices were in place throughout the financial year ended 30 June 2007 and were compliant, unless otherwise stated, with the CGC's principles and recommendations, which are noted below. The Board as a whole is involved in matters where larger Boards would ordinarily operate through sub-committees. For these reasons, some of the best practices recommended by CGC are not cost effective for adoption in a small company environment.

Principle 1.	Lay solid foundations for management and oversight
Principle 2.	Structure the board to add value
Principle 3.	Promote ethical and responsible decision making
Principle 4.	Safeguard integrity in financial reporting
Principle 5.	Make timely and balanced disclosure
Principle 6.	Respect the rights of shareholders
Principle 7.	Recognise and manage risk
Principle 8.	Remunerate fairly and responsibly

Principle 1 Recommendation 1.1

Notification of Departure:

The Company has not formally disclosed the functions reserved to the Board and those delegated to management. The appointment of non-executive directors to the Board is not formalised in writing by way of a letter or other agreement.

Explanation for Departure:

The Board recognises the importance of distinguishing between the respective roles and responsibilities of the Board and management. The Board has established an informal framework for the management of the Company and the roles and responsibilities of the Board and management. Due to the small size of the Board and of the Company, the Board do not think that it is necessary to formally document the roles of Board and management as it believes that these roles are being carried out in practice and are clearly understood by all members of the Board and management. The Board is responsible for the strategic direction of the Company, establishing goals for management and monitoring the achievement of these goals, monitoring the overall corporate governance of the Company and ensuring that shareholder value is increased. The Company has two executives, being the Executive Chairman and the Managing Director. The Managing Director is responsible for ensuring that the Company achieves the goals established by the Board.

The appointments of non-executive directors are formalised in accordance with the regulatory requirements and the Company's constitution.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES (continued)

Principle 2 Recommendations 2.1 and 2.2

Notification of departure

Mr Ron Gajewski, the executive chair, is not independent in accordance with the test of independence as set out in Box 2.1 of the ASX Corporate Governance Principles and Recommendations. In addition the Company does not have a majority of independent directors, with only one of the four Board members being independent.

Explanation for departure

The Board considers that the current composition of the Board is adequate for the Company's current size and operations, and includes an appropriate mix of skills and expertise, relevant to the Company's business. The current Board structure presently consists of the executive chairman, the managing director and two non-executive directors, only one of whom is independent. The Company considers that each of the directors possess skills and experience suitable for building the Company. The Board takes the responsibilities of best practice in corporate governance seriously. It is the Board's intention to review its composition on a continual basis as the Company's expands its activities and greater demands and skills amongst directors become necessary.

Principle 2 Recommendation 2.4 and Principle 4 Recommendations 4.2 and 4.3

Notification of Departure

Separate audit and nomination committees have not been formed.

Explanation for Departure

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

In particular, the full Board considers those matters that would usually be the responsibility of an audit committee and a nomination committee. The Board considers that, at this stage, no efficiencies or other benefits would be gained by establishing a separate audit committee or a separate nomination committee.

Principle 3 Recommendation 3.1

Notification of Departure:

The Company has not established a formal code of conduct.

Explanation for Departure:

The Board considers that its business practices as set by the Board and key executives are the equivalent of a code of conduct.

Principle 5 Recommendation 5.1

Notification of Departure:

The Company has not established written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability for compliance.

Explanation for Departure:

The Company's directors have a long history of involvement with public listed companies and are familiar with disclosure requirements of the ASX listing rules.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES (continued)

The Company has in place informal procedures which it believes are sufficient for ensuring compliance with ASX Listing Rule disclosure requirements and accountability for compliance. The Board has nominated the executive chairman and the company secretary as being responsible for all matters relating to disclosure.

Principle 6 Recommendation 6.1

Notification of Departure:

The Company has not established a formal shareholder communication strategy.

Explanation for Departure:

While the Company has not established a formal shareholder communication strategy, it intends, to actively communicate with its shareholders in order to identify the expectations of its shareholders and actively promote shareholder involvement in the Company. It will achieve this by posting on its website, copies of all information which is lodged with the ASX. Shareholders with internet access will also be encouraged to provide their email addresses to receive electronic copies of information distributed by the Company. Alternatively, hard copies of information distributed by the Company will be available on request.

Principle 7 Recommendation 7.1

Notification of Departure:

The Company has an informal risk oversight and management policy and internal compliance and control system.

Explanation for Departure:

The Board does not currently have formal procedures in place but is aware of the various risks that affect the Company and its particular business. As the Company develops, the Board will develop appropriate procedures to deal with risk oversight and management and internal compliance, taking into account the size of the Company and the stage of development of its projects.

Principle 8 Recommendation 8.1

Notification of Departure:

The Company does not have in place a formal process for evaluation of the Board, its committees, individual directors and key executives.

Explanation for Departure:

An evaluation of the Board has been carried out on a continuing and informal basis as part of the Company's preparations for the initial public offering and subsequent listing on ASX. Evaluating the Board, individual directors and key executives will continue on an informal basis at regular intervals until such time as the size of the Board warrants a formal process for implementation.

Burey Gold Limited
Annual Report 2007
Shareholder Information

The shareholder information set out below was applicable as at 24 September 2007.

Substantial shareholders

Holdings of substantial shareholders as advised to the Company are set out below.

Name of holder	Number of Shares
Mathew Walker	3,350,000
Ron Gajewski, Redtown Enterprises Pty Ltd and Vienna Holdings P/L	2,900,001
Lehmann Brothers International Europe	2,972,000

Distribution of equity security holders

Size of Holding	Ordinary Shares	Options BYRO
1 to 1,000	4	3
1,001 to 5,000	40	72
5,001 to 10,000	78	46
10,001 to 100,000	258	201
100,001 and over	85	41
	<u>465</u>	<u>363</u>

The number of shareholdings comprising less than a marketable parcel was 14.

Twenty Largest Shareholders as at 24 September 2007	Number of Shares	% Held
Citicorp Nominees Pty Ltd	3,494,019	6.403
Mr Mathew Donald Walker	3,000,000	5.498
Mr Michael Shields	2,750,000	5.039
Vienna Holdings Pty Ltd	2,500,000	4.581
ANZ Nominees Ltd	2,095,825	3.841
Baumann & Cie	2,000,000	3.665
Kalgoorlie Boulder Resources	2,000,000	3.665
Richard Stuart Dongray & Joan Dongray	1,000,000	1.833
Tinelle Pty Ltd	1,000,000	1.833
Mr Bruce Stainforth	1,000,000	1.833
Mafe Holdings Pty Ltd	1,000,000	1.833
Mr Brad McElroy	750,000	1.374
Mr Wade Kalajzich	612,782	1.123
Mrs Smiti Shah	500,000	0.916
Mr Christopher Donald Walker & Mrs Lynette Faye Walker	500,000	0.916
Mr Garry Ralston	500,000	0.916
Corporate & Resource Consultants Pty Ltd	500,000	0.916
ACNS Capital Markets Pty Ltd	500,000	0.916
Caspian Oil & Gas Limited	500,000	0.916
Mr Ian Barrie Murie	500,000	0.916
	<u>26,702,626</u>	<u>48.933</u>

Restricted Shares

11,200,000 shares are classified as restricted shares under ASX listing rules until 14 December 2008.

Burey Gold Limited
Annual Report 2007
Shareholder Information

Twenty Largest Optionholders as at 24 September 2007	Number of Options	% Held
Mr Mathew Donald Walker	4,272,500	16.430
Citicorp Nominees Pty Ltd	2,255,772	8.675
Vienna Holdings Pty Ltd	1,250,000	4.807
Mr Michael Shields	875,000	3.365
Chaus Capital Pty Ltd	575,000	2.211
Mr Don George Evans	559,849	2.153
Tinelle Pty Ltd	500,000	1.923
Dr Leon Eugene Pretorius	500,000	1.923
Mr Bruce Stainforth	500,000	1.923
Guritali Pty Ltd	493,000	1.896
ANZ Nominees Limited	471,389	1.813
Mrs Smiti Shah	250,000	0.961
Mr Christopher Donald Walker & Mrs Lynette Faye Walker	250,000	0.961
Corporate & Resource Consultants Pty Ltd	250,000	0.961
Caspian Oil & Gas Limited	250,000	0.961
Mr Ian Barrie Murie	250,000	0.961
TCR Davies Pty Ltd	250,000	0.961
Cosmos Nominees Pty Ltd	250,000	0.961
David Prentice & Mirella Rosanna Prentice	215,118	0.827
Mr Wade Kalajzich	200,000	0.769
	14,417,628	55.442

Unquoted equity securities

Class	Number	Holders
Options - exercisable at 20 cents on or before 31 December 2009	3,250,000	B Stainforth (1,500,000) R Gajewski (750,000), N Ferguson (500,000), S Shah (500,000)
Options - exercisable at 25 cents on or before 31 December 2009	3,250,000	B Stainforth (1,500,000) R Gajewski (750,000), N Ferguson (500,000), S Shah (500,000)

On-market buy-back

There is no current on-market buy-back.

Burey Gold Limited
Annual Report 2007
Shareholder Information

Mineral Interests held at 24 September 2007 are as follows:-

Guinea, West Africa

<i>Location</i>	<i>Concession name and type</i>	<i>Registered Holder</i>	<i>File Number</i>	<i>Burey's current equity interest</i>	<i>Maximum equity interest capable of being earned</i>	<i>Notes</i>
Guinea	Mansounia Exploration Permit	Caspian Oil & Gas Ltd	EP 2006/017/DIGM/ CPDM (licence valid for 2 years until January 2008)	-	85%	1,2,3

Notes:

- Under the terms of the Mansounia Agreement, the Burey Group can earn an interest of 70% in the Mansounia property in the Republic of Guinea, West Africa by sole funding exploration expenditure up to completion of a bankable feasibility study (BFS). Thereafter, the Company's interest could increase to 85%, if Caspian and its local partner ("Vendor") elect to convert their 15% participating interest to an 8% net profit interest.
- The Government of Guinea has a 15% free-carried beneficial interest in the Mansounia Joint Venture (Government Interest). The Government Interest is carried within the Vendor's portion of the Pre-BFS Interests.
- Upon completion and delivery of the first BFS, the Company must pay US\$500,000 to Caspian.
- If a decision is made to start mining operations, the relevant parties must enter into a new agreement, a mining title will be required and a new Guinean company must be formed. The Government of Guinea must be allocated 15% of the shares of the new company, such interest to be free carried.

Australian Uranium Mineral Interests

Tenement Number	Burey's beneficial interest*	Notes
EL 09/1224	50%	1
EL 09/1225	50%	1
EL 09/1226	50%	1
EL 52/1889	50%	1
EL 09/1180	-	2
EL 3687 (SA)	100%	
EL 3656 (SA)	100%	
EL 3657 (SA)	100%	
EL 3658 (SA)	100%	
EL 3659 (SA)	100%	
EL 3660 (SA)	100%	
EL 3661 (SA)	100%	
EL 3662 (SA)	100%	
EL 3663 (SA)	100%	
EL 3664 (SA)	100%	
EL 3665 (SA)	100%	
EL 3524 (SA)	100%	

Burey Gold Limited
Annual Report 2007
Shareholder Information

Australian Uranium Mineral Interests - continued

Application Number	Burey's Interest	Notes
ELA 09/1244	50%	1
ELA 09/1304	50%	1
ELA 09/1305	50%	1
ELA 08/1551	100%	
ELA 09/1306	100%	
ELA 09/1307	100%	
ELA 45/2789	50%	3
ELA 45/2790	50%	3
ELA 45/2791	50%	3
ELA 45/2792	50%	3

ELA – licence applications

Note 1: These tenements and applications comprise the Seven Tenements Joint Venture between Burey and William Richmond. Each joint venturer has a 50% participating interest.

Note 2: EL 09/1180 is the Jailor Bore property, which is beneficially held by William Richmond (“Richmond”). Burey has the sole right to explore the property and has an option to acquire a 90% interest in the tenement, by making cash payments.

Under the Richmond Option:

- (a) Burey is granted an exclusive option (Richmond Option) to purchase a 90% interest in EL 09/1180 at any time up to July 2012. Burey must pay an annual fee of \$25,000 to Richmond under the terms of the option agreement.
- (b) Burey must pay cash consideration to Richmond that could vary between \$700,000 and \$1,500,000 dependent upon the spot price of uranium (per pound) as follows if it chooses to exercise the option:

Uranium Spot Price	Amount to be paid
Less than US\$25	\$700,000
US\$25 to US\$30	\$850,000
US\$30 to US\$35	\$1,000,000
US\$35 to US\$40	\$1,150,000
US\$40 to US\$50	\$1,300,000
Greater than US\$50	\$1,500,000

Richmond has the right to issue a notice at any time, as a result of which Burey would be able to acquire a 30% interest (as opposed to 90%) with Richmond retaining 70% - in that case, Burey's 30% interest is free carried until the decision to proceed with the development and commissioning of mining and mineral processing operations.

Note 3: Burey and Redport Limited have formed a 50/50 unincorporated joint venture (Kintyre East Joint Venture) in respect of exploration for uranium in the Kintyre East area of Western Australia.

*As settlement of the purchase agreement (for the uranium mineral interests) with Kalgoorlie-Boulder Resources Ltd only took place on 21 September 2007, the tenements (where applicable) have not yet been registered in the Company's name.