AuDAX Resources Ltd

ABN 50 009 058 646

Annual Report 2008

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ANNUAL REPORT | 2008

Contents

Highlights

2007 – 2008 ACHIEVEMENTS

- Transformation of AuDAX to an active oil industry operator with a team of highly experienced professionals and proven hydrocarbon finders.
- New Exploration and Appraisal Portfolio with company exponential growth potential in offshore Tunisia and Italy secured. AuDAX is the operator. The two new blocks (Kerkouane and G.R15.PU - Pantelleria, respectively) comprise an underexplored area of approximately 4,500 sq km on trend with oil fields.
- Large onshore exploration block in Tunisia added to portfolio. On trend with several discoveries and producing fields.
- AMI (Area of Mutual Interest) agreement with Kairiki Energy and Nexus Energy. AuDAX is the operator. This joint venture is aiming to secure further mid-term growth potential in Romania, Tunisia and the Black Sea area.
- AuDAX is the new operator of the South Australian Cooper Basin permit PEL 182.

2008 and 2009 ACTIVITY

TUNISIA & ITALY

- Prepare for drilling of two large sized prospects (one exploration and one appraisal well) in offshore Italy and Tunisia with a combined most likely recoverable resource potential of 370 mmboe.
- Complete the sales and purchase agreement of the Tunisian onshore Chorbane and Pantelleria (G.R15.PU) blocks and get approved as operator so that seismic and drilling goes ahead as planned for 2009.
- Identify growth opportunities together with Kairiki and Nexus through an AMI with AuDAX as operator.

AUSTRALIA

- Maximize value of the Cooper Basin discoveries as the new operator of PEL 182.

ROMANIA

- Identify growth opportunities together with Kairiki and Nexus through an AMI with AuDAX as operator.
- Participate in the expected largest ever relinquishment of exploration acreage by Petrom.

SECURING OUR ASSET BASE AND OPERATORSHIP FOR GROWTH

- ✓ **Offshore Sicily: Title and operatorship of Kerkouane block (Tunisia) and G.R15.PU block (Italy)**
- ✓ **Onshore Tunisia: Sales & Purchase agreement for Chorbane block**
- ✓ **Onshore Australia: Operatorship of PEL 182**
- ✓ **Romania & Tunisia AMI with Nexus Energy and Kairiki Energy for further growth**

Chairman's Review

Gary Roper
Executive Chairman
Director since 1985

Dear Shareholder,

The last 12 months presented the most significant changes to the Company since listing on the ASX. The appointment of Managing Director Wolfgang Zimmer in November followed by the appointments of Paul Fink (Technical Director) and Gillian Evans (Non Executive Director) has revitalised the Board and facilitated the acquisition of several exciting international oil and gas projects.

During the year AuDAX opened offices in Vienna, Tunisia and Italy all manned by experienced personnel who are highly regarded in the industry to the extent that the relevant authorities in both Tunisia and Italy have already approved the Company to operate permits in their respective countries.

An Area of Mutual Interest ("AMI") agreement between AuDAX, Nexus Energy and Kairiki Energy was established to identify opportunities in Romania. This programme, which is operated by AuDAX, is in full swing and we anticipate the work to bear fruit in the coming months. I am confident the Vienna office will deliver some exceptional exploration acreage there and in Tunisia where a similar AMI with the same participants was signed and is also reviewing opportunities.

During the year, the Company entered into sales and purchase agreements for two Tunisian and one Italian permit.

The offshore Tunisian (Kerkouane) and Italian (Pantelleria) permits contain a number of drillable prospects and many leads for future testing. In particular the Dougga appraisal and the Sambuca prospect have the potential to significantly impact on the short to medium term future of AuDAX. Planning of the two wells required to test these initial targets has commenced and the search to identify a suitable semi-submersible drilling platform is well advanced. The Company proposes to drill the prospects in 2009. The Company holds a significant 70% interest in these permits and expects to dilute in favour of an appropriate partner which will join with AuDAX and partner Kairiki to fully test the potential of these areas.

The Chorbane project onshore Tunisia has a number of exciting leads which hopefully will be upgraded to prospects by further seismic work proposed for the coming year. Drilling will be based on the results of this work programme.

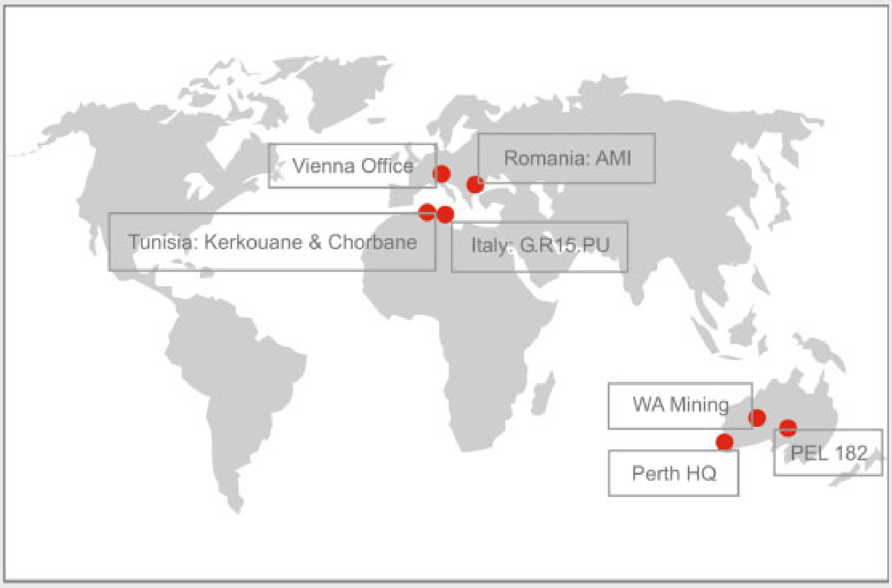
Managing Director Wolfgang Zimmer and his Australian, Canadian and Austrian staff have achieved a great deal in their initial period at the helm of AuDAX and have laid the foundations for AuDAX to build something special in the coming year. I wish to congratulate all staff and management for the efforts this year and look forward to acknowledging the results of their achievements over the ensuing year.

I also wish to thank shareholders for your ongoing support and patience and I firmly believe that the new projects will generate serious investor interest as they are progressed.

Please take this opportunity to read the technical review and I am sure you will understand why I am so confident in the future of your Company.

GARY ROPER

CHAIRMAN



STRATEGY: TWO PRONGED APPROACH

- ✓ Grow the European and Northern African Oil & Gas business and so expose shareholders to lucrative European energy markets
- ✓ Promote the existing Australian energy, gold and base metal portfolio and capitalise on the high commodity price environment

Managing Director's Review

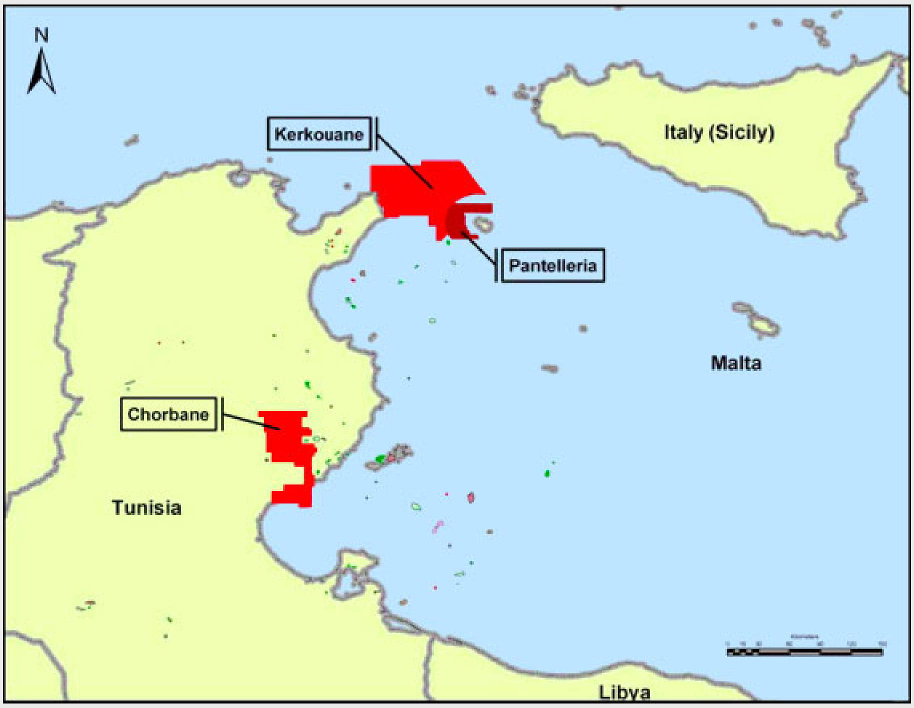
Dr Wolfgang Zimmer

Executive Managing Director

Director since December 2007

INTRODUCTION

During the last year AuDAX has been transformed from a gold and metals resource company with one non operated hydrocarbon exploration block in South Australia to a fully fledged oil & gas exploration operator with an experienced oil industry staff and assets in the Mediterranean which have the potential to transform AuDAX to a sizeable hydrocarbon producer in the near term.



TUNISIA

AuDAX has both an onshore and offshore presence in Tunisia. The Kerkouane and Chorbane permits lie offshore and onshore, respectively and are strategically located adjacent to the burgeoning North African and European oil and gas markets.

This proven hydrocarbon province offers a mix of exploration and appraisal targets including the existing Dougga gas condensate discovery. The combination of our relatively large permits, globally competitive fiscal terms, stable government and a large prospect and lead inventory makes Tunisia a key part of AuDAX's growth strategy.

ITALY

The G.R15.PU (Pantelleria) permit lies in Italian waters immediately adjacent to the Tunisian Kerkouane permit, and shares a common geologic history as well as excellent fiscal terms and secure tenure. The multi target Sambuca prospect straddles the Tunisian-Italian border and has an upside in-place volume of oil in excess of 600mbbls making it a world class drilling candidate. Success at this location will be followed up with drilling opportunities identified from the current prospect and lead inventory. The Sambuca opportunity is a potential company maker and in a success case would potentially be the largest discovery in the region in recent times.

ROMANIA

AuDAX has undertaken a comprehensive review of the exploration and near field development potential of Romania. This review provides an excellent platform from which we can confidently bid on opportunities in the upcoming 2008/2009 Romanian bid rounds.

AUSTRALIA

By leveraging off of the expertise of our staff with significant experience in exploration and development in the Cooper Basin in prior roles, AuDAX intends to increase the value of the PEL 182 permit by focussing initially on the recent Vanessa gas and Emily oil discovery wells.

WOLFGANG ZIMMER

MANAGING DIRECTOR

PUTTING THE STRATEGY INTO ACTION

- ✓ Drill Sambuca and Dougga company maker prospects in 2009
- ✓ Shoot 2D seismic programme offshore Tunisia and Italy in 2008/9
- ✓ Reprocess 1000 km of 2D in Chorbane and drill best prospect in 2009
- ✓ Grow Tunisian and Romanian business through AMI with Nexus & Kairiki
- ✓ Reprocess and acquire new 2D seismic data in Australian permit

Operations Review

Paul Fink

Executive Technical Director

Director since February 2008

TUNISIA & ITALY

Kerkouane and Pantelleria blocks (AuDAX share 70% and operator)

AuDAX holds a 70% interest (Kairiki Energy 30%) and is the new operator of the Kerkouane and Pantelleria (G.R15.PU) permits, located in the Gulf of Hammamet, offshore Tunisia and Italy respectively. AuDAX is in the final stages of acquiring the G.R15.PU permit. The permits are contiguous and comprise an area of 4504 km^2 (Kerkouane - 3847 km^2: G.R15.PU – 657 km^2). The Kerkouane Exploration Permit term expires on February 22, 2010 and carries a work obligation to acquire 400 kms of 2D seismic and to drill a 3000 metre well. The Italian authorities, on July 9, 2008, ratified AuDAX as title holder of the Pantelleria permit. The permit terms are drill or forfeit by the expiration date which is currently suspended until the spud date of the well.

The Tunisian and Italian fiscal regimes are favourable and provide attractive economics for development to relatively low threshold volumes.

The Kerkouane and Pantelleria permits offer a mix of oil, gas, and gas condensate exploration prospects, the opportunity to appraise the Dougga gas condensate discovery, and a number of attractive prospects. There are six advanced prospects, two of which are ready to drill, that have a P-50 unrisked resource potential of around 980 million barrels of oil equivalent. Additional data over the identified leads may increase the most likely resource potential to over one billion barrels. Therefore AuDAX is currently preparing to shoot at least 400 km of offshore 2D seismic.

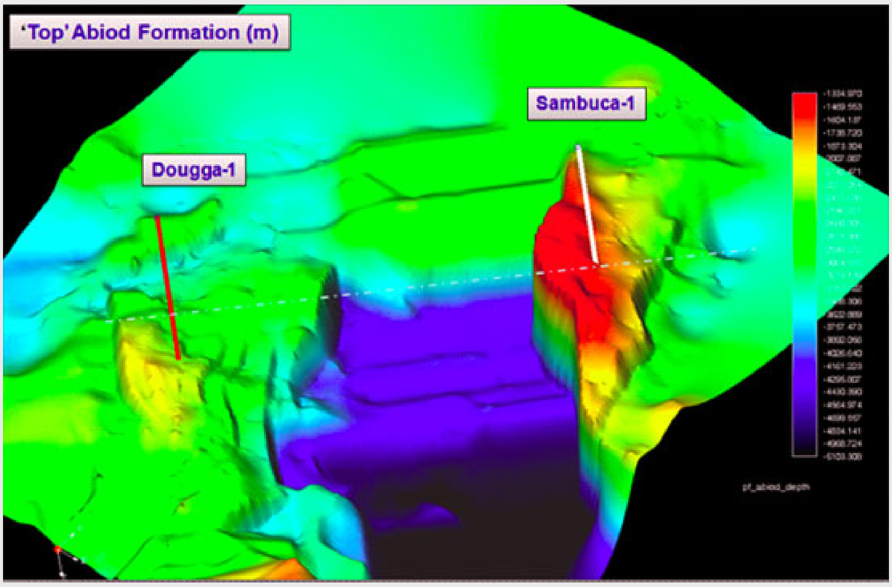
The area is under-explored but surrounded with proven and producing Cretaceous and Tertiary petroleum systems. The 4504 km^2 permit area has only two exploratory wells, one of which, the Dougga #1, tested gas and condensate from the Upper Cretaceous Abiod Formation and is considered a low risk appraisal opportunity. The second, the Kerkouane #1-1A well, experienced gas flows from the Tertiary section and was abandoned due to mechanical problems in 1981.

The Sambuca prospect, which straddles the Tunisian-Italian borders, is the lead exploration candidate for drilling in 2009. It is a multi-target prospect and has over 60 km^2 of structural closure that results in P-50 resources of 270 million barrels of oil equivalent with an upside of 640 million barrels for both the Tertiary and Cretaceous targets.

The Kerkouane permit Dougga appraisal project is a relatively low risk opportunity to confirm commerciality of a gas condensate field discovered by Shell in 1981. The field was not developed as the market and price for gas in 1981 did not justify the expenditures. Today the current robust demand for gas in Europe, adequate gas prices in Tunisia, and much improved technology to exploit gas condensate accumulations result in an economically viable project. The recently acquired seismic data and remapping of the area confirms significant potential both up dip and down dip of the Dougga-1 well. It is planned to drill an appraisal well near the crest of the structure, which is some 270 metres up dip from the original discovery, to establish the reservoir deliverability and acquire the data necessary to determine the optimum development concept for the field.

Operations Review (continued)

Current Dougga P-50 recoverable resources are 420 BCF of sales gas and 29 million barrels of condensate (830 bcf sales gas and 56 mmbbls condensate upside).



Chorbane block (AuDAX share 50% and operator)

AuDAX has signed a sales end purchase agreement with a Canadian company to acquire the Chorbane permit located onshore central Tunisia on the northwest side of the Gulf of Gabes. The completion of the transaction is conditional on approval of the relevant Tunisian government authorities which is expected during the third quarter of 2008.

AuDAX will hold 50% interest (Kairiki Energy – 50%) and will be the operator of the 2428 km^2 permit. The current expiration date is July 12, 2010 and extensions are possible with the commitment to additional work programs. Existing work plans are the reprocessing of 1000 km of 2D seismic in 2008 and the drilling of a 2500 metre commitment well in 2009.

The Chorbane block is on trend with the Jurassic through Tertiary proven petroleum systems and lies immediately west of a number of producing fields and discoveries. There have been eight wells drilled on the property that establish the presence of reservoirs and hydrocarbons, however, modern seismic suggest that the wells are not optimally located or were not drilled to a depth adequate to test the all prospective targets.

A number of prospective structures with multiple targets have been identified. Mapping of the seismic data is ongoing and upon completion the most favourable prospect will be selected for drilling which is expected to commence in the second half of 2009.

Two prospects and four leads have to date been identified with the prospects requiring minor additional work to upgrade to the ready to drill status. The P-50 unrisked potential volumes are estimated at 160 million barrels of oil equivalent with the largest having 55 million barrels of oil and 112 BCF gas.

DELIVERING HIGH IMPACT PROSPECTS

- ✓ Large and underexplored exploration and appraisal licenses offshore Sicily with a total P50 resource potential of 980 mmboe (unrisked)
- ✓ Sambuca exploration prospect with 270 mmboe P50 recoverable exploration resources (unrisked)
- ✓ Dougga appraisal project with unrisked P50 resources of 420 bcf sales gas and 29 mmbls of condensate

ROMANIA

AMI study group (AuDAX share 33.33% and operator)

A comprehensive geological review of the petroleum systems of Romania with partners Nexus Energy (33.33%) and Kairiki Energy (33.33%) has highlighted regions of significant oil and gas exploration and development potential in one of the oldest hydrocarbon provinces of the world which has only just started to be exposed to modern exploration and production technology.

AuDAX has reviewed all available geological data including seismic cross sections in order rank the hydrocarbon potential remaining in this region of Eastern Europe. From the technical understanding we have now attained and drawing on key in country experience we will be able to identify and pursue with confidence upcoming opportunities that will be forthcoming from the 2008/2009 Romanian Government Petroleum Bid Round. It is expected that OMV and state owned Petrom, the largest oil and gas producer in Romania, will have to relinquish large tracts of exploration acreage.

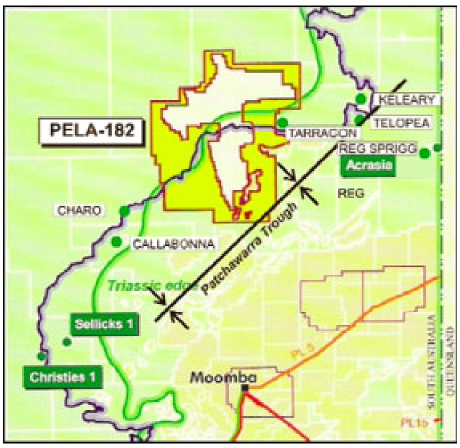
AUSTRALIA

PEL 182 (AuDAX share 49.9% and operator)

The permit was awarded to the original operator Eagle Bay Resources NL (now Strategic Energy Resources Ltd) on 10 August 2005. The current joint venture comprises AuDAX Resources Ltd, Strategic Energy Resources Ltd, Australian Oil Company Ltd and Dome Petroleum Resources Plc. The permit term expires on 23 November 2011. AuDax took over operatorship of PEL 182 in the Cooper Basin on 1 May 2008. Prior to the change of operatorship, the joint venture drilled four exploration wells in 2006-07 casing and suspending two: a gas discovery at Vanessa 1 and Emily 1 (oil). The other two wells were plugged and abandoned as dry holes.

To date AuDAX has undertaken a review of existing technical and commercial work and is in the process of developing a technically and commercially justifiable forward work programme. Initial efforts will focus on existing discoveries as well as new work, including reprocessing and seismic, to enable the identification of drilling targets for future permit year commitments.

PEL 182 is a largely underexplored Cooper Basin exploration block on trend with oil and gas discoveries which has a good chance to deliver several commercial and low risk prospects. It is therefore an integral part of the AuDAX portfolio which has the potential to become a stable source of cash flow through oil and / or gas production in the near future.



Flaring Vanessa-1 Gas Discovery

Mining Tenements and Exploration

AuDAX continues to maintain a number of highly prospective gold and base metal exploration projects within Western Australia. Given the focus on oil and gas exploration the Company has not conducted significant exploration on these tenements in the past twelve months. A number of projects such as Bronzewing South, Yandal and Gindalbie have been joint ventured and joint venture partners are now being sought for the Millrose and Marymia prospects.

Millrose Project: E53/600, E(A)53/1304 and E(A)53/1305, AuDAX 100%

The Millrose project is located within the Yandal/Millrose greenstone belt approximately 80km south-east of Wiluna and 30km east of Newmont's Jundee operations. Sufficient detailed drilling has been completed to enable a preliminary assessment of the resource potential of the northern portion of the Old Camp Bore prospect. Wide spaced drilling has returned a number of significant intercepts over a strike length of some 2.6km to the south of the existing resource.

Marymia Project E(A)52/1803 and E52/1960 AuDAX 100%

The Marymia project is located approximately 180km north east of Meekatharra and lies within the Marymia Dome, an Archaean basement high. The project is considered prospective for both gold and nickel sulphide mineralisation. The tenements host a sequence of strongly folded komatiitic ultramafic. The ultramafic previously returned some interesting drill intercepts which included: 12m @ 0.65% Ni from 8m, 8m @ 1.05% Ni from 28m, 15m @ 0.62% Ni from 9m and 4m @ 1.07% Ni from 28m. Geology, structure and mineralisation encountered to date are considered encouraging and further work is considered warranted.

PAUL FINK

TECHNICAL DIRECTOR

EXPERTISE and EXPERIENCE

- ✓ Asset depth and balanced portfolio with exploration, appraisal and development opportunities
- ✓ Dedicated, focussed and experienced executive team
- ✓ Strong incountry presence with local office and experienced 'local'country managers
- ✓ Technically strong and motivated staff and advisors

Corporate Governance Statement

This statement outlines the main corporate governance practices adopted by the Board. ASX Listing Rule 4.10 requires listed companies to include in their annual report a statement disclosing the extent to which they have complied with the ASX Best Practice Recommendations in the reporting period. The recommendations are not prescriptive so that if a company considers that a recommendation is inappropriate having regard to its size, resources available and activities, the company has the flexibility to not follow it. These following corporate governance practices comply with the ASX Corporate Governance Council recommendations unless otherwise stated.

Role of the Board

The Board is responsible for ensuring that the Company is managed in a manner which protects and enhances the interests of its shareholders and takes into account the interests of all stakeholders. To fulfil this role, the Board is responsible for setting the strategic directions for the Company, establishing goals for management and monitoring the achievement of these goals.

Because of the limited size of the Company and its financial affairs and operations, the use of separate committees of the Board of Directors is not considered appropriate at this time. All matters that might properly be dealt with by such committees are currently dealt with by the full Board of Directors. Decisions of the Board are, to the extent practicable, unanimous. There were no occasions during the year when decisions were not unanimous.

The Board operates in accordance with the broad principles set out in its charter, which is available from the corporate governance information section of the Company website at **www.audax.com.au**.

Composition of the Board

The names and details of the Directors of the Company in office at the date of this Statement are set out in the Directors' Report.

The composition of the Board is determined using the following principles:

- Persons nominated as Non-Executive Directors shall be expected to have skills, experience and expertise of benefit to the Company and to bring an independent view to the Board's deliberations. Persons nominated as Executive Directors must be of sufficient stature and security of employment to express independent views on any matter.
- The Chairperson should ideally be non-executive and independent and be elected by the Board based on his/her suitability for the position. During the year, the previous Managing Director resigned and was appointed Chairman of the Board. The Board believes that this Chairperson is able and does bring quality and independent judgment to all relevant issues falling within the scope of the role of Chairperson. All Non-Executive Directors are expected voluntarily to review their membership of the Board from time-to-time taking into account length of service, age, qualifications and expertise relevant to the Company's then current policy and programme, together with the other criteria considered desirable for composition of a balanced Board and the overall interests of the Company.
- Under the Company's Constitution, the minimum number of Directors is three. At each Annual General Meeting, one third of the Directors (excluding the Managing Director) must resign, with Directors resigning by rotation based on the date of their appointment. Directors resigning by rotation may offer themselves for re-election.

The Company considers that the Board should have at least three Directors (minimum required under the Company's constitution) and strives to have a majority of independent Directors but acknowledges that this may not be possible at all times due to the size of the Company. Currently the Board has four

Directors, of which only one is independent. The Board considers an independent director to be a non-executive director who meets the criteria for independence included in the ASX Best Practice Recommendations.

The number of Directors is maintained at a level which will enable effective spreading of workload and efficient decision making.

The composition of the Board is reviewed on an annual basis to ensure the Board has the appropriate mix of expertise and experience. Where a vacancy exists, through whatever cause, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the Board determines the selection criteria for the position based on the skills deemed necessary for the Board to best carry out its responsibilities and then appoints the most suitable candidate who must stand for election at the next general meeting of shareholders.

Performance of Directors

The performance of all Directors and the Board as a whole is reviewed annually in accordance with the Company's corporate governance guidelines.

Conflict of Interest

In accordance with the Corporations Act 2001 and the Company's constitution, Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. Where the Board believes a significant conflict exists, the Director concerned does not receive the relevant Board papers and is not present at the Board meeting whilst the item is considered. Details of Directors' related entity transactions with the Company are set out in the related parties note in the financial statements.

Independent Professional Advice and Access to Company Information

Each Director has the right of access to all relevant Company information and to the Company's executives and, subject to prior consultation with the Chairman, may seek independent professional advice at the Company's expense. A copy of advice received by the Director is made available to all other members of the Board.

Remuneration Report

The Board of Directors maintains remuneration policies which are aimed at attracting and retaining a motivated workforce and management team. The intention is to match the outcomes from the remuneration system with the performance of the Company and ultimately the value received by our shareholders on a long-term basis.

As an overall policy, the Company will remunerate in such a way that it:

- motivates Directors and management to pursue the long-term growth and success of the Company; and
- demonstrates a clear relationship between key executive performance and remuneration.

Full details of Directors' and specified executives' remuneration are set out in the Directors' Report and in the Key Management Disclosures note in the financial statements.

Due to the limited size of the Company and of its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate for AuDAX. The Board has adopted the following policies for Directors' and executives' remuneration:

Corporate Governance Statement (continued)

Non-Executive Directors' Remuneration

Non-Executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act as at the time of the Director's retirement or termination. Non-Executive Directors are entitled to receive options under the rules of the AuDAX Employee Option Scheme.

Executive Remuneration

Senior executives, including Executive Directors, are engaged under the terms of individual employment contracts. Such contracts are based upon standard terms drafted by the Company's lawyers. Executive Directors do not receive any directors' fees in addition to their remuneration arrangements. Executive Directors are entitled to receive options under the rules of the AuDAX Employee Option Scheme, and may be offered additional options as part of their remuneration, subject to Shareholder approval. The monetary package is divided between a base salary/consulting fee and, for non-directors, an incentive portion if considered appropriate. Base salary/consulting fees are set to reflect the market salary for a position and individual of comparable responsibility and experience. Base salary/consulting fees are regularly compared with the external market and during recruitment activities generally. It is the policy of the Company to maintain a competitive salary structure to ensure continued availability of experienced and effective management and staff.

Executive Director Employment Contracts

The Managing Director, Wolfgang Zimmer, and the Technical Director, Paul Fink, are employed under contract. These contracts have an initial period of 36 months and either the Director or the Company may terminate the contract with three months written notice.

Company Website

AuDAX has made available details of all its corporate governance principles, which can be found in the corporate governance information section of the Company website at www.audax.com.au.

Directors' Report

The Directors present their report on the results of the Company for the year ended 30 June 2008 and the state of affairs at that date.

DIRECTORS

The names and particulars of the Directors of the Company in office during the financial year and up to the date of this report were as follows. Directors were in office for the entire year unless otherwise stated.

Gary Roper

Executive Chairman (Appointed 10 December 2007)

Managing Director (Resigned 10 December 2007)

Director since 1985

Mr Roper has extensive administrative experience in both government and commerce, principally in the areas of tenement management and co-ordination of exploration staff and programmes. He was a founding Director of AuDAX and was Managing Director from 1987 to 2007.

Other directorships of listed companies in the last three years: Nil

Wolfgang Zimmer

PhD - Geology and Petrology

Executive Managing Director (Appointed 10 December 2007)

Dr Wolfgang Zimmer has 28 years experience in the oil and gas Industry. He received his Ph.D from the University of Vienna in Geology and Petrology. His career began with Mobil Oil in Vienna where he worked for 11 years primarily in Europe and the USA in oil and gas exploration and production. In 1991 he joined OMV, the Austrian oil company, and fulfilled a variety of senior management roles for the next 15 years. He established OMV's Exploration and Production business in Australia and New Zealand and was its Managing Director for five years. He also has significant experience in North Africa having been the director of OMV's onshore and offshore production operations in Tunisia. Most recently he was the CEO of Grove Energy, a Canadian and UK listed oil and gas explorer which he successfully merged with another exploration company in 2007.

Other directorships of listed companies in the last three years: Nil

Paul Fink

MSc (Geophysics)

Executive Technical Director (Appointed 25 February 2008)

Mr Paul Fink is based in Vienna and has 18 years of petroleum exploration and production industry experience in technical and management positions.

Mr Fink is a graduate from the Mining University of Leoben, Austria. He started his career as a processing geophysicist and then worked predominantly on international exploration and development projects and assignments in Austria, Libya, Bulgaria, UK, Australia and finally in Pakistan as Exploration and Reservoir Manager for OMV.

In 2005 he started his own petroleum consultancy business, which also allowed him to work on projects in Romania. Most recently he was working as the acting Vice President (Exploration) for Focus Energy, leading their highly successful exploration campaign in India, which included two discoveries, reserves certification, field development planning and successful petroleum licence bidding.

Other directorships of listed companies in the last three years: Nil

Gillian Evans

B Comm, CA (Canada)

Non-executive Director (Appointed 25 February 2008)

Ms Gillian Evans is based in Perth and is a chartered accountant, with extensive experience providing financial and commercial advice to international oil and gas companies over the past 20 years in Canada and Australia. Ms Evans has had significant experience in working with capital markets in a variety of countries and is experienced in communicating and liaising with investors, institutions, banks and analysts.

Ms Evans has managed a number of both debt and equity financings and has been an executive of a number of high growth oil and gas companies with domestic and foreign operations in Australia, Asia and North and South American jurisdictions.

Ms Evans' roles in Australia have included Chief Financial Officer of Nido Petroleum Limited, an Australian listed company with operations in the Philippines, and CFO and Company Secretary of Voyager Energy Limited. Prior to that, in Canada she held the positions of Vice President Finance and CFO of Pacalta Resources Limited and Director, Investor Relations for Conwest Exploration Company Limited, both substantial listed oil and gas companies in Canada and the United States.

Other directorships of listed companies in the last three years: Nil

Leith Beal

Non-Executive Director (Resigned 25 February 2008)

Director since 1989

Mr Beal is a mining tenement consultant with many years experience in the mining industry. He spent 12 years with the Western Australia Department of Minerals and Energy and has been an independent tenement management consultant for various companies.

Other directorships of listed companies in the last three years: Nil

Dr Peter Barber

Non-Executive Director (Resigned 25 February 2008)

Director since February 2007

Dr Barber is a co-founding member and business partner of Isis Petroleum Consultants. He is an explorationist and sequence-stratigrapher with proven ability in finding hydrocarbons. He has over 30 years experience in the international exploration and production business, both with majors (Phillips) and independents (Petroz), working in a diverse range of challenging environments, ranging from the North Sea and the Mediterranean to East Africa and SE Asia. Peter has specialist deep knowledge of the NW Shelf and Australia Basins.

Other directorships of listed companies in the last three years: Nil

COMPANY SECRETARY

Peter Ironside B.Com, CA

Mr Ironside is a chartered accountant and business consultant with over 20 years experience in the exploration and mining industry. He has been a director and/or company secretary of several ASX listed companies. Mr Ironside is a director of Ironside Pty Ltd, a corporate services company. Mr Ironside brings a significant level of accounting, compliance and corporate governance experience to the Board, together with support in the areas of corporate initiatives and capital raisings. Mr Ironside has been a director of listed companies, Integra Mining Limited, since 21 December 2000, and Atticus Resources Limited since 5 April 2007.

MEETINGS OF DIRECTORS

During the financial year, three meetings of directors were held. The number of meetings attended by each director during the year is as follows:

	Meetings Held [1]	Meetings Attended
G Roper	3	3
W Zimmer	2	2
P Fink	1	–
G Evans	1	1
L Beal	2	1
P Barber	2	2

[1] Number of meetings held during term of office.

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

The following table sets out each director's relevant interest in shares and options in shares of the Company as at the date of this report.

Name of Director	Number of Shares	Number of Options
G Roper	8,628,732	2,453,342
W Zimmer	7,788,334	5,000,000
P Fink	1,900,000	3,500,000
G Evans	125,988	3,500,000

CORPORATE INFORMATION

Corporate Structure

AuDAX Resources Ltd is a limited liability company that is incorporated and domiciled in Australia. AuDAX Resources Ltd has prepared a consolidated financial report incorporating the entities that it controlled during the financial year as follows:

AuDAX Resources Ltd	–	parent entity
Alpine Oil & Gas Pty Ltd	–	100% owned Australian controlled entity
AuDAX Energy GmbH	–	100% owned Austrian controlled entity
AuDAX Energy srl	–	100% owned Italian controlled entity

Principal Activity

The principal activities of the Group during the year were oil and gas exploration and mineral exploration and investment. The Company's exploration focus changed from Australia to include international oil and gas prospects (Italy, Romania and Tunisia) during the year.

Employees

The Group employed 4 persons as at 30 June 2008 (2007: 4 persons).

Financial summary

The net loss of the Group for the year, after provision for income tax, amounted to $3,808,277 (2007: $(4,560,442)).

The net loss includes an exploration writedown of $2,588,966 (2007: $3,498,745) relating to exploration costs for the Cooper Basin and on mining tenements.

The net loss for the period ending 30 June 2008 was offset by income realised from the sale of the office building and land which resulted in a gain of $954,104 in the financial year.

Summary of financial position

AuDAX's cash reserves at 30 June 2008 were $1,723,502 (2007: $398,634). The increase in cash was due to the following issues of shares:

- In July 2007 the Company issued 17,350,000 shares at an issue price of 7 cents per share raising $1,214,500;
- In December 2007, 600,000 employee options were exercised at 15 cents per share raising $90,000;
- In January 2008, the Company issued 12,939,930 shares at an issue price of 30 cents per share raising $3.9 million before costs;
- In June 2008, 1,000,000 options were exercised at 10 cents and 1,000,000 options at 15 cents raising $250,000.

Proceeds from the various capital raisings and option exercises were used to fund the Cooper Basin drilling program, exploration in Italy and Tunisia and for general working capital purposes.

Corporate activities

Acquisition of Alpine Oil & Gas Pty Ltd

In November 2007, AuDAX acquired Alpine Oil & Gas Pty Ltd ("Alpine") for the consideration of 16 million ordinary fully paid shares in the capital of AuDAX Resources Ltd.

Alpine has assets which include a 33.33% free carried interest in a 1 million Euro (A$1.6 million) Joint Study and Bidding Agreement ("JSBA") between it, Nexus Energy Services Pty Ltd (a wholly owned subsidiary of Nexus Energy Ltd) and Kairiki Energy Limited ("Kairiki") to investigate and apply for projects in Romania, a 33.33% participating interest in an Area of Mutual Interest agreement ("AMI") with Kairiki to investigate and acquire oil and gas projects in Romania and a 25% participating interest in an AMI with Kairiki to investigate and acquire oil and gas projects in Tunisia.

This JSBA and the AMI in Romania enable AuDAX and the other participants to pool their respective resources in the search, evaluation and acquisition of high value oil and gas projects while the parties to the AMI agreements in Tunisia will pursue a variety of projects including production, rejuvenation development, near field exploration and frontier exploration.

Conditional agreements to acquire Romania, Tunisia and Italian exploration permits

In November 2007, AuDAX's wholly owned subsidiary, Alpine, and its joint venture partner, Kairiki, signed conditional purchase agreements with Stratic Energy Limited ("Stratic"), a UK listed company to each acquire a 50% interest in the following:

- Stratic's 40% interest in the South Craiova permit, onshore Romania for US$1 million; and
- Stratic's 100% interest in the Chorbane permit located onshore southeast Tunisia for US$1 million.

The acquisition of Chorbane is expected to occur in the third quarter of 2008 once the conditions precedent are satisfied, including payment of a letter of credit to the Tunisian government in the amount of US$1,000,000 (US$500,000 net to AuDAX).

Subsequent to year end, AuDAX and Kairiki elected to terminate the acquisition of South Craiova.

In January 2008, the Company entered into conditional purchase agreements, subject to certain conditions precedent, with Stratic to acquire a 100% interest in each of the following:

- Kerkouane permit located offshore northeast Tunisia for US$1 million; and
- Italian permit G.R15.PU, located offshore the island of Pantelleria southwest of Sicily for US$1 million.

Subsequently, AuDAX entered into an agreement to sell 30% of its interest in each of the above permits to Kairiki.

The Kerkouane permit has a two year exploration period from 22 February 2008. Acquisition of 400km 2D seismic and the drilling of one well is required in the two year period. A letter of credit is required by the Tunisian Ministry in the amount of US$1.5 million (US$1.05 million, net to AuDAX) until commencement of drilling.

Subsequent to year end, the Company completed the acquisition of the Kerkouane permit with Stratic and the sale of the 30% interest to Kairiki.

The acquisition of G.R15.PU is expected to be completed in the third quarter of 2008.

Operations review

Italy and Tunisia

Since entering into the conditional purchase agreements, AuDAX has identified a large number of prospects and leads in the permits. AuDAX has engaged a drilling management consultant to prepare for a high impact exploration and appraisal drilling campaign in 2009 and continues to evaluate the remaining prospect and leads inventory.

Romania

AuDAX has been conducting statistically-based regional geological analysis to order to formulate a rigorous exploration strategy for the Bid Round to be conducted in the first quarter of 2009 in Romania.

Cooper Basin PEL 182

Jasmine-1 was spudded on 19 December 2007 and drilled to its target depth of 2,461 metres. No significant hydrocarbons were encountered and the well was plugged and abandoned on 4 January 2008.

In April 2008, AuDAX took over operatorship of PEL 182. AuDAX has undertaken a review of existing technical and commercial work as well as statistical analysis of oil and gas production in the basin and is in the process of developing a technically and commercially sound forward work programme. Initial efforts will focus on existing discoveries as well as new work, including reprocessing and seismic, to enable the identification of drilling targets for future permit year commitments. AuDAX also intends to increase the value of the permit by focusing on the Vanessa gas discovery and oil recovered on test from the Emily well.

Mineral Interests - Australia

During the year, Company continued to maintain its various hard rock exploration projects while seeking farmout and joint venture opportunities. Marymia and Millrose have created the most interest and it is likely that these projects will be joint ventured during the coming year.

DIVIDENDS

No dividends were paid or declared during the year. The Directors do not recommend payment of a dividend.

CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Company during the financial year are detailed in the Operating and Financial Review in this report.

FUTURE DEVELOPMENTS

The Company intends to continue its exploration programme on its existing permits, and to acquire further suitable permits for exploration and development.

ENVIRONMENTAL ISSUES

The Company's environmental obligations are regulated by the laws of the countries in which AuDAX has operations. The Company has a policy to either meet or where possible, exceed its environmental obligations. No environmental breaches have been notified by any governmental agency as at the date of this report.

SUBSEQUENT EVENTS

The following events occurred after the balance sheet date:

In July 2008, the Company completed the acquisition from Stratic Energy Corporation ("Stratic"), Stratic's 100% interest in the Kerkouane permit located offshore northeast Tunisia for US$1 million. In addition, AuDAX sold a 30% interest in the permit to Kairiki Energy Limited ("Kairiki") for US$300,000.

On 28 August 2008, the Company reached agreement to place up to 22,222,222 ordinary fully paid shares at an issue price of 9 cents per share to raise proceeds of up to $2 million. The purpose of the capital raising was to enable the completion of the acquisition of the Pantelleria permit in Italy and the adjoining offshore Kerkouane permit in Tunisia.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director and executive of AuDAX Resources Ltd. The information provided in the remuneration report includes remuneration disclosures that are required under Accounting Standard AASB 124 "Related Party Disclosures". These disclosures have been transferred from the financial report and have been audited.

For the purposes of this report Key Management Personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and includes five executives in the parent group receiving the highest remuneration.

For the purposes of this report the term "executive" includes those key management personnel who are not directors of the parent company.

Remuneration Committee

Due to the limited size of the Company and of its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate for AuDAX. The Board has adopted the following policies for Directors' and executives' remuneration.

A. Remuneration policy

The Board of Directors maintains remuneration policies which are aimed at attracting and retaining a motivated workforce and management team. The intention is to match the outcomes from the remuneration system with the performance of the Company and ultimately the value received by our shareholders on a long-term basis.

As an overall policy, the Company will remunerate in such a way that it:

- motivates Directors and management to pursue the long-term growth and success of the Company; and
- demonstrates a clear relationship between key executive performance and remuneration.

B. Remuneration structure

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

Non-Executive directors' remuneration

Non-Executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act as at the time of the Director's retirement or termination.

Directors' Report (continued)

Non-Executive Directors are entitled to receive options under the rules of the AuDAX Employee Option Scheme.

Executive remuneration

Senior executives, including Executive Directors, are engaged under the terms of individual employment contracts. Executive Directors do not receive any directors' fees in addition to their remuneration arrangements. Executive Directors are entitled to receive options under the rules of the AuDAX Employee Option Scheme, and may be offered additional options as part of their remuneration, subject to shareholder approval. The monetary package is divided between a base salary/consulting fee and, for non-directors, an incentive portion if considered appropriate. Base salary/consulting fees are set to reflect the market salary for a position and individual of comparable responsibility and experience. Base salary/consulting fees are regularly compared with the external market and during recruitment activities generally. It is the policy of the Company to maintain a competitive salary structure to ensure continued availability of experienced and effective management and staff.

Details of the nature and amount of each element of each director, including any related company and each of the officers of the Company receiving the highest emoluments are set out in the following tables.

C. Service agreements

Executive director employment contracts

The Managing Director, Wolfgang Zimmer, and the Technical Director, Paul Fink, are employed under contract. These contracts have an initial period of 36 months and either the Director or the Company may terminate the contract with three months written notice.

D. Details of remuneration for year ended 30 June 2008

Details of the remuneration of each Director and named executive officer of the Company, including their personally-related entities, during the year was as follows:

		Primary Benefits		Post Employment		Share Based		
	Year	Salary and fees $	Motor vehicle $	Super-annuation $	Other $	Options $	Total $	Remuneration consisting of options during the year %
Directors								
G Roper	**2008**	**130,000**	**49,907**	**11,700**	–	**10,750**	**202,357**	**5.3%**
	2007	130,000	59,831	11,700		16,100	217,631	7.4%
W Zimmer (1)	**2008**	**245,830**	–	–	–	**40,250**	**286,080**	**14.1%**
	2007	–	–	–	–	–	–	–
P Fink (2)	**2008**	**166,664**	–	–	–	**28,175**	**194,839**	**14.5%**
	2007	–	–	–	–	–	–	–
G Evans (2)	**2008**	**20,000**	–	–	–	**28,175**	**48,175**	**58.5%**
	2007	–	–	–	–	–	–	–
L Beal (3)	**2008**	**74,625**	–	**1,755**	**78,933** (7)	–	**155,313**	–
	2007	90,000	–	1,755	–	16,100	107,855	14.9%
P Barber (4)	**2008**	**41,683**	–	–	–	**45,879**	**87,562**	**52.4%**
	2007	12,000	–	–	–	12,921	24,921	51.8%
I Chalmers (5)	**2008**	–	–	–	–	–	–	–
	2007	14,625	–	1,316	–	–	15,941	–
G Edwards (6)	**2008**	–	–	–	–	–	–	–
	2007	13,384	–	1,205	–	–	14,589	–
Other Key Management Personnel								
P Ironside	**2008**	**30,120**	–	–	–	–	**30,120**	–
	2007	26,400	–	–	–	28,640	55,040	52.0%

(1) Appointed 10 December 2007.

(2) Appointed 25 February 2008.

(3) Resigned 25 February 2008.

(4) Appointed 12 February 2007; resigned 25 February 2008.

(5) Resigned 12 February 2007.

(6) Resigned 14 July 2006.

(7) Other post employment benefits paid to L Beal was a motor vehicle gifted in consideration for the 19 years of service Mr Beal had given AuDAX.

During the 2008 year, the remuneration values of options granted during 2007 were recorded in the Income Statement. For purposes of comparison, these amounts are disclosed as 2007 remuneration in the table above.

There were no performance related payments made during the year.

E. Compensation options to Key Management Personnel

The following options were granted as equity compensation benefits to Directors and Executives. The options were issued free of charge. Each option entitles the holder to subscribe for one fully paid ordinary share in the Company at various exercise prices with various expiry dates.

		Terms and Conditions of Each Grant					
2008	**Number Vested During Year**	**Granted Number**	**Grant Date**	**Value per Option at Grant Date $**	**Exercise Price $**	**First Exercise Date**	**Last Exercise Date**
Directors							
G Roper	–	1,000,000	18/04/08	0.043	0.30	22/04/09	22/04/10
W Zimmer	–	2,000,000	18/04/08	0.043	0.30	22/04/09	22/04/10
W Zimmer	–	1,500,000	18/04/08	0.056	0.35	22/04/10	22/04/11
W Zimmer	–	1,500,000	18/04/08	0.066	0.40	22/04/11	22/04/12
P Fink	–	1,400,000	18/04/08	0.043	0.30	22/04/09	22/04/10
P Fink	–	1,050,000	18/04/08	0.056	0.35	22/04/10	22/04/11
P Fink	–	1,050,000	18/04/08	0.066	0.40	22/04/11	22/04/12
G Evans	–	1,400,000	18/04/08	0.043	0.30	22/04/09	22/04/10
G Evans	–	1,050,000	18/04/08	0.056	0.35	22/04/10	22/04/11
G Evans	–	1,050,000	18/04/08	0.066	0.40	22/04/11	22/04/12
TOTAL	–	13,000,000					

No options were granted to other key management personnel during the 2008 year.

During the 2008 year, the terms of P Barbers' 2007 options were changed. The 1,000,000 options at an exercise price of 20 cents were cancelled, and the vesting conditions on the remaining options were removed.

		Terms and Conditions of Each Grant					
2007	Number Vested During Year	Granted Number	Grant Date	Value per Option at Grant Date $	Exercise Price $	First Exercise Date	Last Exercise Date
Directors							
G Roper	1,000,000	1,000,000	30/03/07	0.0161	0.15	30/03/07	31/12/08
L Beal	1,000,000	1,000,000	30/03/07	0.0161	0.15	30/03/07	31/12/08
P Barber	–	1,000,000	30/03/07	0.0323	0.10	29/03/08	29/03/09
P Barber	–	1,000,000	30/03/07	0.0265	0.15	29/03/09	29/03/10
P Barber	–	1,000,000	30/03/07	0.0184	0.20	29/03/10	29/03/10
TOTAL	2,000,000	5,000,000					
Other Key Management Personnel							
P Ironside	750,000	750,000	30/03/07	0.032	0.15	30/03/07	31/12/10
P Ironside	200,000	200,000	2/11/06	0.0232	0.12	2/11/06	31/12/08
TOTAL	950,000	950,000					

The Black-Scholes Option Pricing Model was used to value the options issued as share-based payments. Refer to note 23 'Share based payments' in the notes to the financial statements for variables used in the models.

F. Shares issued to Key Management Personnel on exercise of compensation options

2008	Shares Issued Number	Paid per Share $	Intrinsic Value per Exercised Option ($)
Directors			
P Barber	1,000,000	0.10	0.08
P Barber	1,000,000	0.15	0.03
Other Key Management Personnel			
P Ironside	400,000	0.15	0.11
	2,400,000		

No key management personnel options were exercised in 2007.

SHARE AND OPTION SCHEMES

Unissued ordinary shares of the Company under option at the date of this report are as follows:

	Number	Exercise Price	Exercise Date
Listed Options	27,630,047	20 cents	On or before 31/12/2008
Unlisted Options	1,000,000	12 cents	On or before 31/12/2008
Unlisted Options	2,000,000	15 cents	On or before 31/12/2008
Unlisted Options	1,250,000	15 cents	On or before 31/12/2010
Unlisted Options	7,200,000	30 cents	Between 22/04/2009 and 21/04/2010
Unlisted Options	4,650,000	35 cents	Between 22/04/2010 and 21/04/2011
Unlisted Options	4,650,000	40 cents	Between 22/04/2011 and 21/04/2012
Unlisted Options	2,100,000	30 cents	Between 13/05/2009 and 13/05/2010
Unlisted Options	1,575,000	35 cents	Between 13/05/2010 and 13/05/2011
Unlisted Options	1,575,000	40 cents	Between 13/05/2011 and 13/05/2012
	53,630,047		

AUDIT INDEPENDENCE AND NON-AUDIT SERVICES

Auditors' independence - section 307C

The following is a copy of a letter received from the Company's auditors:

"Dear Sirs,

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 30 June 2008 annual financial statements; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Frank Vrachas (Lead auditor)

Rothsay Chartered Accountants"

The Company's auditors received, or are due to receive, the following amounts for the provision of audit and non-audit services.

	2008	**2007**
	$	$
Auditors' remuneration		
• auditing the accounts	28,000	24,000
• taxation services	2,800	1,500

The Board is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

Signed in accordance with a resolution of Directors.

Wolfgang Zimmer
Managing Director

Dated this 29th day of August 2008

Directors' Declaration

1. In the opinion of the directors:

   a) The financial statements and notes are in accordance with the Corporations Act 2001, including:

      i) giving a true and fair view of the Company's and Group's financial position as at 30 June 2008 and of their performance for the year then ended; and

      ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the 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.

2. 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 year ended 30 June 2008.

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

Wolfgang Zimmer
Managing Director

Dated this 29th day of August 2008

Income Statement

FOR THE YEAR ENDED 30 JUNE 2008

	Note	Consolidated	Company	
		2008 $	2008 $	2007 $
Revenue and Income				
Interest revenue		76,189	75,027	48,854
Other income	2(a)	1,300,767	1,294,988	812,732
		1,376,956	1,370,015	861,586
Expenses				
Audit fees		(28,000)	(28,000)	(24,000)
Consultants' fees		(177,829)	(177,829)	(56,277)
Depreciation		(51,551)	(27,935)	(51,466)
Employee costs		(284,517)	(208,997)	(236,259)
Share based payments	23(e)	(280,079)	(280,079)	–
Exploration		(225,760)	–	–
Impairment of deferred exploration	11	(2,588,966)	(2,588,966)	(3,498,745)
Impairment of receivable		–	–	(1,312,164)
Amortisation of deferred assets	8	(363,300)	–	–
Impairment of deferred assets	12	(590,000)	–	–
Impairment of financial assets – shares		(137,742)	(137,742)	–
Impairment of intercompany investments	9	–	(1,390,000)	–
Loss on sale of financial assets – shares		(26,300)	(26,300)	–
Interest expense		(1,404)	(1,404)	(1,404)
Other	2(b)	(429,785)	(309,878)	(241,713)
Loss before income tax		**(3,808,277)**	**(3,807,115)**	**(4,560,442)**
Income tax expense	3	–	–	–
Loss after income tax attributable to members of AuDAX Resources Ltd		**(3,808,277)**	**(3,807,115)**	**(4,560,442)**

		Cents per Share		Cents per Share
Basic loss per share	4	(2.51)		(3.78)

Balance Sheet

AS AT 30 JUNE 2008

	Note	Consolidated 2008 $	Company 2008 $	Company 2007 $
ASSETS				
Current Assets				
Cash and cash equivalents	5	1,723,502	1,488,003	398,634
Trade and other receivables	6	510,437	453,764	99,758
Other financial assets at fair value	7	61,095	61,095	215,447
Other current assets	8	155,700	–	–
Total Current Assets		2,450,734	2,002,862	713,839
Non-Current Assets				
Receivables	6	34,076	722,227	–
Other financial assets	9	–	1,538,036	–
Property, plant and equipment	10	91,028	12,415	83,859
Deferred exploration expenditure	11	3,242,737	3,242,737	1,997,071
Intangible assets	12	1,770,000	–	–
Total Non-Current Assets		5,137,841	5,515,415	2,080,930
Total Assets		7,588,575	7,518,277	2,794,769
LIABILITIES				
Current Liabilities				
Trade and other payables	13	306,992	242,353	69,812
Interest-bearing liabilities	14	58,982	58,982	22,001
Provisions	15	27,053	27,053	24,205
Total Current Liabilities		393,027	328,388	116,018
Non-Current Liabilities				
Interest-bearing liabilities	14	–	–	51,201
Total Non-Current Liabilities		–	–	51,201
Total Liabilities		393,027	328,388	167,219
Net Assets		**7,195,548**	**7,189,889**	**2,627,550**
Equity				
Issued capital	16	37,444,507	37,444,507	29,400,807
Reserves	17	3,537,837	3,531,016	3,205,262
Accumulated losses		(33,786,796)	(33,785,634)	(29,978,519)
Total Equity		**7,195,548**	**7,189,889**	**2,627,550**

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2008

	Issued Capital $	Reserves $	Accumulated Losses $	Total Equity $
CONSOLIDATED				
At 1 July 2006	**28,346,085**	**3,205,262**	**(25,418,077)**	**6,133,270**
Total income and expenses for the year	–	–	(4,560,442)	(4,560,442)
Issue of share capital, net of transaction costs	1,054,722	–	–	1,054,722
Options granted	–	–	–	–
At 30 June 2007	**29,400,807**	**3,205,262**	**(29,978,519)**	**2,627,550**
Total income and expenses for the year	–	–	(3,808,277)	(3,808,277)
Issue of share capital, net of transaction costs	8,043,700	–	–	8,043,700
Options granted	–	325,754	–	325,754
Currency translation differences	–	6,821	–	6,821
At 30 June 2008	**37,444,507**	**3,537,837**	**(33,786,796)**	**7,195,548**

	Issued Capital $	Reserves $	Accumulated Losses $	Total Equity $
COMPANY				
At 1 July 2006	**28,346,085**	**3,205,262**	**(25,418,077)**	**6,133,270**
Total income and expenses for the year	–	–	(4,560,442)	(4,560,442)
Issue of share capital, net of transaction costs	1,054,722	–	–	1,054,722
Options granted	–	–	–	–
At 30 June 2007	**29,400,807**	**3,205,262**	**(29,978,519)**	**2,627,550**
Total income and expenses for the year	–	–	(3,807,115)	(3,807,115)
Issue of share capital, net of transaction costs	8,043,700	–	–	8,043,700
Options granted	–	325,754	–	325,754
At 30 June 2008	**37,444,507**	**3,531,016**	**(33,785,634)**	**7,189,889**

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2008

	Note	Consolidated 2008 $	Company 2008 $	Company 2007 $
Cash flows from operating activities				
Receipts in the ordinary course of activities		17,898	12,119	–
Payments to suppliers & employees, including for exploration expensed		(1,206,001)	(757,008)	(553,303)
Interest received		76,189	75,027	48,854
Interest paid		(1,404)	(1,404)	–
Net cash flows used in operating activities	5(i)	(1,113,318)	(671,266)	(504,449)
Cash flows from investing activities				
Proceeds from sale of equity investments		320,310	320,310	849,000
Payment for equity investments		–	–	(107,000)
Proceeds from sale of property, plant and equipment		998,113	998,113	–
Payments for plant and equipment		(102,146)	–	–
Payments for exploration expenditure capitalised		(3,962,679)	(3,962,679)	(2,424,298)
Receipts from exploration partners		1,159,467	–	–
Payments made on behalf of joint venture partners		(1,094,829)	–	–
Payments for bonds		(54,076)	(37,000)	–
Cash held by subsidiary at acquisition		9,567	–	–
Acquisition of subsidiary		(30,696)	(30,696)	–
Incorporation of subsidiary		–	(17,340)	–
Loans to controlled entities		–	(705,228)	–
Net cash flows used in investing activities		(2,756,969)	(3,434,520)	(1,682,298)
Cash flows from financing activities				
Proceeds from issue of shares and options		5,436,481	5,436,481	1,304,722
Payment of share issue costs		(227,106)	(227,106)	–
Hire purchase repayments		(14,220)	(14,220)	–
Net cash flows from financing activities		5,195,155	5,195,155	1,304,722
Net increase/decrease in cash and cash equivalents held		1,324,868	1,089,369	(882,025)
Add opening cash and cash equivalents brought forward		398,634	398,634	1,280,659
Closing cash and cash equivalents carried forward	5	**1,723,502**	**1,488,003**	**398,634**

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

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 and authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis, with the exception of derivative financial instruments which have been measured at fair value.

The financial report is presented in Australian dollars.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS).

(c) Adoption of new and revised standards

The Group has reviewed all of the Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ending 30 June 2008. It has been determined by the Group that there is no material impact of the new and revised Standards and Interpretations on its business.

Adoption of new accounting standard - AASB 7

The Group has adopted AASB 7 Financial Instruments; Disclosures and all consequential amendments which became applicable on 1 January 2007. The adoption of this standard has only affected the disclosure in these financial statements. There has been no affect on profit and loss or the financial position of the entity.

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of AuDAX Resources Ltd ("Company" or "Parent Entity") and its subsidiaries as at 30 June each year (the Group).

The financial statements of the subsidiaries are prepared for the same period as the parent entity, 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 Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition.

Note 1 – Summary of Significant Accounting Policies (continued)

(e) Business combination

The purchase method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the combination. Where equity instruments are issued in a business combination, the fair value of the instruments is their published market price as at the date of exchange, adjusted for any conditions imposed on those shares. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

All identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of the business combination over the net fair value of the Group's share of the identifiable net assets acquired is recognised as goodwill. If the cost of acquisition is less than the Group's share of the net fair value of the identifiable net assets of the subsidiary, the difference is recognised as a gain in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

(f) Foreign currency translation

Both the functional and presentation currency of AuDAX Resources Ltd and its Australian subsidiaries is Australian Dollars, while for the subsidiaries with operations overseas, namely Alpine Oil & Gas Pty Ltd, AuDAX Energy GmbH and AuDAX Energy srl it is Euros.

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 converted at the rate of exchange ruling at the balance sheet date.

As at the reporting date the assets and liabilities of the subsidiaries operating overseas are translated into the presentation currency of AuDAX Resources Ltd 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 arising 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 relating to that particular foreign operation is recognised in the income statement.

(g) Interest in a jointly controlled operation

The Group has an interest in a joint venture that is a jointly controlled operation. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A jointly controlled operation involves use of assets and other resources of the venturers rather than establishment of a separate entity. The Group recognises its interest in the jointly controlled operation by recognising its interest in the assets and the liabilities of the joint venture. The Group also recognises the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the jointly controlled operation.

(h) Significant accounting estimates and judgments

Significant accounting judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Note 1 – Summary of Significant Accounting Policies (continued)

(h) Significant accounting estimates and judgments (continued)

Exploration assets

The Group's accounting policy for exploration expenditure is set out at Note 1(m). The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the policy, it is concluded that the expenditures are unlikely to be recovered by future exploitation or sale, then the relevant capitalised amount will be written off to the income statement.

Significant accounting estimates and assumptions

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

(i) Impairment of assets

In determining the recoverable amount of assets, in the absence of quoted market prices, estimations are made regarding the present value of future cash flows using asset-specific discount rates and the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(ii) Share-based payment transactions

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

(iii) Other Share-based transactions

The Group measured the cost of the equity-settled acquisition of subsidiary, Alpine Oil & Gas Pty Ltd based on reference to the fair value of the equity instruments at the date at which they are granted, adjusted for escrow conditions.

(iv) Commitments - Exploration

The Group has certain minimum exploration commitments to maintain its right of tenure to exploration permits. These commitments require estimates of the cost to perform exploration work required under these permits.

(i) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

(j) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

Note 1 – Summary of Significant Accounting Policies (continued)

(k) Impairment of financial assets

The Group assesses at each balance sheet date whether a financial asset or group of financial assets is impaired. If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in profit or loss.

(l) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Buildings – 20 years

Plant and equipment – 2 to 5 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(m) Exploration and evaluation expenditure

Expenditure expensed immediately

Expenditure on exploration and evaluation expenditure is expensed as incurred. Costs related to the acquisition of properties that contain resources are allocated separately to specific areas of interest. These costs are capitalised until the viability of the area of interest is determined. See below.

Deferred expenditure

Exploration and evaluation expenditure is stated at cost and is accumulated in respect of each identifiable area of interest.

Such costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area of interest (or alternatively by its sale), or where activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations are continuing. Accumulated costs in relation to an abandoned area are written off to the income statement in the period in which the decision to abandon the area is made.

The Directors review the carrying value of each area of interest as at the balance date and any exploration expenditure which no longer satisfies the above policy is written off.

Once an area of interest enters the development phase, all capitalised acquisition, exploration and evaluation expenditures will be transferred to mineral development or oil and gas properties, as appropriate.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

Note 1 – Summary of Significant Accounting Policies (continued)

(n) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

(o) 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.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

(i) Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on investments held for trading are recognised in profit or loss. The fair values of quoted investments are based on last trade prices. If the market for financial assets is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques.

(ii) 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.

Note 1 – Summary of Significant Accounting Policies (continued)

(p) Intangible assets

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level consistent with the methodology outlined for goodwill above. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

(q) Trade and other payables

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

(r) Provisions

Provisions are recognised when the Group 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.

(s) Employee leave benefits

(i) Wages, salaries and, annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave and 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.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Note 1 – Summary of Significant Accounting Policies (continued)

(t) 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.

(u) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

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

(v) Share-based payment transactions

Equity settled transactions:

The Group provides benefits to executive directors, employees and consultants of the Group in the form of share-based payments, whereby those individuals render services in exchange for shares or rights over shares (equity-settled transactions).

When provided, the cost of these equity-settled transactions with these individuals is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of AuDAX Resources Ltd (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant individuals become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

(w) Income tax

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

Note 1 – Summary of Significant Accounting Policies (continued)

(w) Income tax (continued)

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

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

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.

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 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.

Note 1 – Summary of Significant Accounting Policies (continued)

(x) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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

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

(y) Earnings per share

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

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

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

(z) Segment reporting

A business segment is a distinguishable component that the entity undertakes. Management has determined that the AuDAX group has two industry segments being petroleum exploration and mineral exploration. A geographical segment is a distinguishable component of the entity that is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments. Geographically, the consolidated entity operates in Europe/Africa (Romania, Italy and Tunisia, considered as one area due to their relative close proximity) and Australia.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

Note 2 – Revenue and Expenses

	Consolidated	Company	
	2008	2008	2007
	$	$	$
(a) Other Income			
Net gain on sale of property, plant and equipment	954,604	954,604	–
Gain on farm-out of tenement	330,000	330,000	–
Unrealised gain on investments	–	–	441,120
Sale of tenements	–	–	250,000
Net gain on sale of financial assets – shares	–	–	121,612
Other	16,163	10,384	–
	1,300,767	1,294,988	812,732
(b) Other Expenses			
Other expenses include:			
Goodwill impairment – refer note 9(b)	21,129	–	–
Operating lease rental expense	38,120	38,120	–
Net expense from movement in provision for employee entitlements	2,848	2,848	–

Note 3 – Income Tax Expense

	Consolidated	Company	
	2008	2008	2007
	$	$	$
(a) Income Tax Expense			
The income tax expense for the year differs from the prima facie tax as follows:			
Loss for year	(3,808,277)	(3,807,115)	(4,560,442)
Prima facie income tax (benefit) @ 30%	(1,142,483)	(1,142,134)	(1,368,133)
Tax effect of non-deductible items	84,024	501,024	12,592
Tax effect of non-assessable items	–	–	(132,336)
Foreign tax losses	1,997	–	–
Deferred tax assets not brought to account	1,056,462	641,110	1,487,877
Income tax attributable to operating loss	–	–	–
(b) Deferred Tax Assets			
Deferred tax assets not brought to account arising from tax losses	8,708,504	8,293,152	7,652,042

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.

Note 3 – Income Tax Expense (continued)

(c) Franking Credits

The franking account balance at year end was $nil (2007: $nil).

(d) Tax Consolidation Legislation

AuDAX Resources Ltd and its 100% owned Australian subsidiaries have not formed a tax consolidated group.

Note 4 – Earnings Per Share

	Consolidated 2008	Consolidated 2007
	Cents	Cents
Basic loss per share	(2.51)	(3.78)
	$	$
Net loss used to calculate basic loss per share	(3,808,277)	(4,560,442)
	Number of shares	Number of shares
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	151,776,742	120,678,060

Diluted earnings per share is not disclosed because potential ordinary shares, being options granted, are not dilutive and their conversion to ordinary shares would not demonstrate an inferior view of the earnings performance of the Company.

Note 5 – Cash and Cash Equivalents

	Consolidated 2008 $	Company 2008 $	Company 2007 $
Cash at bank and on hand	322,640	87,141	361,634
Short term deposits	1,400,862	1,400,862	37,000
Total cash and cash equivalents	1,723,502	1,488,003	398,634

Note 5 – Cash and Cash Equivalents (continued)

	Consolidated	Company	
	2008	2008	2007
	$	$	$
(i) Reconciliation of loss for the year to net cash flows used in operating activities			
Loss after income tax	(3,808,277)	(3,807,115)	(4,560,442)
Non-Cash Items:			
Depreciation	51,551	27,935	51,456
Share-based payments expensed	280,079	280,079	–
Diminution in value of shares	137,742	137,742	(441,120)
Net gain on sale of investments	(303,700)	(303,700)	(121,852)
Net gain on sale of property, plant and equipment	(954,604)	(954,604)	–
Impairment of exploration assets	2,588,966	2,588,966	3,498,745
Impaired intangible asset	590,000	–	1,312,164
Amortisation of deferred costs	363,300	–	–
Goodwill impairment on acquisition of subsidiary	21,129	–	–
Foreign exchange gains	(7,654)	–	–
Impairment on intercompany investment	–	1,390,000	–
Proceeds on sale of options	–	–	(250,000)
Change in assets and liabilities:			
(Increase)/decrease in receivables	(86,534)	(30,861)	–
Increase/(decrease) in payables	11,836	(2,556)	6,600
Increase in provisions	2,848	2,848	–
Net cash flows used in operating activities	(1,113,318)	(671,266)	(504,449)

(ii) Non-Cash Financing and Investing Activities

During the year the following non-cash financing and investing activities occurred:

- Share-based payments of $325,754 (2007: nil) were made. Refer note 23(e).
- 16,000,000 shares were issued in consideration for the acquisition of a 100% controlled entity ($2,880,000). Refer note 9.
- In August 2007, AuDAX entered into a farm-out agreement with View Resources Limited. Consideration included the issuance of 1,000,000 View Resource shares to AuDAX ($330,000).

	Consolidated	Company	
	2008	2008	2007
	$	$	$
Note 6 – Trade and Other Receivables			
Current			
Cash held by joint venture	317,692	317,692	–
Cash on deposit – security bonds	20,000	20,000	–
GST refundable	–	–	99,758
Other	172,745	116,072	–
Total current receivables	510,437	453,764	99,758
Non-Current			
Cash on deposit – security bonds	17,000	17,000	–
Loan to controlled entities	–	705,227	–
Other	17,076	–	–
Total non-current receivables	34,076	722,227	–

Fair Value and Risk Exposures:

(i) Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.

(ii) The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security.

(iii) Details regarding interest rate risk exposure are disclosed in note 26.

(iv) Other receivables generally have repayments between 30 and 90 days.

(v) Transactions between AuDAX and its subsidiaries consist of intercompany loans, upon which no interest is charged and no repayment schedule exists. The fair value approximates the carrying value of the receivable.

	Consolidated	Company	
	2008	2008	2007
	$	$	$
Note 7 – Other Current Financial Assets at Fair Value through Profit and Loss			
Current			
Listed equity securities held for trading	61,095	61,095	215,447

The fair value of listed securities has been determined by reference to published price quotations in an active market.

	Consolidated 2008 $	Company 2008 $	Company 2007 $
Note 8 – Other Current Assets			
Deferred expenditure	519,000	–	–
Accumulated amortisation	(363,300)	–	–
	155,700	–	–

The deferred expenditure above relates to the acquisition of controlled entity, Alpine Oil & Gas Pty Ltd (note 9) and its interest in a Joint Study and Bidding Agreement ("JSBA") in Romania. This expenditure is being amortised over the period of the JSBA.

Note 9 – Other Financial Assets

	Consolidated 2008 $	Company 2008 $	Company 2007 $
Non-Current			
Investment in unlisted controlled entities – at cost	–	2,928,036	–
Less provisions for impairment	–	(1,390,000)	–
	–	1,538,036	–

Name of Controlled Entity	Class of Share	Place of Incorporation	% Held by Parent Entity 2008	% Held by Parent Entity 2007
Alpine Oil & Gas Pty Ltd	Ordinary	Australia	100%	–
AuDAX Energy GmbH	Ordinary	Austria	100%	–
AuDAX Energy srl	Ordinary	Italy	100%	–

(a) In November 2007, AuDAX Resources Ltd acquired 100% of the shares of Alpine Oil & Gas Pty Ltd ("Alpine"), an unlisted company. Alpine's assets include a 33.33% free carried interest in a 1 million Euro (A$1.6m) Joint Study and Bidding Agreement ("JSBA") in Romania, a 33.33% participating interest in an Area of Mutual Interest ("AMI") to investigate and acquire oil and gas projects in Romania and a 33.33% participating interest in an AMI to investigate and acquire oil and gas projects in Tunisia.

The fair value of the identifiable assets of Alpine is as follows:

Assets acquired	Note	$
Shares in Alpine		1,000
Deferred current expenditure – JSBA	8	519,000
Intangible asset – AMI Romania	12	590,000
Intangible asset – AMI Tunisia	12	1,770,000
		2,880,000
Consideration		
16,000,000 shares in AuDAX Resources Ltd	16(b)	2,880,000

Note 9 – Other Financial Assets (continued)

(b) On 8 March 2008, AuDAX Resources Ltd acquired 100% of the shares of AuDAX Energy GmbH (previously ALP Energy GmbH), an unlisted company in Austria. Consideration paid was 17,500 Euro (A$30,696).

Assets acquired	**$**
Cash	9,567
Goodwill – written off	21,129
	30,696
Consideration	
Cash	30,696

(c) On 9 May 2008, AuDAX Resources Ltd incorporated a 100% owned subsidiary, AuDAX Energy srl in Italy. The issued capital was 10,000 Euro (A$17,340).

	Consolidated	**Company**	
	2008	**2008**	**2007**
	$	**$**	**$**
Note 10 – Property, Plant and Equipment			
Land and buildings – at cost	–	–	251,517
Less: Accumulated depreciation	–	–	(208,008)
	–	–	43,509
Motor vehicles, under hire purchase – at cost	124,157	124,157	124,157
Less: Accumulated depreciation	(111,742)	(111,742)	(83,807)
	12,415	12,415	40,350
Plant and equipment – at cost	102,147	–	–
Less: Accumulated depreciation	(23,534)	–	–
	78,613	–	–
Total property, plant and equipment	91,028	12,415	83,859
Reconciliation of property, plant and equipment:			
Land and Buildings			
Carrying amount at beginning of year	43,509	43,509	56,085
Disposals	(43,509)	(43,509)	(12,576)
Carrying amount at end of year	–	–	43,509

Note 10 – Property, Plant and Equipment (continued)

	Consolidated	Company	
	2008	2008	2007
	$	$	$
Motor Vehicles (under hire purchase)			
Carrying amount at beginning of year	40,350	40,350	79,241
Depreciation	(27,935)	(27,935)	(38,891)
Carrying amount at end of year	12,415	12,415	40,350
Plant and Equipment			
Carrying amount at beginning of year	–	–	–
Additions	102,147	–	–
Depreciation	(23,534)	–	–
Carrying amount at end of year	78,613	–	–

Note 11 – Deferred Exploration Expenditure

	Consolidated 2008 $	Company 2008 $	Company 2007 $
Deferred exploration costs brought forward	1,997,071	1,997,071	3,071,518
Capitalised expenditure incurred during the year	3,834,632	3,834,632	2,424,298
Expenditure written off during the year	(2,588,966)	(2,588,966)	(3,498,745)
Deferred exploration costs carried forward	3,242,737	3,242,737	1,997,071

Ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas.

Impairment

Exploration and evaluation expenditure written off during the year relates to the oil and gas permits and mineral tenements. This is due to the low level of current and planned activity to assess the existence of economically recoverable reserves of the tenements.

	Consolidated	Company	
	2008	2008	2007
	$	$	$
Note 12 – Intangible Assets			
Intangible asset – AMI Romania	590,000	–	–
Impairment of intangible asset	(590,000)	–	–
Intangible asset – AMI Tunisia	1,770,000	–	–
	1,770,000	–	–

The intangible assets above relates to the acquisition of controlled entity, Alpine Oil & Gas Pty Ltd (note 9) and its interest in Areas of Mutual Interest ("AMI") to investigate and acquire oil and gas projects in Romania and Tunisia. During the year $590,000 was written off as the Company elected to terminate a potential acquisition of an interest in a permit in Romania.

	Consolidated	Company	
	2008	2008	2007
	$	$	$
Note 13 – Payables			
Trade creditors and accruals	306,992	242,353	69,812

Fair Value and Risk Exposures

(i) Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

(ii) Trade and other payables are unsecured and usually paid within 60 days of recognition.

	Consolidated	Company	
	2008	2008	2007
	$	$	$
Note 14 – Interest Bearing Liabilities			
Current			
Hire purchase commitment	58,982	58,982	22,001
Non-Current			
Hire purchase commitment	–	–	51,201

These commitments relate to a motor vehicle under hire purchase over 5 years at a rate of 8.95%.

Note 15 – Provisions			
Employee entitlements	27,053	27,053	24,205

Note 16 – Issued Capital

(a) Issued Capital

Ordinary shares fully paid	37,444,507	37,444,507	29,400,807

(b) Movements in Ordinary Share Capital

Number of Shares	Summary of Movements	Issue Price	$
104,937,919	Opening balance at 1 July 2006		28,346,085
15,740,141	Placement on 22 February 2007	7 cents	1,101,810
	Costs of placement		(47,088)
120,678,060	Closing Balance at 30 June 2007		29,400,807

Note 16 – Issued Capital (continued)

(b) Movements in Ordinary Share Capital (continued)

Number of Shares	Summary of Movements	Issue Price	$
120,678,060	Opening balance at 1 July 2007		29,400,807
17,350,000	Placement on 24 July 2007	7 cents	1,214,500
	Costs of placement		(6,705)
16,000,000	Shares issued to acquire controlled entity, refer note 9	18 cents	2,880,000
12,469,930	Placement on 22 January 2008	30 cents	3,740,980
200,000	Placement on 25 January 2008	30 cents	60,000
270,000	Placement on 5 February 2008	30 cents	81,000
	Costs of placements – cash		(220,400)
	Costs of placements – non cash (options granted)		(45,675)
2,600,000	Options exercised during the year	10 - 15 cents	340,000
169,567,990	Closing Balance at 30 June 2008		37,444,507

(c) Options on issue

	Number	Issue Price of Shares	Exercise Date
Listed Options	27,630,047	20 cents	On or before 31/12/2008
Unlisted Options	1,000,000	12 cents	On or before 31/12/2008
Unlisted Options	2,000,000	15 cents	On or before 31/12/2008
Unlisted Options	1,250,000	15 cents	On or before 31/12/2010
Unlisted Options	7,200,000	30 cents	Between 22/04/2009 and 21/04/2010
Unlisted Options	4,650,000	35 cents	Between 22/04/2010 and 21/04/2011
Unlisted Options	4,650,000	40 cents	Between 22/04/2011 and 21/04/2012
Unlisted Options	2,100,000	30 cents	Between 13/05/2009 and 13/05/2010
Unlisted Options	1,575,000	35 cents	Between 13/05/2010 and 13/05/2011
Unlisted Options	1,575,000	40 cents	Between 13/05/2011 and 13/05/2012
	53,630,047		

During the year:

(i) 2,600,000 unlisted options were exercised.

(ii) 21,750,000 unlisted options were granted as share-based payments.

(iii) 1,000,000 unlisted options were cancelled.

(d) Terms and conditions of contributed equity

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors are fully entitled to any proceeds of liquidations.

Note 16 – Issued Capital (continued)

(e) Capital management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as maintains optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management may in the future adjust the capital structure to take advantage of favourable costs of capital and issue further shares in the market. Management has no current plans to adjust the capital structure. There are no plans to distribute dividends in the next year.

Note 17 – Reserves

	Consolidated	Company	
	2008 $	2008 $	2007 $
Share-based payments reserve	365,474	365,474	39,720
Option premium reserve	2,915,542	2,915,542	2,915,542
Asset revaluation reserve	250,000	250,000	250,000
Foreign currency translation reserve	6,821	–	–
	3,537,837	3,531,016	3,205,262
Share-based payments reserve			
Balance at the beginning of the year	39,720	39,720	39,720
Share-based payments – 2007	111,901	111,901	–
Share-based payments – 2008	213,853	213,853	–
Balance at the end of the year	365,474	365,474	39,720

Nature and purpose of the reserve:

The Share-based payments reserve is used to recognise the fair value of options issued but not exercised.

	Consolidated 2008 $	Company 2008 $	Company 2007 $
Option premium reserve			
Option premium reserve	2,915,542	2,915,542	2,915,542

Nature and purpose of the reserve:

The option premium reserve is used to accumulate proceeds received from the issuing of options.

	Consolidated 2008 $	Company 2008 $	Company 2007 $
Asset revaluation reserve			
Asset revaluation reserve	250,000	250,000	250,000

Nature and purpose of the reserve:

The asset revaluation reserve is used to record increments and decrements in the value of non-current assets. This reserve can only be used to pay dividends in limited circumstances.

Note 17 – Reserves (continued)

	Consolidated	Company	
	2008	2008	2007
	$	$	$
Foreign currency translation reserve			
Balance at the beginning of the year	–	–	–
Currency translation differences	6,821	–	–
Balance at the end of the year	6,821	–	–

Nature and purpose of the reserve:

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

Note 18 – Contingencies

It is possible that native title, as defined in the Native Title Act 1993, might exist over land in which the Company has an interest in Australia. It is impossible at this stage to quantify the impact (if any) that the existence of native title may have on the operations of the Company.

Note 19 – Commitments

	Consolidated	Company	
	2008	2008	2007
	$	$	$
(a) Operating leases (non-cancellable):			
Within one year	71,924	–	–
More than one year but not later than five years	119,873	–	–
	191,797	–	–
(b) Exploration commitments:			
Within one year	1,200,000	1,200,000	1,000,000
More than one year but not later than five years	7,500,000	7,500,000	–
	8,700,000	8,700,000	1,000,000

In order to maintain current rights of tenure to exploration tenements the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the State governments. These expenditure commitments may be varied as a result of renegotiations, relinquishments, farm-outs or sales.

Note 19 – Commitments (continued)

(c) Other commitments:

The Company has potential commitments in accordance with the acquisition agreement for Millrose E(A)53/1304 and E(A)53/1305 as follows:

- payment of $500,000 and the issue of 5 million fully paid shares on the tenement being found to contain at least 400,000 proven ounces of gold; and
- payment of $1 million and the issue of 5 million fully paid shares on the tenement being found to contain at least 600,000 proven ounces of gold.

(d) Conditional agreements to acquire Romania, Tunisia and Italian exploration permits

In November 2007, AuDAX's wholly owned subsidiary, Alpine, and its joint venture partner, Kairiki, signed conditional purchase agreements, subject to certain conditions precedent, with Stratic Energy Limited ("Stratic") to each acquire a 50% interest in the following:

- Stratic's 40% interest in the South Craiova permit, onshore Romania for US$1 million; and
- Stratic's 100% interest in the Chorbane permit located onshore southeast Tunisia for US$1 million.

The acquisition of Chorbane is expected to occur in the third quarter of 2008 once the conditions precedent are satisfied, including payment of a letter of credit to the Tunisian government in the amount of US$1,000,000 (US$500,000 net to AuDAX).

Subsequent to year end, AuDAX and Kairiki elected to terminate the acquisition of South Craiova.

In January 2008, the Company entered into conditional purchase agreements, subject to certain conditions precedent, with Stratic to acquire a 100% interest in each of the following:

- Kerkouane permit located offshore northeast Tunisia for US$1 million; and
- Italian permit G.R15.PU, located offshore the island of Pantelleria southwest of Sicily for US$1 million.

Subsequently, AuDAX entered into an agreement to sell 30% of its interest in each of the above permits to Kairiki.

The Kerkouane permit has a two year exploration period from 22 February 2008. Acquisition of 400km 2D seismic and the drilling of one well is required in the two year period. A letter of credit is required by the Tunisian Ministry in the amount of US$1.5 million (US$1.05 million, net to AuDAX) until commencement of drilling.

Subsequent to year end, the Company completed the acquisition of the Kerkouane permit and the sale of the 30% interest to Kairiki.

The acquisition of G.R15.PU is expected to be completed in the third quarter of 2008.

Note 20 – Interest in Joint Ventures

Joint Venture	Principal Activities	AuDAX Group % Interest 2008	2007
Pantelleria – Italy	Exploration	70%	–
Kerkouane – Tunisia	Exploration	70%	–
Chorbane – Tunisia	Exploration	50%	–
AMI – Romania	Exploration	33.3%	–
AMI – Tunisia	Exploration	33.3%	–
Dulcie Joint Venture	Exploration	20%	20%
Cooper Basin PEL 182 Joint Venture	Exploration	49.9%	49.9%
Eucalyptus Joint Venture – Royalty interest in nickel only	Exploration	–	
Cheritons JV – Free Carried Interest	Exploration	10%	10%
Gindalbie JV	Exploration	30%	–

The Joint Ventures are not separate legal entities. They are contractual arrangements between the participants for the sharing of costs and output and do not in themselves generate revenue and profit.

Note 21 – Key Management Personnel Disclosures

AuDAX Resources Ltd applied the option under *Corporations Amendments Regulation 2006* to transfer key management personnel remuneration disclosures required by AASB 124 *Related Party Disclosures* to the Remuneration Report section of the Directors' Report. These transferred disclosures have been audited.

(a) Details of Key Management Personnel

(i) Directors

The following persons were directors of AuDAX Resources Ltd during the financial year:

Gary Roper	Executive Chairman
Wolfgang Zimmer	Managing Director – appointed 10 December 2007
Paul Fink	Technical Director – appointed 25 February 2008
Gillian Evans	Director (non-executive) – appointed 25 February 2008
Leith Beal	Director (non-executive) – resigned 25 February 2008
Peter Barber	Director (non-executive) – resigned 25 February 2008

(ii) Other Key Management Personnel (Other KMP)

The following person was a key management person of AuDAX Resources Ltd during the financial year:

Peter Ironside	Company Secretary

There were no other persons that fulfilled the role of a key management person, other than those disclosed as Executive Directors.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

Note 21 – Key Management Personnel Disclosures (continued)

(b) Compensation of Key Management Personnel

	Consolidated 2008 $	Company 2008 $	Company 2007 $
Short-term employment benefits	758,829	758,829	302,033
Post-employment benefits	92,388	92,388	15,976
Share-based payment	153,229	153,229	73,761
	1,004,446	1,004,446	391,770

(c) Option holdings of Key Management Personnel

2008	Balance at beginning of the year	Granted as remuneration	Options exercised	Options cancelled	Change due to appointment/ (resignation)	Balance at end of the year	Not exercisable	Exercisable
Directors								
G Roper	1,453,342	1,000,000	–	–	–	2,453,342	1,000,000	1,453,342
W Zimmer	–	5,000,000	–	–	–	5,000,000	5,000,000	–
P Fink	–	3,500,000	–	–	–	3,500,000	3,500,000	–
G Evans	–	3,500,000	–	–	–	3,500,000	3,500,000	–
L Beal	1,056,875	–	–	–	(1,056,875)	–	–	–
P Barber	3,000,000	–	(2,000,000)	(1,000,000)	–	–	–	–
Other KMP								
P Ironside	1,845,192	–	(100,000)	–	–	1,745,192	–	1,745,192
	7,355,409	13,000,000	(2,100,000)	(1,000,000)	(1,056,875)	16,198,534	13,000,000	3,198,534

2007	Balance at beginning of the year	Granted as remuneration	Options exercised	Options cancelled	Change due to appointment/ (resignation)	Balance at end of the year	Not exercisable	Exercisable
Directors								
G Roper	453,342	1,000,000	–	–	–	1,453,342	–	1,453,342
L Beal	56,875	1,000,000	–	–	–	1,056,875	–	1,056,875
P Barber	–	3,000,000	–	–	–	3,000,000	–	3,000,000
I Chalmers	21,834	–	–	–	(21,834)	–	–	–
G Edwards	–	–	–	–	–	–	–	–
Other KMP								
P Ironside	895,192	950,000	–	–	–	1,845,192	–	1,845,192
	1,427,243	5,950,000	–	–	(21,834)	7,355,409	–	7,355,409

Note 21 – Key Management Personnel Disclosures (continued)

(d) Shareholdings of Key Management Personnel

2008	Balance at beginning of the year	Options exercised	Net change Other	Change due to appointment/ (resignation)	Balance at end of the year
Directors					
G Roper	8,428,732	–	200,000	–	8,628,732
W Zimmer	–	–	(32,000)	7,820,334	7,788,334
P Fink	–	–	–	1,900,000	1,900,000
G Evans	–	–	–	125,988	125,988
L Beal	8,326,010	–	–	(8,326,010)	–
P Barber	–	–	–	–	–
Other KMP					
P Ironside	1,175,192	100,000	310,000	–	1,585,192
	17,929,934	100,000	478,000	1,520,312	20,028,246

2007	Balance at beginning of the year	Options exercised	Net change Other	Change due to appointment/ (resignation)	Balance at end of the year
Directors					
G Roper	8,428,732	–	–	–	8,428,732
L Beal	8,326,010	–	–	–	8,326,010
P Barber	–	–	–	–	–
I Chalmers	109,168	–	–	(109,168)	–
G Edwards	–	–	–	–	–
Other KMP					
P Ironside	585,192	–	590,000	–	1,175,192
	17,449,102	–	590,000	(109,168)	17,929,934

All equity transactions with Key Management Personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arms-length.

(e) Other transactions and balances with Key Management Personnel

In November 2007, AuDAX Resources Ltd acquired 100% of Alpine Oil & Gas Pty Ltd, refer note 9(a). Dr Zimmer was a director and shareholder of an entity, Vasse Group Ltd, which held 45% of the shares in Alpine Oil & Gas Pty Ltd. The consideration received by Vasse Group Ltd was 7,200,000 shares in AuDAX ($1,296,000). Dr Zimmer was also a director and shareholder of an entity, ALP Energy GmbH, which held 0.2% of the shares in Alpine Oil & Gas Pty Ltd. The consideration received by ALP Energy GmbH was 32,000 shares in AuDAX ($5,760).

In March 2008, AuDAX Resources Ltd acquired 100% of the shares of AuDAX Energy GmbH (previously ALP Energy GmbH), an unlisted company in Austria, which was owned by Dr Zimmer. Dr Zimmer was reimbursed 17,500 Euro (A$30,696) for the original set up costs of the company.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

Note 21 – Key Management Personnel Disclosures (continued)

(e) Other transactions and balances with Key Management Personnel (continued)

The Directors consider these transactions to be based on arms length pricing.

There were no other transactions with Key Management Personnel during the year.

Note 22 – Other Related Party Transactions

Parent entity and subsidiaries

The ultimate parent entity within the Group is AuDAX Resources Ltd. Interests in subsidiaries are set out in Note 9.

Key management personnel

Disclosures relating to key management personnel are set out in Note 21.

Transactions with related parties

The only transaction between the parent entity and its subsidiaries was the provision of loan funds during the financial year. Further information is disclosed in Note 6.

Note 23 – Share-Based Payments

(a) Summary of share-based payments

The following share-based payments were made during the year:

2008

Granted to Directors and a consultant and approved by shareholders on 18 April 2008:

- 7,200,000 options expiring 22 April 2010, exercisable at 30 cents each, vesting 12 months after issue; and
- 4,650,000 options expiring 22 April 2011, exercisable at 35 cents each, vesting 24 months after issue; and
- 4,650,000 options expiring 22 April 2012, exercisable at 40 cents each, vesting 36 months after issue.

Granted to employees on 15 May 2008:

- 2,100,000 options expiring 13 May 2010, exercisable at 30 cents each, vesting 12 months after issue; and
- 1,575,000 options expiring 13 May 2011, exercisable at 35 cents each, vesting 24 months after issue; and
- 1,575,000 options expiring 13 May 2012, exercisable at 40 cents each, vesting 36 months after issue.

The assessed fair values of the options were determined using a Black-Scholes option pricing model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underlying share, expected dividend yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	18/4/2008	18/4/2008	18/4/2008	13/5/2008	13/5/2008	13/5/2008
Option exercise price ($)	0.30	0.35	0.40	0.30	0.35	0.40
Expected life of options (yrs)	2	3	4	2	3	4
Dividend yield (%)	–	–	–	–	–	–
Expected volatility (%)	100	100	100	100	100	100
Risk-free interest rate (%)	6.30	6.30	6.30	6.30	6.30	6.30
Underlying share price ($)	0.125	0.125	0.125	0.18	0.18	0.18
Value of Option ($)	0.043	0.056	0.066	0.0448	0.0695	0.0874

Note 23 – Share-Based Payments (continued)

(a) Summary of share-based payments (continued)

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

2007

On 30 March 2007 granted to a Director:

- 1,000,000 options expiring 29 March 2009, exercisable at 10 cents each, vesting 12 months after issue; and
- 1,000,000 options expiring 29 March 2010, exercisable at 15 cents each, vesting 24 months after issue; and
- 1,000,000 options expiring 29 March 2010, exercisable at 20 cents each, vesting 36 months after issue.
- 2,000,000 options expiring 31 December 2008, exercisable at 15 cents each, vesting immediately.

On 30 March 2007 granted to Key Management Personnel and an employee:

- 1,250,000 options expiring 31 December 2010, exercisable at 15 cents each, vesting immediately.
- 500,000 listed options expiring 31 December 2008, exercisable at 20 cents each, vesting immediately.

On 2 November 2006 granted to Key Management Personnel and an employee:

- 400,000 options expiring 31 December 2008, exercisable at 12 cents each, vesting immediately.

The assessed fair values of the unlisted options were determined using a Black-Scholes option pricing model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underlying share, expected dividend yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	30/3/2007	30/3/2007	30/3/2007	30/3/2007	30/3/2007	2/11/2006
Option exercise price ($)	0.10	0.15	0.20	0.15	0.15	0.12
Expected life of options (yrs)	2	3	3	1.76	3.76	2.16
Dividend yield (%)	–	–	–	–	–	–
Expected volatility (%)	50	50	50	50	50	50
Risk-free interest rate (%)	6.24	6.24	6.24	6.24	6.24	6.24
Underlying share price ($)	0.10	0.10	0.10	0.10	0.10	0.094
Value of Option ($)	0.0323	0.0265	0.0184	0.0161	0.032	0.0232

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

(b) Range of exercise price

The range of exercise price for options granted as share based payments outstanding at the end of the year was $0.12 - $0.40 (2007: $0.10 - $0.20).

Note 23 – Share-Based Payments (continued)

(c) Weighted average remaining contractual life

The weighted average remaining contractual life of share based payment options that were outstanding as at 30 June 2008 was 2.41 years (2007: 2.18 years).

(d) Weighted average fair value

The weighted average fair value of share based payment options granted during the year was $0.054 (2007: $0.025).

(e) Value of share based payments in the financial statements

Included as an expense in the income statement is $280,079 (2007: $nil) relating to share based payments made during the year. An amount of $45,675 (2007: $nil) has been included direct into equity as cost of share issues. The 2008 amounts include $111,901 of share based payments relating to 2007 not previously recorded.

Note 24 – Auditors' Remuneration

	Consolidated 2008 $	Company 2008 $	Company 2007 $
Amount received or due and receivable by the auditor for:			
Auditing the financial statements, including audit review – current year audits	28,000	28,000	24,000
Other services – taxation services	2,800	2,800	1,500
Total remuneration of auditors	30,800	30,800	25,500

Note 25 – Segmental Information

During the financial year the consolidated entity operated in two industry segments, being petroleum exploration and mineral exploration. Geographically, the consolidated entity operates in Europe/Africa (Romania, Italy and Tunisia, considered as one area due to their relative close proximity) and Australia.

	2008			2007		
Geographic Segments	Europe/ Africa $	Australia $	Total $	Europe/ Africa $	Australia $	Total $
Revenue and Income						
Interest revenue	1,162	75,027	76,189	–	48,854	48,854
Other revenue	5,779	1,294,988	1,300,767	–	812,732	812,732
Total consolidated revenue and income			1,376,956			861,586

Note 25 – Segmental Information (continued)

Geographic Segments	2008 Europe/ Africa $	2008 Australia $	2008 Total $	2007 Europe/ Africa $	2007 Australia $	2007 Total $
Result						
Profit/(loss) before income tax	(1,391,163)	(2,417,114)	(3,808,277)	–	(4,560,442)	(4,560,442)
Income tax expense	–	–	–	–	–	–
Net loss for year			(3,808,277)			(4,560,442)
Assets and Liabilities						
Segment assets	2,313,559	5,275,016	7,588,575	–	2,794,769	2,794,769
Segment liabilities	64,638	328,389	393,027	–	167,219	167,219
Other segment information						
Plant and equipment capitalised	102,146	–	102,146	–	–	–
Exploration and evaluation expenditure capitalised	–	3,834,632	3,834,632	–	2,424,298	2,424,298
Non-cash expenses:						
Depreciation	23,616	27,935	51,551	–	51,466	51,466
Share-based payments expensed	–	280,079	280,079	–	–	–
Impairment of exploration deferred	–	2,588,966	2,588,966	–	3,498,745	3,498,745
Other non-cash expenses	974,429	137,742	1,112,171	–	1,312,164	1,312,164

Note 26 – Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and short-term deposits. The main purpose of these financial instruments is to provide working capital for the Group's operations.

The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, credit risk, foreign currency risk and commodity risk. The Board reviews and agrees on policies for managing each of these risks and they are summarised below.

Interest rate risk

At balance date the Group's exposure to market risk for changes in interest rates relates primarily to the Company's short-term cash deposits. The Group constantly analyses its exposure to interest rates, with consideration given to potential renewal of existing positions, the mix of fixed and variable interest rates and the period to which deposits may be fixed.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2008

Note 26 – Financial Risk Management Objectives and Policies (continued)

At balance date, the Group had the following financial assets exposed to variable interest rates that are not designated in cash flow hedges:

	Consolidated	Company	
	2008	2008	2007
	$	$	$
Financial Assets:			
Cash and cash equivalents	1,723,302	1,487,803	398,634
Trade and other receivables	354,692	354,692	–
Net exposure	2,077,994	1,842,495	398,634

The following sensitivity analysis is based on the interest rate risk exposures in existence at the balance sheet date. The 0.5% sensitivity is based on reasonably possible changes, over a financial year, using an observed range of historical LIBOR movements over the last 3 years.

At 30 June 2008, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity relating to financial assets of the Group would have been affected as follows:

	Consolidated	Company	
	2008	2008	2007
	$	$	$
Judgements of reasonably possible movements:			
Post tax profit – higher / (lower)			
+ 0.5%	10,275	9,212	1,993
- 0.5%	(10,275)	(9,212)	(1,993)
Equity – higher / (lower)			
+ 0.5%	10,275	9,212	1,993
- 0.5%	(10,275)	(9,212)	(1,993)

The sensitivity in 2008 is larger than in 2007, due to a higher average cash balance during the year.

Liquidity risk

The Group has no significant exposure to liquidity risk as there is effectively no debt. The Group manages liquidity risk by monitoring immediate and forecast cash requirements and ensuring adequate cash reserves are maintained.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis.

The Company does not have any significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics.

Note 26 – Financial Risk Management Objectives and Policies (continued)

Foreign currency risk

As a result of oil and gas exploration operations in Europe being denominated in Euro, the Group's balance sheet can be affected by movements in the Euro/A$ exchange rates. The Company does not hedge this exposure.

The Group manages its foreign exchange risk by constantly reviewing its exposure to commitments payable in foreign currency and ensuring appropriate cash balances are maintained in Euros, to meet current operational commitments.

At 30 June 2008, the Group had the following exposures to Euros foreign currency that is not designated in cash flow hedges:

	Consolidated	Company	
	2008 $	2008 $	2007 $
Financial Assets:			
Cash and cash equivalents	235,498	–	–
Trade and other receivables	17,076	–	–
Financial Liabilities:			
Trade and other payables	64,638	–	–
Net exposure	187,936	–	–

The amounts are immaterial, so no sensitivity analysis has been performed.

Management believes the balance date risk exposures are representative of the risk exposure inherent in financial instruments.

Commodity price risk

The Group's exposure to price risk is minimal given the Group is still in an exploration phase.

Fair value

The methods of estimating fair value are outlined in the relevant notes to the financial statements.

Note 27 – Subsequent Events

The following events occurred after the balance sheet date:

In July 2008, the Company completed the acquisition from Stratic Energy Corporation ("Stratic"), Stratic's 100% interest in the Kerkouane permit located offshore northeast Tunisia for US$1 million. In addition, AuDAX sold a 30% interest in the permit to Kairiki Energy Limited ("Kairiki") for US$300,000.

On 28 August 2008, the Company reached agreement to place up to 22,222,222 ordinary fully paid shares at an issue price of 9 cents per share to raise proceeds of up to $2 million. The purpose of the capital raising was to enable the completion of the acquisition of the Pantelleria permit in Italy and the adjoining offshore Kerkouane permit in Tunisia.

ROTHSAY

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUDAX RESOURCES LTD

We have audited the accompanying financial report of AuDAX Resources Ltd ("the Company") which comprises the balance sheet as at 30 June 2008 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 year.

The Company has disclosed information as required by Australian Accounting Standard AASB 124 Related Party Disclosures ("remuneration disclosures") under the heading "Remuneration Report" in the directors' report as permitted by the Corporations Regulations 2001.

Directors Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. The Directors 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 as to whether the financial report is free of material misstatement and the remuneration disclosures in the Directors' report comply with AASB 124.

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

Independence

We are independent of the Company, and have met the independence requirements of Australian professional ethical requirements and the Corporations Act 2001.

Chartered Accountants

Audit opinion

In our opinion the financial report of AuDAX Resources Ltd is in accordance with the Corporations Act 2001, including:

(a) (i) giving a true and fair view of the Company's and the group's financial position as at 30 June 2008 and of their performance for the year ended on that date; and

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

(b) the consolidated financial report also complies with International Financial Reporting Standards.

(c) the remuneration disclosures in the Directors' report comply with AASB 124.

Rothsay

Frank Vrachas
Partner

Dated: 29/8/08

Securities Information

Shareholdings as at 29 August 2008:

(a) Substantial Shareholders (who have lodged notices with AuDAX)

Name	Number of Ordinary Shares	Percentage of Issued Capital
Mr Gary Roper	8,628,732	5.09%
Mr Leith Beal	8,326,010	4.91%
Vasse Group Ltd	7,820,334	4.61%

(b) Shareholder Distribution Schedule

Size of Holding	Number of Shareholders	Number of Ordinary Shares	Percentage of Issued Capital
1 - 1,000	127	88,683	0.05
1,001 - 5,000	589	1,901,611	1.12
5,001 - 10,000	446	3,760,690	2.22
10,001- 100,000	967	36,629,639	21.60
100,000 and over	228	127,187,367	75.01
Total Shareholders	2,357	169,567,990	100.00

Number of shareholders holding less than a marketable parcel	593

(c) Voting Rights

(i) at meetings of members entitled to vote each member may vote in person or by proxy or attorney, or in the case of a member which is a body corporate, by representative duly appointed under section 250D;

(ii) on a show of hands every member entitled to vote and present in person or by proxy or attorney or representative duly authorised shall have one (1) vote;

(iii) on a poll every member entitled to vote and present in person or by proxy or attorney or representative duly authorised shall have one (1) vote for each fully paid share of which he is the holder and in the case of contributing shares until fully paid shall have voting rights pro rata to the amount paid up or credited as paid up on each such share; and

(iv) a member shall not be entitled to vote at general meeting or be reckoned in a quorum in respect of any shares upon which any call or other sum presently payable by him is unpaid.

Securities Information (continued)

Shareholder Information as at 29 August 2008

(d) Twenty largest holders of quoted equity securities hold 39.5% of the total shares issued:

	Name	Number of Ordinary Shares	Percentage of Issued Capital
1	Mr Andrew Childs	8,768,000	5.17
2	Runyon Pty Ltd <Super Fund a/c>	8,326,010	4.91
3	Mr Gary Roper	7,442,232	4.39
4	Vasse Group Limited	7,200,000	4.25
5	Caverndale Pty Ltd <Caverndale Super Fund a/c>	5,900,000	3.47
6	Newmont Exploration Pty Ltd	4,315,000	2.54
7	RBC Dexia Investor Services Aust. Nominees Pty Ltd <MLCI a/c>	2,961,000	1.75
8	Petroleum Ventures Pty Ltd	2,898,197	1.71
9	Station Capital Pty Ltd	2,566,666	1.51
10	Dr Nithiananthan Jeevarajah	2,288,330	1.35
11	Kenlow (1982) Pty Ltd <Super Fund a/c>	2,000,000	1.18
12	Mr Paul Fink	1,900,000	1.12
13	Mrs Deborah Lee Collins-Corps	1,606,754	0.95
14	Bluefirm Pty Ltd	1,600,000	0.94
15	Puffin Agencies Limited	1,448,584	0.85
16	Avon Management Company Pty Ltd <Diermajer Family S/F a/c>	1,200,000	0.71
17	Fortis Clearing Account <Settlement a/c>	1,162,728	0.69
18	Mr Edward Valle & Mrs Jamnian Valle	1,145,000	0.68
19	Chanrich Properties Pty Ltd	1,135,000	0.67
20	Navan Mines Pty Ltd <Roper Family Super Fund a/c>	1,125,000	0.66
		66,988,501	39.50%
	Shares on issue at 29 August 2008	169,567,990	

(e) Twenty largest holders of quoted Options expiring 31 December 2008 at 20 cents:

	Name	Number	Percentage
1	Caverndale Pty Ltd <Caverndale Super Fund>	6,700,000	24.25
2	Mrs Robyn Bell	1,141,085	4.13
3	Mr Joseph Hunter Patrick	1,050,000	3.80
4	Zero Nominees Pty Ltd	1,050,000	3.80
5	Mr Josephus Jeffrey Verheggen – The Verheggen Super Fund	1,000,000	3.62
6	Mr Anthony John Vetter	900,000	3.26
7	Mr Vincenzo Brizzi & Mrs Rita Brizzi <Brizzi Family S/F a/c>	800,000	2.90
8	Fortis Clearing Nominees Pty Ltd <Settlement Account>	763,007	2.76

Continued >

Securities Information (continued)

Shareholder Information as at 29 August 2008 (continued)

(e) Twenty largest holders of quoted Options expiring 31 December 2008 at 20 cents (cont):

	Name	Number	Percentage
9	Mr Andrew Ross Childs	590,000	2.14
10	Bluefirm Pty Ltd	500,000	1.81
11	Mr Michael Dennis Lee <The Lee Family a/c>	500,000	1.81
12	Mrs Natalie Anne Naylor	500,000	1.81
13	Ironside Pty Ltd	472,692	1.71
14	Mr Darryl Elari & Mrs Shelda Elari <Elari Super Fund a/c>	450,000	1.63
15	Mr Gary Roper	426,842	1.54
16	Mr Reegan Anthony Buswell	400,000	1.45
17	Tricom Nominees Pty Ltd <LPG a/c>	389,040	1.41
18	RBC Dexia Investor Services Australia Nominees <MLCI a/c>	353,750	1.28
19	Mr Aiden Bell	320,000	1.16
20	Mrs Margaret Kopcheff	314,606	1.14
		18,621,022	67.39%
	Quoted Options on issue at 29 August 2008	27,630,047	

(f) Unlisted Options issued under the Employee Option Scheme

Unlisted Options	1,000,000	12 cents	On or before 31/12/2008
Unlisted Options	1,250,000	15 cents	On or before 31/12/2010
Unlisted Options	2,100,000	30 cents	Between 13/05/2009 and 13/05/2010
Unlisted Options	1,575,000	35 cents	Between 13/05/2010 and 13/05/2011
Unlisted Options	1,575,000	40 cents	Between 13/05/2011 and 13/05/2012

(g) Other Unlisted Options

Name	31/12/2008 15 cents	21/04/2010 30 cents	21/04/2011 35 cents	21/04/2012 40 cents	Total
Director:					
W Zimmer	–	2,000,000	1,500,000	1,500,000	5,000,000
G Roper	1,000,000	1,000,000	–	–	2,000,000
P Fink	–	1,400,000	1,050,000	1,050,000	3,500,000
G Evans	–	1,400,000	1,050,000	1,050,000	3,500,000
Previous Director:					
L Beal	1,000,000	–	–	–	1,000,000
Consultant:					
A Childs	–	1,400,000	1,050,000	1,050,000	3,500,000
	2,000,000	7,200,000	4,650,000	4,650,000	18,500,000

Tenement Schedule

OIL AND GAS ASSETS Europe and North Africa			
Project	**Tenement**	**AuDAX Interest (%)**	**Operator**
Pantelleria – Italy (1)	G.R15.PU	70%	AuDAX
Kerkouane – Tunisia	Kerkouane	70%	AuDAX
Chorbane – Tunisia (1)	Chorbane	50%	AuDAX
South Australia			
Project	**Tenement**	**AuDAX Interest (%)**	**Operator**
Cooper Basin	PEL182	49.9%	AuDAX
MINING ASSETS Western Australia			
Project	**Tenement**	**Interest**	
Bronzewing South	E36/215 E(A)36/623 M(A)36/669/672	80% (2) 80% (2) 80% (2)	View Resources View Resources View Resources
Cheritons Find	E77/697	10% Free Carried	St Barbara Ltd
Dulcie	E77/351 M(A)77/807 P77/3727 P77/3728 P77/3729	20% 20% (3) 20% (3) 20% (3) 20% (3)	Gondwana Resources Gondwana Resources Gondwana Resources Gondwana Resources Gondwana Resources
Eucalyptus	E39/480	(4)	Enterprise Gold Mines
Gindalbie	E31/491 E31/492	100% (5) 100% (5)	Strategic Energy Strategic Energy
Marymia North	E(A)52/1803	100% (3)	AuDAX
Marymia West	E52/1960	100%	AuDAX
Millrose	E(A)53/1304 E(A)53/1305	100% (3) 100% (3)	AuDAX AuDAX
West Yandal	E36/404 M36/615	Royalty interest Royalty interest	View Resources View Resources
Yandal (Karra)	E36/509 P36/1505 P36/1506 P36/1507 P36/1508	100% 100% 100% 100% 100%	View Resources View Resources View Resources View Resources View Resources

(1) AuDAX has signed a binding Sales and Purchase Agreement.
(2) View to earn a 64% interest.
(3) Not yet approved.
(4) Gold rights only plus royalty on nickel.
(5) Strategic to earn a 70% interest.

Corporate Directory

Directors

Gary Roper (Chairman)
Wolfgang Zimmer (Managing Director)
Paul Fink (Technical Director)
Gillian Evans (Non-executive Director)

Company Secretary

Peter Ironside

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Solicitors

Freehills
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Perth, Western Australia 6000

Bankers

National Australia Bank
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Perth, Western Australia 6000

Stock Exchange Listing

Australian Stock Exchange
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Perth, Western Australia 6000
ASX Code: ADX

Auditors

Rothsay Chartered Accountants
Level 18, 6 O'Connell St
Sydney, NSW 2000