New Age Exploration Limited
ABN 65 004 749 508

Annual Report - 30 June 2011

Letter from the Chairman

This financial year has been one of great transition for New Age Exploration (NAE), culminating in our successful move into the Colombian coal industry. The Board feels that this is a very exciting space to be in – from both a geographical and commodity perspective, and one in which we look to develop further moving forward.

A key appointment for NAE in 2010 was that of Gary Fietz as Managing Director. Gary has worked tirelessly this year, supported by a team of key individuals including Vice President of Business Development, Donald Garner, to identify new projects that fit into NAE's strategy. The Company is firmly focused on developing mineral resource projects with a view to identifying economically attractive deposits of sufficient grade and size to provide sustainable returns to shareholders.

Our move into Colombia this year was a strategic one, following in depth due diligence by the executive management team and one that the Company is 100% committed to. Whilst Colombia has often been stereo typed as a high-risk country, significant improvements have been put into place by the current and previous Presidents, in particular in the last five years, in regards to increasing political stability and general safety and security.

In terms of an investment destination in Southern America, Colombia is on par with Brazil's investment grade sovereign debt rating (S & P BB+). It is also ranked by the Fraser Institute (who for the past 20 years has conducted a yearly survey of metal, mining and exploration companies to assess how public policy factors and mineral endowments affect exploration investment) as the third top investment country in South and Central America – ahead of Brazil, Peru and Argentina.

Our initial move into Colombia was through our strategic partnership with Aurora, a leading supplier of mining and processing equipment and consultancy services within the Colombian coal sector. The aim of this partnership, which is divided 90% NAE and 10% Aurora, is to acquire and develop an attractive portfolio of Colombian coal projects.

Aurora and its partners have been active in Colombia for over 25 years and NAE recognised the partnership as an ideal platform to leverage off this experience, with Aurora maintaining a network of over 100 Colombian mining clients. In addition, Aurora has significant experience in underground mining mechanisation and coal processing technology that can be utilised as is appropriate for projects acquired in Colombia by the NAE-Aurora Partnership.

NAE has successfully completed five coal transactions in Colombia within a three-month period this year, consisting of three coking coal assets in the Subachoque Syncline and two acquisitions covering three thermal coal concessions in the world class Cesar Basin.

Most significantly was the latest transaction, which saw NAE enter into a binding agreement with the operators and owners of the Terranova hard coking coal mine to undertake the expansion and mechanisation of the operation – with production expected to commence in 2012. It is this transaction that we believe will provide the foundations and capital for NAE to become a leading coal producer in Colombia.

Moving forward, we continue to evaluate and develop projects that will create further value for our shareholders. We aim to continue at the pace we have demonstrated this year – moving from grassroots explorer to near term coking coal producer and becoming a key player within the Colombian coal industry.

Yours faithfully

Edwin Stoyle
Chairman

New Age Exploration Limited
Corporate directory
30 June 2011

Directors	Mr E F Stoyle (Non-Executive Chairman) Mr G Fietz (Managing Director) Mr A M Wing (Executive Director and Company Secretary) Mr G L Rice (Non-Executive Director)
Registered office	Level 17 500 Collins Street Melbourne 3000
Principal place of business	Level 17 500 Collins Street Melbourne 3000
Share register	Link Market Services Limited Ground Floor 178 St George Terrace Perth WA 6000
Auditor	Ian D Riley Chartered Accountant
Solicitors	Quinert Rodda & Associates Level 19 500 Collins Street Melbourne VIC 3000
Stock exchange listing	New Age Exploration Limited shares are listed on the Australian Securities Exchange (ASX code: NAE)

Annual Report 2011

Activities Report

Principal Activities

New Age Exploration Limited (**"NAE"** or **"The Company"**) is pleased to provide shareholders with its annual report to 30th June 2011. During the year, NAE has been focused on building a portfolio of attractive exploration and development projects primarily in bulk commodities (iron ore and coal), which has been the successful initiation and public announcement of NAE's Colombian coal strategy.

The principal activity of the Company this year has been the acquisition and development of coal projects in Colombia, with the successful completion of five transactions within the three month period from May to August 2011.

The Company is focused on building production from a portfolio of Colombian coking and thermal coal projects of several million tonnes per annum capacity, and is currently reviewing a number of other potential coal opportunities within Colombia to add to its portfolio.

During the first half of the year NAE conducted a program of detailed due diligence on the Alquife iron ore project in Spain. As a result of the work carried out, NAE made a non binding offer to the current project owners, which was unfortunately rejected. NAE subsequently acquired a small minority interest in the project and we continue to work towards the further acquisition and commercialisation of the project with the existing stakeholders.

Exclusive Joint Venture Partnership with Aurora Energy S.A.

We are pleased to have concluded an exclusive Colombian partnership with Aurora Energy S.A. ("Aurora"). The partnership was created to acquire and develop an attractive portfolio of Colombian coking and thermal coal projects.

Aurora has two major shareholders, C.I. Entrelink S.A. (trading as "Polminera") and FWS Consultants Limited ("FWS"). Polminera was founded in 1989 and is focused on supplying mining, mineral processing, safety and rescue equipment to the Colombian underground coal mining sector. It is also well known in Colombia as a provider of high quality, independent consultancy services, training and technical support.

FWS are a well established, UK based independent geological and environmental consultancy. FWS Consultants has extensive experience within the Colombian coal industry and has undertaken a number of geological, coal processing, mine design and mechanisation studies in Colombia since 2004. Also importantly, FWS Consultants draws upon a significant network of UK and European underground coal mining and processing engineers, many of whom are familiar with operating conditions (geological structures and seam thicknesses) encountered in Colombian coalfields.

The partnership with Aurora gives NAE a unique strategic advantage in accessing investment opportunities in the Colombian coal sector, as it allows NAE to access many opportunities, through contacts and relationships that Polminera has built up over the past 20 years as a leading supplier of mining, mineral processing, safety and rescue equipment and consulting services to the Colombian coal mining sector.

Colombia – An Emerging Investment Destination

Colombia, is a democracy and a free market economy with an investment grade sovereign debt rating (S&P: BB+). It is currently ranked the third best investment destination in South and Central America by Fraser Institute and World Bank had ranked Colombia as second best for 'doing business' in South America. This places Colombia ahead of Brazil, Peru and Argentina.

The Gross Domestic Product (GDP) of 2010 was US$285.5bn, with an estimated GDP growth of 4.4%. Foreign Direct Investment (FDI) increased in Colombia from US$1.5bn in 1999 to US$7.2bn in 2009, with exports of US$42.2bn.

There has been significant progress during the last 5 years with improvement in the country's security and political stability facilitated by Colombia's previous and current Presidents who have implemented strong policies.

NAE is particularly pleased to see that Colombia's emergence as an investment destination and the improvement in political stability has been recently recognised by the Australian Government, with the recent announcement by the Australian Trade Minister and Acting Minister for Foreign Affairs, that the Australian Trade Commission (Austrade) will open a new office and manage an Australian Consulate-General in Bogota in 2012.

Colombian Coal Overview

Colombia is the fifth largest coal exporter globally, having exported 68Mt in 2010, with the majority of exports being low sulphur thermal coal. Europe and US are the major consumers and exports to China have been rapidly increasing. Colombia exports 1-2Mtpa of coking coal and is a key player in the merchant coke market with ~2.4Mtpa coke capacity, the majority of which is exported.

Colombia has resources of over 5.0 billion tonnes of thermal coal and 1.4 billion tonnes of coking coal and anthracite.

The Subachoque Project

The Subachoque Project is located approximately 40km north of Bogota within the Subachoque Syncline. The Syncline hosts high quality hard coking coal seams, and the Terranova mine which currently produces 25,000 tonnes per annum of high quality medium volatile hard coking coal from an underground manual mining operation.

NAE has acquired a concession (FL2-151) and a concession application (JBI-11091) totalling 2,206 hectares in the Syncline and a JORC conceptual exploration target of 30 to 58Mt of hard coking coal has been defined for these areas.

NAE has also signed an agreement with the owners and operators of the Terranova hard coking coal mine to mechanise the mine and expand production from its current level of 25,000 tonnes per annum to a target level of at least 300,000 tonnes per annum, commencing in mid 2012.

The Terranova mine is currently licensed to operate until October 2014, and NAE intends to quickly mechanise the operation and expand production. Work to date has indicated the potential for a low capital expenditure (US$10-20m), and low operating cost (US$80-120/t) expansion to the current mine. NAE recently announced the appointment of the Terranova Scoping Study Manager in September 2011 and the company intends to focus on the development of the Terranova project.

NAE intends to carry out a program of mapping, trenching and drilling over the next year on concession FL2-151 and concession application JBI-11091 in the Subachoque Syncline, with the objective of defining a JORC resource for the Subachoque Project. The Company is targeting commencement of production from these concessions within 2-3 years.

The Cesar Project

The Cesar Project is located within the world class Cesar Basin area in northern Colombia. Current operations within the Cesar Basin area produce 40Mtpa export thermal and pulverized coal injection (PCI) coal, and production is expected to increase to at least 70Mtpa over the next five years.

The economic coal seams within the Cesar Basin area are hosted within the Middle Los Cuervos Formation, with an estimated total coal thickness of up to 35m, containing multiple coal seams between 2 and 6m thick.

The majority of production from the Cesar Basin area is currently from open pit mines, but as the open pit mines are exhausted, it is expected to see production transition from open pit to underground mining operations.

During the year, NAE acquired three concessions within the Cesar Basin area totalling 6,685 hectares and a conceptual JORC exploration target of 250 to 1,000Mt export thermal coal has been defined for these concessions.

NAE intends to carry out a drilling program over the next year with the objective of defining JORC resources on its Cesar concessions (GIK-103, GHN-121 and GJP-151). The Company has acquired historical seismic data which is currently being re-interpreted and will be used to generate drilling targets.

Colombia Project Team

NAE has established an office in Bogota and has appointed a number of key personnel to its Bogota based project team. It is NAE's intention to expand the Bogota team, in line with the requirements of the project portfolio. The Company's Bogota team is supported by our partner, Aurora Energy S.A.

Summary

During the last year, NAE has focused on project generation activities targeting bulk commodities, which have resulted in the signing of an exclusive Joint Venture partnership with Aurora Energy S.A.

Through this Joint Venture, NAE completed three transactions by year end and subsequently completed a further two transactions. The successful completion of five transactions marks the beginning of NAE building a portfolio of coking coal and export thermal projects within Colombia.

Our current focus is on targeting the completion of the mechanisation and expansion of the Terranova hard coking coal mine within 12 months, and the conversion of the JORC conceptual exploration coking coal targets in the Subachoque Syncline and thermal coal targets in Cesar to JORC resources.

The Company remains focused on building production from a portfolio of Colombian coking and thermal coal projects of several million tonnes per annum capacity, and is continually reviewing new opportunities within Colombia to add to its portfolio.

The Directors present their report, together with the financial statements, on the Company for the year ended 30 June 2011.

Directors
The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr E F Stoyle (Non Executive Chairman)
Mr G Fietz (Managing Director)
Mr A M Wing (Executive Director and Company Secretary)
Mr G L Rice (Non Executive Director)

Principal activities
During the financial year the principal continuing activities of the company consisted of:

- exploration activities with the view to indentifying attractive mineral deposits of sufficient grade and size to provide sustainable returns to shareholders.

Dividends
There were no dividends paid or declared during the current or previous financial year.

Review of operations
The loss for the Company after providing for income tax amounted to $2,159,528 (30 June 2010: $1,718,043).

Refer to separate detailed review of operations preceding this Director's report.

Significant changes in the state of affairs
On 8 June 2011 New Age Exploration Limited issued 667,638 ordinary shares at an issue price of 13 cents per share, forming part of the Initial payment regarding acquisition of the La Miel concession - GJP-151 being a thermal coal project in Colombia.

On 15 June 2011, 50,000 unlisted employee options were exercised at an exercise price of 10 cents each.

There were no other significant changes in the state of affairs of the Company during the financial year.

Matters subsequent to the end of the financial year

On 22 July 2011 New Age Exploration Limited issued 600,000 unlisted employee options exercisable at 19 cents on or before 21 July 2014.

On 27 July 2011 New Age Exploration Limited entered into a binding agreement to acquire 100% of the rights to the JBI-11091 exploration and mining concession application within the Subachoque Syncline, which is host to high quality hard coking coal deposits in Cundinamarca, Colombia. The Subachoque Syncline is located approximately 40km north-east of Bogota.

This acquisition completed through the NAE-Aurora Partnership, represents New Age Exploration Limited's first coking coal project in Colombia.

On 2 August 2011 New Age Exploration Limited issued 400,000 unlisted employee options exercisable at 20.5 cents on or before 31 March 2014.

On 3 August 2011 New Age Exploration Limited entered into a binding agreement to acquire 100% of the FL2-151 exploration and mining concession, located within the Subachoque Syncline. This follows the acquisition of the first in line rights to the JBI-11091 exploration and mining concession application on 27 July 2011, located 5km to the south of concession FL2-151 and increases New Age Exploration Limited's ground holding in the highly prospective Subachoque Syncline.

On 10 August 2011 New Age Exploration Limited entered into a binding agreement with the operators and owners of the Terranova hard coking coal mine, to undertake the expansion and mechanisation of the operation, also located in the Subachoque Syncline in Cundinamarca, Colombia.

On 10 August 2011 New Age Exploration Limited issued 96,520 ordinary shares at an issue price of 10 cents per share, per agreement regarding the Terranova hard coking coal mine.

No other matter or circumstance has arisen since 30 June 2011 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental regulation

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory as at this date.

The Company has a joint venture arrangement, whereby the Company may hold participating interests in a number of mining and exploration tenements once certain terms of the joint venture arrangement are met. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement.

There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agencies during the year ended 30 June 2011.

Information on directors

Name:	Mr Edwin Stoyle
Title:	Non-Executive Director and Chairman
Experience and expertise:	Mr Stoyle has over 28 years experience in directing and managing public companies listed on the Australian Securities Exchange. Mr Stoyle has also provided an active role in several listings on the Australian Securities Exchange along with other corporate undertakings such as company takeovers and capital raisings. Mr Stoyle has undertaken an active role in negotiating and managing mineral and oil & gas exploration initiatives in Australia, Papua New Guinea, Turkey, Burma and other international outposts.
Other current directorships:	Nil
Former directorships (in the last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	4,645,000 ordinary shares
Interests in options:	2,183,333 options

Name:	Mr Gary Fietz
Title:	Managing Director
Experience and expertise:	Mr Fietz holds a degree in geology and is a senior resources industry executive with over 22 years experience in all aspects of exploration, business development and project evaluation. His extensive international experience includes 21 years with BHP Billiton, primarily working in the iron ore business group. Mr Fietz has also worked on coal, base metals and gold projects. Most recently, Mr Fietz held the position of Project Director, West Africa for BHP Billiton Iron Ore where he was responsible for direction of exploration programs and project development of an advanced tier one project within the region. Previously, Mr Fietz held the position of Vice President Iron Ore Business Development with responsibility for assessing global iron ore business development opportunities for BHP Billiton.
Other current directorships:	Non-Executive Director of Baffinland Iron Mines Corporation (Toronto Stock Exchange)
Former directorships (in the last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	50,000 ordinary shares
Interests in options:	12,950,000 options

Name:	Mr Adrien Wing
Title:	Executive Director and Company Secretary
Experience and expertise:	Mr Adrien Wing is CPA qualified. He practised in the audit and corporate divisions of a chartered accounting firm before working with a number of public companies listed on the Australian Securities Exchange as a corporate/accounting consultant and company secretary.
Other current directorships:	Transol Corporation Ltd (appointed 5 May 2011)
Former directorships (in the last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	Nil
Interests in options:	1,000,000 options

Name:	Mr Gavan Leonard Rice
Title:	Non Executive Director
Experience and expertise:	Mr Gavan Rice is a practising barrister of law for the Supreme Court of Victoria for the past 27 years. Mr Rice has had considerable previous experience as a director of public companies listed on the Australian Securities Exchange.
Other current directorships:	Nil
Former directorships (in the last 3 years):	Nil
Special responsibilities:	Nil
Interests in shares:	300,000 ordinary shares
Interests in options:	758,333 options

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

'Former directorships (in the last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

Meetings of directors

The number of meetings of the company's Board of Directors and of each board committee held during the year ended 30 June 2011, and the number of meetings attended by each director were:

	Full Board		Audit and risk committee	
	Attended	Held	Attended	Held
Mr E F Stoyle	9	9	2	2
Mr G Fietz	9	9	2	2
Mr A M Wing	9	9	2	2
Mr G L Rice	9	9	2	2

Held: represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

Remuneration report (audited)

The remuneration report, which has been audited, outlines the director and executive remuneration arrangements for the consolidated entity and the Company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

The remuneration report is set out under the following main headings:

A Principles used to determine the nature and amount of remuneration
B Details of remuneration
C Service agreements
D Share-based compensation
E Additional information

A Principles used to determine the nature and amount of remuneration

Remuneration Policy

The Board policy for determining the nature and amount of remuneration of directors and executives is agreed by the Board of Directors as a whole. The Board obtains professional advice where necessary to ensure that the Company attracts and retains talented and motivated Directors and employees who can enhance Company performance through their contributions and leadership.

Remuneration consists of a fixed remuneration and a long term incentive portion as considered appropriate. The Board believes that options are an effective remuneration tool which preserves the cash reserves of the Company whilst providing valuable remuneration.

Executive Director Remuneration

In determining the level and make-up of executive remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience. 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. Remuneration is periodically compared to relevant external market conditions. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles.

Non-Executive Director 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 at the time of the Directors retirement or termination. Non-Executive Directors remuneration may include an incentive portion consisting of bonuses and/or options, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with the ASX Listing Rules.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers the amount of Director fees being paid by comparable companies with similar responsibilities and the experience of the Non-Executive Directors when undertaking the annual review process.

The Company determines the maximum amount for remuneration, including thresholds for share-based remuneration, for Directors by resolution. Currently, the maximum amount of remuneration allocated to all Non-Executive Directors approved by shareholders is $200,000. Further details regarding components of Director and executive remuneration are provided in the following tables.

Company performance, shareholder wealth and director and executive remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, Directors and executives through successfully achieving its primary objectives. During exploration these objectives are not linked to earnings. Instead the successful discovery or acquisition of mineral resources is intended to drive shareholder wealth. The achievement of this aim has been through the issue of options to Directors to encourage the alignment of personal and shareholder interests. The recipients of the options are responsible for growing the Company and increasing shareholder value. If they achieve this goal, the value of the options granted to them will also increase. Therefore, the options provide an incentive to the recipients to remain with the Company and to continue to work to enhance the Company's value.

B Details of remuneration

Amounts of remuneration

Details of the remuneration of the Directors, other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the company) and specified executives of the Company are set out in the following tables.

2011	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
Name	Cash salary and fees $	Bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Mr Edwin Stoyle	47,960	-	-	-	-	-	47,960
Mr Gavan Rice	39,240	-	-	-	-	-	39,240
Executive Directors:							
Mr Gary Fietz	290,000	-	-	30,000	-	-	320,000
Mr Adrien Wing	90,000	-	-	-	-	-	90,000
Other Key Management Personnel:							
Mr Donald Garner	145,000	-	-	13,050	-	-	158,050
	612,200	-	-	43,050	-	-	655,250

2010	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
Name	Cash salary and fees $	Bonus $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Mr Edwin Stoyle	26,160	-	-	-	-	43,710	69,870
Mr Gavan Rice	19,620	-	-	-	-	43,710	63,330
Executive Directors:							
Mr Adrien Wing	83,431	-	-	-	-	58,280	141,711
Mr Gary Fietz	44,030	-	-	4,603	-	746,045	794,678
Other Key Management Personnel:							
Mr Donald Garner	9,534	-	-	859	-	23,559	33,952
	182,775	-	-	5,462	-	915,304	1,103,541

C Service agreements

Details of formalised agreements are as follows:

Name:	Mr Gary Fietz
Title:	Managing Director
Agreement commenced:	11th March 2010
Details:	The ESA stipulates annual remuneration of $290,000 plus superannuation of $30,000 per annum. The ESA allows for Mr Fietz to receive a one-off cash bonus equivalent to one years annual remuneration upon the Company successfully completing the acquisition of a Material Project. The Company may terminate the ESA without cause at any time by the payment of 6 months annual remuneration.

Name:	Mr Donald Garner
Title:	VP Business Development
Agreement commenced:	7 June 2010
Details:	The agreement contains statutory rights and obligations with annual review to be undertaken.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

D Share-based compensation

Issue of shares
There were no shares issued during the year to Directors and other key management personnel as part of compensation during the year ended 30 June 2011.

Options
There were no options issued during the year to Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2011.

There were no options granted to or exercised by Directors and other key management personnel as part of compensation during the year ended 30 June 2011.

Values of options over ordinary shares granted, exercised and lapsed for Directors and other key management personnel during the year ended 30 June 2011 are set out below:

Name	Value of options granted during the year $	Value of options exercised during the year $	Value of options lapsed during the year $	Remuneration consisting of options for the year %
Mr Gary Fietz	-	5,000	-	-

E Additional information

The earnings of the Company for the five years to 30 June 2011 are summarised below:

	2007	2008	2009	2010	2011
	$	$	$	$	$
Revenue	74,300	81,789	645,517	304,515	458,513
Net profit/(loss) before tax	(204,272)	(406,733)	51,066	(1,718,043)	(2,159,528)
Net profit/(loss) after tax	(204,272)	(406,733)	51,066	(1,718,043)	(2,159,528)

The factors that are considered to affect total shareholders return (TSR) are summarised below:

	2007	2008	2009	2010	2011
Share price at start of year	0.20	0.26	0.16	0.05	0.08
Share price at end of year	0.26	0.16	0.05	0.08	0.12
Basic earnings per share (cents per share)	(0.52)	(0.96)	0.12	(3.08)	(2.24)
Diluted earnings per share (cents per share)	(0.52)	(0.96)	0.12	(3.08)	(2.24)

This concludes the remuneration report, which has been audited.

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

Grant date	Expiry date	Exercise price	Number under option
30 April 2010 (Listed)	31 March 2012	$0.10	457,874
7 May 2010 (Listed)	31 March 2012	$0.10	22,838,793
24 December 2009 (Unlisted)	31 March 2013	$0.10	2,500,000
13 April 2010 (Unlisted)	31 March 2013	$0.10	12,950,000
7 May 2010 (Unlisted)	31 March 2013	$0.10	1,000,000
			39,746,667

Shares issued on the exercise of options
The following ordinary shares of the Company were issued during the year ended 30 June 2011 on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
13 April 2010 (Unlisted)	$0.10	50,000

Indemnity and insurance of officers
The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor

The Company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Auditor

There are no officers of the company who are former audit partners of Ian D Riley.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

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

On behalf of the directors

Adrien Michele Wing
Director

16 September 2011
Melbourne

IAN D RILEY
Chartered Accountant
ABN 86 673 257 016
55 Ashes Bridge Road TALLAROOK VIC 3659

16 September 2011

The Directors
New Age Exploration Limited
Level 17
500 Collins Street
MELBOURNE VIC 3000

Dear Directors

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of New Age Exploration Limited for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

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

This declaration is in respect of New Age Exploration Limited.

Ian D Riley
Principal
Chartered Accountant

New Age Exploration Limited
Financial report
For the year ended 30 June 2011

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General information

The financial report covers New Age Exploration Limited as an individual entity. The financial report is presented in Australian dollars, which is New Age Exploration Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and the Directors' declaration.

New Age Exploration Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 17
500 Collins Street
Melbourne 3000

A description of the nature of the Company's operations and its principal activities are included in the Directors' report, which is not part of the financial report.

The financial report was authorised for issue, in accordance with a resolution of directors, on 16 September 2011.

New Age Exploration Limited
Statement of comprehensive income
For the year ended 30 June 2011

	Note	2011 $	2010 $
Revenue	4	458,513	304,515
Expenses			
Corporate expenses		(875,404)	(429,568)
Occupancy expenses		(73,529)	(25,220)
Employee benefits expense		(628,021)	(120,704)
Share based payments		-	(710,784)
Impairment of investments		-	(56,805)
Loss on fair value adjustments		-	(600,000)
Write off of exploration assets		(168,278)	-
Administrative expenses		(530,656)	(58,773)
Legal expenses		(342,153)	(20,704)
Loss before income tax expense		(2,159,528)	(1,718,043)
Income tax expense	6	-	-
Loss after income tax expense for the year attributable to the owners of New Age Exploration Limited		(2,159,528)	(1,718,043)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of New Age Exploration Limited		(2,159,528)	(1,718,043)
		Cents	**Cents**
Basic earnings per share	24	(2.24)	(3.08)
Diluted earnings per share	24	(2.24)	(3.08)

The above statement of comprehensive income should be read in conjunction with the accompanying notes

New Age Exploration Limited
Statement of financial position
As at 30 June 2011

	Note	2011 $	2010 $
Assets			
Current assets			
Cash and cash equivalents	7	2,665,504	5,067,952
Trade and other receivables	8	52,597	51,955
Total current assets		2,718,101	5,119,907
Non-current assets			
Property, plant and equipment	9	8,388	2,769
Exploration and evaluation	10	553,106	127,889
Total non-current assets		561,494	130,658
Total assets		3,279,595	5,250,565
Liabilities			
Current liabilities			
Trade and other payables	11	109,081	39,129
Provision	12	32,703	5,889
Total current liabilities		141,784	45,018
Total liabilities		141,784	45,018
Net assets		3,137,811	5,205,547
Equity			
Contributed equity	13	8,714,195	8,622,403
Reserves	14	3,297,563	3,297,563
Accumulated losses		(8,873,947)	(6,714,419)
Total equity		3,137,811	5,205,547

The above statement of financial position should be read in conjunction with the accompanying notes

New Age Exploration Limited
Statement of changes in equity
For the year ended 30 June 2011

	Contributed equity $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2009	5,779,911	1,648,807	(4,996,376)	2,432,342
Other comprehensive income for the year, net of tax	-	-	-	-
Loss after income tax expense for the year	-	-	(1,718,043)	(1,718,043)
Total comprehensive income for the year	-	-	(1,718,043)	(1,718,043)
Transactions with owners in their capacity as owners:				
Rights issue	4,097,000	-	-	4,097,000
Costs of capital raising	(1,254,508)	-	-	(1,254,508)
Lapse of options	-	(180,691)	-	(180,691)
Issue of options	-	1,829,447	-	1,829,447
Balance at 30 June 2010	8,622,403	3,297,563	(6,714,419)	5,205,547

	Contributed equity $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2010	8,622,403	3,297,563	(6,714,419)	5,205,547
Other comprehensive income for the year, net of tax	-	-	-	-
Loss after income tax expense for the year	-	-	(2,159,528)	(2,159,528)
Total comprehensive income for the year	-	-	(2,159,528)	(2,159,528)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	86,792	-	-	86,792
Exercise of options	5,000	-	-	5,000
Balance at 30 June 2011	8,714,195	3,297,563	(8,873,947)	3,137,811

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

New Age Exploration Limited
Statement of cash flows
For the year ended 30 June 2011

	Note	2011 $	2010 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		230,365	19,034
Payments to suppliers and employees (inclusive of GST)		(2,345,528)	(714,378)
		(2,115,163)	(695,344)
Interest received		222,936	63,028
Net cash used in operating activities	22	(1,892,227)	(632,316)
Cash flows from investing activities			
Payments for property, plant and equipment	9	(8,518)	(2,907)
Payments for exploration and evaluation	10	(506,703)	-
Payments for joint venture commitment		-	(57,889)
Proceeds from sale of investments in listed companies		-	1,001,839
Net cash from/(used in) investing activities		(515,221)	941,043
Cash flows from financing activities			
Proceeds from issue of shares	13	5,000	4,097,000
Share issue transaction costs		-	(316,537)
Net cash from financing activities		5,000	3,780,463
Net increase/(decrease) in cash and cash equivalents		(2,402,448)	4,089,190
Cash and cash equivalents at the beginning of the financial year		5,067,952	978,762
Cash and cash equivalents at the end of the financial year	7	2,665,504	5,067,952

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

Note 1. Significant accounting policies (continued)

Investments in joint ventures

A joint venture is a contractual arrangement whereby the Company and other parties undertake an economic activity that is subject to joint control (i.e. when the strategic financial and operating policy decisions relating to the activities of the joint venture require the unanimous consent of the parties sharing control).

When a Company entity undertakes its activities under joint venture arrangements directly, the Company's share of jointly controlled assets and any liabilities incurred jointly with other venturers are recognised in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Company's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to/from the Company and their amount can be measured reliably.

The Company's interests in assets where the Company does not have joint control are accounted for in accordance with the substance of the Company's interest. Where such arrangements give rise to an undivided interest in the individual assets and liabilities of the joint venture, the Company recognises its undivided interest in each asset and liability and classifies and presents those items according to their nature.

Joint venture arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities. The Company reports its interests in jointly controlled entities using proportionate consolidation, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations. The Company's share of the assets, liabilities, income and expenses of jointly controlled entities is combined with the equivalent items in the consolidated financial statements on a line-by-line basis.

Any goodwill arising on the acquisition of the Company's interest in a jointly controlled entity is accounted for in accordance with the Company's accounting policy for goodwill arising in a business combination

When a Company entity transacts with a jointly controlled entity of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in the joint venture.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Note 1. Significant accounting policies (continued)

Royalties
Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalties determined on a time basis are recognised on a straight-line basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

Dividend and Interest Revenue
Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Interest revenue is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Note 1. Significant accounting policies (continued)

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses and under and over provision in prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or 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 nor taxable profits; or
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Other receivables are recognised at amortised cost, less any provision for impairment.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	2-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Note 1. Significant accounting policies (continued)

Exploration and evaluation assets
Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Wages and salaries, annual leave and sick leave
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Note 1. Significant accounting policies (continued)

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the company or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the company or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Contributed equity
Ordinary shares are classified as equity.

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

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of New Age Exploration Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 1. Significant accounting policies (continued)

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2011. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

AASB 9 Financial Instruments, 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and 2010-7 Amendments to Australian Accounting Standards arising from AASB 9
This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2013 and completes phase I of the IASB's project to replace IAS 39 (being the international equivalent to AASB 139 'Financial Instruments: Recognition and Measurement'). This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. To be classified and measured at amortised cost, assets must satisfy the business model test for managing the financial assets and have certain contractual cash flow characteristics. All other financial instrument assets are to be classified and measured at fair value. This standard allows an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income, with dividends as a return on these investments being recognised in profit or loss. In addition, those equity instruments measured at fair value through other comprehensive income would no longer have to apply any impairment requirements nor would there be any ‘recycling’ of gains or losses through profit or loss on disposal. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity’s own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. The company will adopt this standard from 1 July 2013 but the impact of its adoption is yet to be assessed by the company.

AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project
These amendments are applicable to annual reporting periods beginning on or after 1 January 2011. These amendments are a consequence of the annual improvements project and make numerous non-urgent but necessary amendments to a range of Australian Accounting Standards and Interpretations. The amendments provide clarification of disclosures in AASB 7 'Financial Instruments: Disclosures', in particular emphasis of the interaction between quantitative and qualitative disclosures and the nature and extent of risks associated with financial instruments; clarifies that an entity can present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes in accordance with AASB 101 'Presentation of Financial Instruments'; and provides guidance on the disclosure of significant events and transactions in AASB 134 'Interim Financial Reporting'. The adoption of these amendments from 1 July 2011 will not have a material impact on the company.

Note 1. Significant accounting policies (continued)

AASB 124 Related Party Disclosures (December 2009)
This revised standard is applicable to annual reporting periods beginning on or after 1 January 2011. This revised standard simplifies the definition of a related party by clarifying its intended meaning and eliminating inconsistencies from the definition. The definition now identifies a subsidiary and an associate with the same investor as related parties of each other; entities significantly influenced by one person and entities significantly influenced by a close member of the family of that person are no longer related parties of each other; and whenever a person or entity has both joint control over a second entity and joint control or significant influence over a third party, the second and third entities are related to each other. This revised standard introduces a partial exemption of disclosure requirement for government-related entities. The adoption of this standard from 1 July 2011 will not have a material impact on the company.

AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project and AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements
These amendments are applicable to annual reporting periods beginning on or after 1 July 2011. They make changes to a range of Australian Accounting Standards and Interpretations for the purpose of closer alignment to IFRSs and harmonisation between Australian and New Zealand Standards. The amendments remove certain guidance and definitions from Australian Accounting Standards for conformity of drafting with International Financial Reporting Standards but without any intention to change requirements. The adoption of these amendments from 1 July 2011 will not have a material impact on the company.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement
These amendments are applicable to annual reporting periods beginning on or after 1 July 2013, with early adoption not permitted. They amend AASB 124 'Related Party Disclosures' by removing the disclosure requirements for individual key management personnel (KMP). The adoption of these amendments from 1 July 2013 will remove the duplication relating to individual KMP in the notes to the financial statements and the directors report. As the aggregate disclosures are still required by AASB 124 and during the transitional period the requirements may be included in the Corporations Act or other legislation, it is expected that the amendments will not have a material impact on the company.

AASB 2011-5 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation and AASB 2011-6 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements
AASB 2011-5 is applicable to annual reporting periods beginning on or after 1 July 2011 and AASB 2011-6 on or after 1 July 2013. These amendments extend relief from consolidation, the equity method and proportionate consolidation where the ultimate or intermediate parent applies not-for-profit Aus paragraphs in Australian IFRSs as adopted in Australia, or Australian Accounting Standards – Reduced Disclosure Requirements (RDR). The adoption of these amendments from 1 July 2011 and 1 July 2013 respectively will not impact on the company.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Share-based payment transactions
The Company 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 by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Income tax
The Company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Exploration and evaluation
At each reporting period the directors review the carrying amount of exploration and evaluation expenditure for the indicators of impairment outlined in AASB 6.

Note 3. Operating segments

The Company operated predominately as an explorer with the view to indentify attractive mineral deposits of sufficient grade and size to provide sustainable returns to shareholders.

The directors do not believe that there are any reportable segments that meet the requirements of AASB 8 Segment Reporting, on the basis that the chief operating decision maker, being the board of directors, review geological results and other qualitative measures as a basis for decision making.

Entity wide disclosures	***$***
Australia	8,389
Colombia	467,428
Spain	85,677
Total non-current assets	**561,494**

Note 4. Revenue

	2011 $	**2010 $**
Other revenue		
Interest	234,757	76,933
Royalty	223,756	25,643
Gain on sale of investment	-	201,939
Revenue	458,513	304,515

Note 5. Expenses

	2011 $	**2010 $**
Loss before income tax includes the following specific expenses:		
Impairment		
Fair value adjustments on investments	-	600,000
Operating lease expenses	73,529	25,220
Write off of exploration assets	168,278	-
Share-based payments expense		
Share-based payments expense	-	710,784

Note 6. Income tax expense

	2011 $	2010 $
Numerical reconciliation of income tax expense to prima facie tax payable		
Loss before income tax expense	(2,159,528)	(1,718,043)
Tax at the Australian tax rate of 30%	(647,858)	(515,413)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Accrued expenses	8,644	(3,681)
Permanent differences	1,068	606
Exploration expenditure written off	50,483	17,042
Proceeds from joint venture contributions	-	213,235
Deductible black hole expenditure	(92,665)	(92,665)
Movement in fair value of investments	-	180,000
Capitalised deductible exploration expenditure	(178,049)	(17,367)
Super payable	3,684	-
	(854,693)	(218,243)
Current year tax losses not recognised	854,693	218,243
Income tax expense	-	-

	2011 $	2010 $
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Tax losses	1,487,720	633,027
Temporary differences	(383,351)	37,787
Total deferred tax assets not recognised	1,104,369	670,814

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

The taxation benefits of tax losses and temporary differences not brought to account will only be obtained if:

(i) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;

(ii) the Company continues to comply with the conditions for deductibility imposed by law; and

(iii) no change in tax legislation adversely affects the Company in realising the benefits from deducting the losses.

Note 7. Current assets - cash and cash equivalents

	2011 $	2010 $
Cash at bank	103,103	907,952
Cash on deposit	2,562,401	4,160,000
	2,665,504	5,067,952

Cash on deposit is short term.

Note 8. Current assets - trade and other receivables

	2011 $	2010 $
Trade receivables	-	6,609
Interest receivable	25,726	13,905
GST receivable	26,871	31,441
	52,597	51,955

Due to the short term nature of the receivables, their carrying value is assumed to approximate their face value. Given the nature of the receivables as detailed, exposure to credit risk is not considered to be material.

Note 9. Non-current assets - property, plant and equipment

	2011 $	2010 $
Computer equipment - at cost	11,425	2,907
Less: Accumulated depreciation	(3,037)	(138)
	8,388	2,769

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Computer Equipment $	Total $
Balance at 1 July 2009	-	-
Additions	2,907	2,907
Depreciation expense	(138)	(138)
Balance at 30 June 2010	2,769	2,769
Additions	8,518	8,518
Depreciation expense	(2,899)	(2,899)
Balance at 30 June 2011	8,388	8,388

Note 10. Non-current assets - Exploration and evaluation

	2011 $	2010 $
Exploration and Evaluation	553,106	-
	553,106	-
Joint venture contribution	-	127,889
	-	127,889
	553,106	127,889

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Exploration & Evaluation $	Joint venture contribution $	Total $
Balance at 1 July 2009	-	126,805	126,805
Additions	-	57,889	57,889
Impairment of assets	-	(56,805)	(56,805)
Balance at 30 June 2010	-	127,889	127,889
Additions	593,495	-	593,495
Write off of assets	(40,389)	(127,889)	(168,278)
Balance at 30 June 2011	553,106	-	553,106

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the continuation of the Company's rights to tenure of the interests, results of future exploration and successful development or alternatively, sale of the respective areas of interest.

Note 11. Current liabilities - trade and other payables

	2011 $	2010 $
Trade and other payables	109,081	39,129

Refer to note 16 for detailed information on financial instruments.

Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value. Trade payables are non-interest bearing and are normally settled on 30 day terms.

Note 12. Current liabilities - provisions

	2011 $	2010 $
Employee benefits	32,703	5,889

A provision has been recognised for employee entitlements relating to annual leave.

Note 13. Equity - contributed

	2011 Shares	2010 Shares	2011 $	2010 $
Ordinary shares - fully paid	97,117,638	96,400,000	8,714,195	8,622,403

Note 13. Equity - contributed (continued)

Movements in ordinary share capital

Details	Date	No of shares	Issue price	$
Balance	1 July 2009	48,200,000		5,779,911
Rights issue	11 March 2010	48,200,000	$0.09	4,097,000
Cost of capital raising		-		(1,254,508)
Balance	30 June 2010	96,400,000		8,622,403
Issue of shares		667,638	$0.13	86,792
Exercise of options		50,000	$0.10	5,000
Balance	30 June 2011	97,117,638		8,714,195

Ordinary shares
During the year New Age Exploration Limited issued 667,638 shares at $0.13 each, forming part of the Initial payment regarding the acquisition of the La Miel concession - GJP-151, being a thermal coal project in Colombia.

Please refer to note 23 "non-cash investing and financing activities".

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value.

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

Share buy-back
There is no current on-market share buy-back.

Note 13. Equity – contributed (continued)

Capital risk management
The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital risk management policy remains unchanged from the 30 June 2010 Annual Report.

Options

Refer to Note 25 for detailed disclosures of options on issue.

Note 14. Equity - reserves

	2011 $	2010 $
General reserve	1,468,116	1,468,116
Share-based payments reserve	1,829,447	1,829,447
	3,297,563	3,297,563

	General Reserve $	Share based payments reserve $	Total $
Balance at 1 July 2009	1,468,116	180,691	1,648,807
Expiry of options	-	(180,691)	(180,691)
Issue of options to Directors	-	891,475	891,475
Issue of options to underwriter	-	937,972	937,972
Balance at 30 June 2010	1,468,116	1,829,447	3,297,563
Balance at 30 June 2011	1,468,116	1,829,447	3,297,563

Note 15. Equity - dividends

Dividends
There were no dividends paid or declared during the current or previous financial year.

Note 15. Equity – dividends (continued)

Franking credits

	2011 $	2010 $
Franking credits available at the reporting date based on a tax rate of 30%	775,114	775,114
Franking credits available for subsequent financial years based on a tax rate of 30%	775,114	775,114

Note 16. Financial instruments

Financial risk management objectives
The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by the Board. The policies employed to mitigate risk include identification and analysis of the risk exposure of the Company and appropriate procedures, controls and risk limits. The Board identifies risk and evaluates the effectiveness of its responses.

Market risk

Note 16. Financial instruments (continued)

Interest rate risk
The Company's only exposure to interest rate risk is in relation to deposits held. Deposits are held with reputable banking financial institutions.

As at the reporting date, the company had the following variable rate cash balances.

	2011		2010	
	Weighted average interest rate %	Balance $	Weighted average interest rate %	Balance $
Cash at bank	4.75	2,665,504	3.66	5,067,952
Net exposure to cash flow interest rate risk		2,665,504		5,067,952

The Company is not exposed to significant interest rate risk.

An increase/decrease in interest rate of 30% or 1.43 percentage points would have an unfavourable/adverse affect on profit before tax of $37,983 per annum. The percentage change is added on the expected volatility of interest rates using market data and analysts forecasts.

Credit risk
Credit risk is managed on a Company basis. 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 minimal exposure to credit risk as its only receivables relate to security deposits, interest receivable, and GST refunds due.

Note 16. Financial instruments (continued)

Liquidity risk
Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

The Company's working capital, being current assets less current liabilities was $2,576,317 at 30 June 2011. During the period the Company had net cash out flows of $2,402,448. Based on this the directors are satisfied that the Company will have sufficient funds to pay its debts as and when they fall due.

Remaining contractual maturities
The following tables detail the Company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Note 16. Financial instruments (continued)

2011	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables		109,081	-	-	-	109,081
Total non-derivatives		109,081	-	-	-	109,081

2010	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables		39,129	-	-	-	39,129
Total non-derivatives		39,129	-	-	-	39,129

The cash flows in the maturity analysis above are not expected to occur significantly earlier than disclosed.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

Note 17. Key management personnel disclosures

Directors
The following persons were Directors of New Age Exploration Limited during the financial year:

Mr E F Stoyle (Non-Executive Director)
Mr G Fietz (Managing Director)
M A M Wing (Executive Director and Company Secretary)
Mr G L Rice (Non-Executive Director)

Other key management personnel
The following person also had the authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, during the financial year:

Mr D Garner (Business Development)

Compensation
The aggregate compensation made to Directors and other members of key management personnel of the Company is set out below:

	2011 $	2010 $
Short-term employee benefits	612,200	182,775
Post-employment benefits	43,050	5,462
Share-based payments	-	915,304
	655,250	1,103,541

Shareholding
The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Company, including their personally related parties, is set out below:

2011	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Edwin Stoyle	4,645,000	-	-	-	4,645,000
Gary Fietz *	-	-	50,000	-	50,000
Gavan Rice	300,000	-	-	-	300,000
	4,945,000	-	50,000	-	4,995,000

* Gary Fietz converted 50,000 unlisted options into ordinary shares on 15 June 2011.
** Mr Wing and Mr Garner did not hold shares in the Company during the 2011 financial year.

2010	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Edwin Stoyle	1,960,000	-	2,685,000	-	4,645,000
Gavan Rice	200,000	-	100,000	-	300,000
	2,160,000	-	2,785,000	-	4,945,000

* Mr Wing, Mr Fietz, and Mr Garner did not hold shares in the Company during the 2010 financial year.

Note 17. Key management personnel disclosures (continued)

Option holding
The number of options over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the company, including their personally related parties, is set out below:

2011	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Edwin Stoyle	2,183,333	-	-	-	2,183,333
Adrien Wing	1,000,000	-	-	-	1,000,000
Gavan Rice	758,333	-	-	-	758,333
Gary Fietz *	13,000,000	-	(50,000)	-	12,950,000
Donald Garner	1,000,000	-	-	-	1,000,000
	17,941,666	-	(50,000)	-	17,891,666

* Gary Fietz converted 50,000 unlisted options into ordinary shares on 15 June 2011.

2010	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Edwin Stoyle *	500,000	750,000	-	933,333	2,183,333
Adrien Wing ***	1,000,000	1,000,000	-	(1,000,000)	1,000,000
Gavan Rice ****	500,000	750,000	-	(491,667)	758,333
Gary Fietz **	-	13,000,000	-	-	13,000,000
Donald Garner	-	1,000,000	-	-	1,000,000
	2,000,000	16,500,000	-	(558,334)	17,941,666

* 1,433,333 listed options acquired as part of a rights issue, exercisable at 10 cents on or before 31 March 2012. 750,000 unlisted options granted and vested on 13 April 2010, exercisable at 10 cents on or before 31 March 2013.

** 13,000,000 unlisted options granted on 13 April 2010, exercisable at 10 cents on or before 31 March 2013;
(a) 10,000,000 options vested on that date.
(b) 1,500,000 options will vest subject to the volume weighted average price of the Company's fully paid shares for any thirty day period exceeding 14 cents.
(c) 1,500,000 options will vest subject to the volume weighted average price of the Company's fully paid shares for any thirty day period exceeding 16 cents.

*** 1,000,000 unlisted options granted and vested on 13 April 2010, exercisable at 10 cents on or before 31 March 2013.

**** 8,333 listed options acquired as part of rights issue, exercisable at 10 cents on or before 31 March 2012. 750,000 unlisted options granted and vested on 13 April 2010, exercisable at 10 cents on or before 31 March 2013.

Related party transactions
Related party transactions are set out in note 20.

Note 18. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Ian D Riley, the auditor of the Company, and its related practices:

	2011 $	2010 $
Audit services - Ian D Riley		
Audit or review of the financial report	36,500	30,500

Note 19. Commitments for expenditure

	2011 $	2010 $
Bunnawarra Joint Venture		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	-	100,000
One to five years	-	500,000
	-	600,000

Commitments under the joint venture agreement with Redfeather Holding Pty Ltd commenced on 12th May 2008. The Company terminated its arrangement with Redfeather Holding Pty Ltd during the year.

Note 20. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 17 and the remuneration report in the Directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	2011 $	2010 $
Payment for goods and services:		
Professional services from Wide Range Mining Projects Pty Ltd (Gary Fietz is a director)	-	73,394

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the reporting date.

Loans to/from related parties
There were no loans to or from related parties at the reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 21. Events occurring after the reporting date

On 22 July 2011 New Age Exploration Limited issued 600,000 unlisted employee options exercisable at 19 cents on or before 21 July 2014.

On 27 July 2011 New Age Exploration Limited entered into a binding agreement to acquire 100% of the rights to the JBI-11091 exploration and mining concession application within the Subachoque Syncline, which is host to high quality hard coking coal deposits in Cundinamarca, Colombia. The Subachoque Syncline is located approximately 40km north-east of Bogota.

This acquisition completed through the NAE-Aurora Partnership, represents New Age Exploration Limited's first coking coal project in Colombia.

On 2 August 2011 New Age Exploration Limited issued 400,000 unlisted employee options exercisable at 20.5 cents on or before 31 March 2014.

On 3 August 2011 New Age Exploration Limited entered into a binding agreement to acquire 100% of the FL2-151 exploration and mining concession, located within the Subachoque Syncline. This follows the acquisition of the first in line rights to the JBI-11091 exploration and mining concession application on 27 July 2011, located 5km to the south of concession FL2-151 and increases New Age Exploration Limited's ground holding in the highly prospective Subachoque Syncline.

On 10 August 2011 New Age Exploration Limited entered into a binding agreement with the operators and owners of the Terranova hard coking coal mine, to undertake the expansion and mechanisation of the operation, also located in the Subachoque Syncline in Cundinamarca, Colombia.

On 10 August 2011 New Age Exploration Limited issued 96,520 ordinary shares at an issue price of 10 cents per share, per agreement regarding the Terranova hard coking coal mine.

No other matter or circumstance has arisen since 30 June 2011 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Note 22. Reconciliation of loss after income tax to net cash used in operating activities

	2011 $	2010 $
Loss after income tax expense for the year	(2,159,528)	(1,718,043)
Adjustments for:		
Depreciation and amortisation	2,899	138
Impairment of investments	-	56,805
Net gain on disposal of non-current assets	-	(201,839)
Share-based payments	-	710,784
Fair value adjustment of investments	-	600,000
Write off of exploration assets	168,278	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(642)	(51,953)
Increase/(decrease) in trade and other payables	69,952	(34,097)
Increase in employee benefits	26,814	5,889
Net cash used in operating activities	(1,892,227)	(632,316)

Note 23. Non-cash investing and financing activities

During the financial year, the Company issued 667,638 ordinary shares at a deemed price of $0.1398 forming part of the Initial Payment regarding acquisition of the La Miel concession - GJP-151, being a thermal coal project in Colombia.

Note 24. Earnings per share

	2011 $	2010 $
Loss after income tax attributable to the owners of New Age Exploration Limited	(2,159,528)	(1,718,043)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	96,442,296	55,727,123
Weighted average number of ordinary shares used in calculating diluted earnings per share	96,442,296	55,727,123
	Cents	**Cents**
Basic earnings per share	(2.24)	(3.08)
Diluted earnings per share	(2.24)	(3.08)

The rights to options held by option holders have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as they do not meet the requirements for inclusion in AASB 133 “Earnings per Share”. The rights to options are non-dilutive as the Company is loss generating.

Note 25. Share-based payments

A share option plan has been established by the Company and approved by shareholders at a general meeting, whereby the Company may, at the discretion of the Board, grant options over ordinary shares in the Company to certain key management personnel of the company. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

Set out below are summaries of options currently on issue under the plan:

2011

Grant date date	Expiry	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
13/04/10	31/03/13	$0.10	12,500,000	-	(50,000)	-	12,450,000
13/04/10	31/03/13	$0.10	1,500,000	-	-	-	1,500,000
13/04/10	31/03/13	$0.10	1,500,000	-	-	-	1,500,000
07/05/10	31/03/13	$0.10	500,000	-	-	-	500,000
07/05/10	31/03/13	$0.10	500,000	-	-	-	500,000
			16,500,000	-	(50,000)	-	16,450,000

Note 25. Share-based payments (continued)

2010

Grant date date	Expiry	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
13/04/10	31/03/13	$0.10	-	12,500,000	-	-	12,500,000
13/04/10	31/03/13	$0.10	-	1,500,000	-	-	1,500,000
13/04/10	31/03/13	$0.10	-	1,500,000	-	-	1,500,000
07/05/10	31/03/13	$0.10	-	500,000	-	-	500,000
07/05/10	31/03/13	$0.10	-	500,000	-	-	500,000
			-	16,500,000	-	-	16,500,000

The following share-based payment arrangements were in existence during the current and previous financial year:

Options series		**Number**	**Grant date**	**Expiry date**	**Exercise price $**	**Fair value at grant date $**
1	Series 1	12,500,000	13/04/2010	31/03/2013	0.10	0.058
2	Series 2	1,450,000	13/04/2010	31/03/2013	0.10	0.053
3	Series 3	1,500,000	13/04/2010	31/03/2013	0.10	0.054
4	Series 4	500,000	7/05/2010	31/03/2013	0.10	0.054
5	Series 5	500,000	7/05/2010	31/03/2013	0.10	0.052

	Option series				
	Series 1	**Series 2**	**Series 3**	**Series 4**	**Series 5**
Grant date share price	0.09	0.09	0.09	0.09	0.09
Exercise price	0.10	0.10	0.10	0.10	0.10
Expected volatility	105.81%	105.81%	105.81%	103.01%	103.01%
Option life	717 days	717 days	717 days	601 days	509 days
Risk-free interest rate	5.25%	5.25%	5.25%	4.98%	4.98%

New Age Exploration Limited
Directors' declaration

In the directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 30 June 2011 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

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

On behalf of the Directors

Adrien Michele Wing
Director

16 September 2011
Melbourne

IAN D RILEY
Chartered Accountant
ABN 86 673 257 016
55 Ashes Bridge Road TALLAROOK VIC 3659

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW AGE EXPLORATION LIMITED FOR THE YEAR ENDED 30 JUNE 2011

Report on the Financial Report

I have audited the accompanying financial report of New Age Exploration Limited ("New Age") which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a statement of significant accounting policies, other explanatory notes and the directors' declaration of New Age Exploration Limited.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

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

Auditor's Opinion

In my opinion:

(a) the financial report of New Age Exploration Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 200*1; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

I have audited the Remuneration Report included in pages 11 to 15 of the directors' report for the year ended 30 June 2011. The directors of New Age are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. My responsibility is to express an opinion on the Remuneration Report, based on my audit conducted in accordance with Australian Auditing Standards.

Auditors Opinion

In my opinion the Remuneration report of New Age Exploration Limited for the year ended 30 June 2011, complies with section 300A of the *Corporations Act 2001*.

IAN D RILEY
Chartered Accountant

16 September 2011
Melbourne

Liability limited by a scheme approved under Professional Standards Legislation

CORPORATE GOVERNANCE

COMPLIANCE WITH ASX CORPORATE GOVERNANCE RECOMMENDATIONS

Introduction

New Age Exploration Ltd ("Company") has adopted systems of control and accountability as the basis for the administration of corporate governance. These policies and procedures are summarised below.

Corporate governance is the system by which companies are directed and managed. It influences how the objectives of the Company are achieved, how risk is monitored and assessed and how performance is optimised.

The Board and management are committed to corporate governance and, to the extent that they are applicable to the Company, have adopted the Eight Essential Corporate Governance Principles as set out in the Corporate Governance Principles and Recommendation (2nd Edition) as published by the ASX Corporate Governance Council.

Whilst the Board has demonstrated, and continues to demonstrate, its commitment to best practice in corporate governance, it emphasises that good corporate governance is only one factor contributing to the success of the Company's operations.

Additional information about the Company's corporate governance practices is set out on the Company's website at www.nae.net.au.

The table below summarises the Company's compliance with the Corporate Governance Council's Recommendations:

Principle	ASX Corporate Governance Council Recommendations	Comply
1	Lay solid foundations for management and oversight	
1.1	Establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	Yes
1.2	Disclose the process for evaluating the performance of senior executives.	Yes
1.3	Provide the information indicated in the Guide to reporting on principle 1.	Yes
2	Structure the Board to add value	
2.1	A majority of the board should be independent Directors.	Yes
2.2	The chair should be an independent director.	Yes
2.3	The roles of chair and chief executive officer should not be exercised by the same individual.	Yes
2.4	The board should establish a nomination committee.	Yes
2.5	Disclose the process for evaluating the performance of the board, its committees and individual Directors.	Yes
2.6	Provide the information indicated in the Guide to reporting on principle 2.	Yes
3	Promote ethical and responsible decision-making	
3.1	Establish a code of conduct and disclose the code or a summary as to:	Yes
	• the practices necessary to maintain confidence in the Company's integrity;	
	• the practices necessary to take into account the Company's legal obligations and the reasonable expectations of its stakeholders; and	
	• the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	
3.2	Establish a policy concerning diversity and disclose the policy or a summary of that policy which includes requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually the objectives and progress in achieving them.	Yes
3.3	Disclose annually the measurable objectives set for achieving gender diversity and progress towards achieving them.	No
3.4	Disclose annually the proportion of woman employees in the whole organization, women in senior executive positions and women on the board.	No
3.5	Provide the information indicated in the Guide to reporting on principle 3.	Yes
4	Safeguard integrity in financial reporting	
4.1	The board should establish an audit committee.	Yes
4.2	The audit committee should be structured so that it:	
	• consists only of non-executive Directors;	No
	• consists of a majority of independent Directors;	Yes
	• is chaired by an independent chair, who is not chair of the board; and	Yes
	• has at least three members.	Yes

4.3	The audit committee should have a formal charter	Yes
4.4	Provide the information indicated in the Guide to reporting on principle 4.	Yes
5	Make timely and balanced disclosure	
5.1	Establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies.	Yes
5.2	Provide the information indicated in the Guide to reporting on principle 5.	Yes
6	Respect the rights of shareholders	
6.1	Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose the policy or a summary of that policy.	Yes
6.2	Provide the information indicated in the Guide to reporting on principle 6.	Yes
7	Recognise and manage risk	
7.1	Establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Yes
7.2	The board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.	Yes
7.3	The board should disclose whether it had received assurance from the chief executive officer and the chief financial officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Yes
7.4	Provide the information indicated in the Guide to reporting on principle 7.	Yes
8	Remunerate fairly and responsibly	
8.1	The board should establish a remuneration committee.	Yes
8.2	The remuneration committee should be structured so that : - it consists of a majority of independent directors; - it is chaired by an independent director; - has at least three members.	 Yes Yes No
8.3	Clearly distinguish the structure on non-executive Directors' remuneration from that of executive Directors and senior executives.	Yes
8.4	Provide the information indicated in the Guide to reporting on principle 8.	Yes

Council Principle 1: Lay solid foundations for management and oversight

1.1 Role of the Board

The Board's primary role is the protection and enhancement of medium to long term shareholder value. To fulfil this role, the Board is responsible for the overall Corporate Governance of the consolidated entity including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

1.2 Responsibility of the Board

The Board is collectively responsible for promoting the success of the Company by:

- Supervising the Company's framework of control and accountability systems to enable risk to be assessed and managed;
- Ensuring the Company is properly managed;
- Approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestitures;
- Approval of the annual budget;
- Monitoring the financial performance of the Company;
- Approving and monitoring financial and other reporting;
- Overall corporate governance of the Company, including conducting regular reviews of the balance of responsibilities within the Company to ensure division of functions remain appropriate to the needs of the Company;
- Liaising with the Company's external auditors as appropriate; and
- Monitoring, and ensuring compliance with, all of the Company's legal obligations, in particular those obligations relating to the environment, native title, cultural heritage and occupational health and safety.

The Board must convene regular meetings with such frequency as is sufficient to appropriately discharge its responsibilities. Between regular meetings it will also ensure that important matters are addressed by way of circular resolutions. The Board may, from time to time, delegate some of the responsibilities listed above to its senior management team.

1.3 Materiality threshold

The Board has agreed on both quantitative and qualitative guidelines for assessing the materiality of matters. Qualitative indications of materiality would include if:

- They impact on the reputation of the Company;
- They involve a breach of legislation;
- They are outside the ordinary course of business;
- They could affect the Company’s rights to its assets; or
- If accumulated they would trigger the quantitative tests.

1.4 The Chairman

The Chairman is responsible for leadership of the Board, for the efficient organisation and conduct of the Board's function and for the briefing of all directors in relation to issues arising at Board meetings. The Chairman is also responsible for chairing shareholder meetings, and arranging Board performance evaluation.

1.5 The Managing Director

The Managing Director is responsible for running the affairs of the Company under delegated authority from the Board and to implement the policies and strategy set by the Board. In carrying out his/her responsibilities the Managing Director must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company’s financial condition and operational results.

1.6 Role and responsibility of management

The role of management is to support the Managing Director and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board. Management is responsible for reporting all matters which fall within the Materiality Threshold at first instance to the managing director or if the matter concerns the managing director then directly to the chairman or the lead independent director, as appropriate.

1.7 Relationship of Board with management

Management of the day-to-day business of the Company is to be conducted by or under the supervision of the Board, and by those other officers and employees to whom the management function is properly delegated by the Board.

The Board will adopt appropriate structures and procedures to ensure that the Board functions independently of management. Appropriate procedures may involve the Board meeting on a regular basis without management present, or may involve expressly assigning the responsibility for administering the Board's relationship to management to a Committee of the Board.

Information is formally presented to the Board at Board meetings by way of Board reports and review of performance to date. When directors are providing information about opportunities for the Company, this should always be through the Board.

Council Principle 2: Structure the board to add value

The Company presently has two Non-Executive Directors and two Executive Director. Three Directors are independent in accordance with the terms of the ASX Corporate Governance Council’s definition of an independent director. The Chairman (Mr Edwin Stoyle) is a non-executive and independent Director in terms of the ASX Corporate Governance Council’s definition of an independent Director.

The Board considers that its structure has been and continues to be appropriate in the context of the Company’s current projects and operations. The Company considers that each director possesses skills and experience suitable for building the Company. Furthermore, the Board considers that in the current phase of the Company's growth, the Company's shareholders are better served by directors who have a vested interest in the Company. The Board intends to reconsider its composition as the Company's operations evolve, and appoint independent directors as appropriate.

The full Board of Directors performs the role of the nomination committee.

Council Principle 3: Promote ethical and responsible decision-making

The Company complies with this recommendation. The Company has adopted a code of conduct incorporating all corporate executives. It requires all business affairs to be conducted legally, ethically and with integrity. The code provides for reporting of breach of the code by others. The code of conduct has been made available on the Company’s website.

The Board has prepared a diversity policy which includes :

- requirements for the board to establish objectives for achieving gender diversity;
- the annual assessment and measurement of the company against these objectives;
- the annual disclosure of the measurement and progress in achieving the set objectives; and
- the disclosure of the proportion of women employed in the whole organization, women in senior executive positions and women on the board.

Currently there is one woman in the organisation. Other than the board members, there is two employees within the Company. Where applicable, the Company has a broad policy of “outsourcing” immediately.

Council Principle 4: Safeguard integrity in financial reporting

The Company’s Managing Director and Chief Financial Officer (or equivalent) report in writing to the Board that the consolidated financial statements of the Company and its controlled entities for each half and full year present a true and fair view, in all material aspects, of the Company’s financial condition and operational results and are in accordance with accounting standards.

The Company has established an audit committee and the committee fulfills its role by:

- Monitoring the integrity of the financial statements of the Company, and reviewing significant financial reporting judgments.
- Reviewing the Company’s internal financial control system and risk management systems.
- Reviewing the appointment of the external auditor and approving the remuneration and terms of engagement.
- Monitoring and reviewing the external auditor’s independence, objectivity and effectiveness, taking into consideration relevant professional and regulatory requirements.

Council Principle 5: Make timely and balanced disclosure

Compliance procedures for ASX Listing Rule disclosure requirements have been adopted by the Company. It has appointed an officer of the Company to be responsible for compliance.

Council Principle 6: Respect the rights of shareholders

Information will be communicated to shareholders as follows:

- The annual report is distributed to all shareholders. The Board ensures that the annual report includes relevant information about the operations of the consolidated entity during the year, changes in the state of affairs of the consolidated entity and details of future developments, in addition to the other disclosures required by the Corporations Act. The annual report is made available on the Company’s website, and is provided in hard copy format to any shareholder who requests it.

- The half-yearly report contains summarised financial information and a review of the operations of the consolidated entity during the year. The half-year audited financial report is prepared in accordance with the requirements of applicable Accounting Standards and the Corporations Act and is lodged with the Australian Securities Exchange. The half-yearly report is made available on the Company’s website, and is sent to any shareholder who requests it.

- The quarterly report contains summarised cash flow financial information and details about the Company’s activities during the quarter. The quarterly report is made available on the Company’s website, and is sent to any shareholder who requests it.

- Proposed major changes in the consolidated entity which may impact on share ownership rights are submitted to a general meeting of shareholders.

- The Company's website is well promoted to shareholders and shareholders may register to receive updates, either by email or in hard copy.

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the consolidated entity’s strategy and goals. Important issues are presented to the shareholders as resolutions.

The shareholders are requested to vote on the appointment and aggregate remuneration of directors, the granting of options and shares to directors and changes to the constitution. Copies of the constitution are available to any shareholder who requests it.

Company's website

The Company maintains a website at www.nae.net.au

On its website, the Company makes the following information available on a regular and up to date basis:

- Company announcements;
- Latest information briefings;
- Notices of meetings and explanatory materials; and
- Quarterly, half yearly and annual reports.

The website is being continuously updated with any information the directors and management may feel is material. The Company also ensures that the audit partner attends the Annual General Meeting.

Council Principle 7: Recognise and manage risk

The Company has developed an initial framework for risk management and internal compliance and control systems which covers organisational, financial and operational aspects of the Company's affairs. The framework is the subject of ongoing review and yet to be finalised. It appoints the Managing Director and Company Secretary as being responsible for ensuring that the systems are maintained and complied with.

Council Principle 8: Remunerate fairly and responsibly

The Board has established a remuneration committee. The remuneration committee is responsible for administering the remuneration policy adopted by the Company and the remuneration arrangements for Non Executive Directors, executive Directors and executives of the Company.

New Age Exploration Limited
Shareholder information
30 June 2011

The shareholder information set out below was applicable as at 5 September 2011.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares
1 to 1,000	383
1,001 to 5,000	61
5,001 to 10,000	97
10,001 to 100,000	319
100,001 and over	134
	994
Holding less than a marketable parcel	429

	Number of holders of options
1 to 1,000	12
1,001 to 5,000	43
5,001 to 10,000	2
10,001 to 100,000	20
100,001 and over	42
	119
Holding less than a marketable parcel	57

New Age Exploration Limited
Shareholder information
30 June 2011

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
Penleigh Banner Pty Ltd <The Purse Super Fund Account>	12,724,672	13.09
Jervois Mining Limited	5,600,219	5.76
Pand JR Pty Ltd <John Demaria Family Account>	4,572,690	4.70
Stoyle Holdings Pty Ltd <Mayne Motors Super Fund>	3,893,000	4.00
I E Properties Pty Ltd	2,647,576	2.72
Stirling Minerals Limited	2,136,824	2.20
G & N Lord Superannuation Pty Ltd <GNR Superannuation Fund Account>	1,950,000	2.01
Rand Mining NL	1,500,000	1.54
Tribune Resources NL	1,500,000	1.54
Mr Paul James Madden	1,485,000	1.53
Lascorp Development Group (Aust) Pty Ltd	1,313,200	1.35
Mrs Carolina De Maria	1,170,000	1.20
ABN Amro Clearing Sydney Nominees Pty Ltd <Custodian Account>	1,089,724	1.12
Mr Chris Retzos	1,050,000	1.08
Retzos Investments Pty Ltd <Retzos Altona Property Account>	1,042,352	1.07
T E & J Pasias Pty Ltd	1,000,000	1.03
Sanlirra Pty Ltd <The Leo Demaria Family Account>	1,000,000	1.03
Jasper Hill Resources Pty Ltd <Superannuation Account>	979,811	1.01
H Louey Pang & Co Pty Ltd <Demaria Family Account>	950,000	0.98
Mr Glenn Thomas Connor & Mrs <Connor Super Fund>	925,500	0.95
	48,530,568	49.91

	Listed Options	
	Number held	**% of total options issued**
Pand JR Pty Ltd <John Demaria Family Account>	3,433,125	14.74
Cheetah Holdings Pty Ltd	2,000,000	8.58
Stoyle Holdings Pty Ltd <Mayne Motors Super Fund>	1,421,500	6.10
I E Properties Pty Ltd	1,415,925	6.08
Mungala Investments Pty Ltd	1,200,000	5.15
Stirling Minerals Limited	1,142,775	4.91
Nutsville Pty Ltd <Indust Electric Company Superfund Account>	990,000	4.25
Jacobs Corporation Pty Ltd	700,436	3.01
Retzos Investments Pty Ltd <Retzos Altona Property Account>	557,451	2.39
Mr Simon Thomas O'Loughlin	500,000	2.15
Benjay Pty Ltd	500,000	2.15
Brightstar Trading Company Pty Ltd	475,000	2.04
Mr Mark William Tomlinson & Ms Naomi Majella Kelly <Tomlinson Super Fund Account>	445,960	1.91
Jasper Hill Resources Pty Ltd <T Account>	442,353	1.90
T T Nicholls Pty Ltd <Superannuation Account>	418,088	1.79
Mr Michael Frank Manford <No 2 Account>	418,088	1.79
Mr Michael John Zollo & Mrs Katherine Jane Zollo < M&K Zollo Super Fund Account>	400,000	1.72
Mr Kenton Nathaniel Maloney	330,000	1.42
T E & J Pasias Pty Ltd	300,000	1.29
Atlantis MG Pty Ltd <MG Family Account>	300,000	1.29
	17,390,701	74.66

Unquoted equity securities
There are no unquoted equity securities.

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	**% of total shares issued**
Penleigh Banner Pty Ltd <The Purse Super Fund Account>	12,724,672	13.09
Jervois Mining Limited	5,600,219	5.76

	Listed Options	
	Number held	**% of total options issued**
Pand JR Pty Ltd <John Demaria Family Account>	3,433,125	14.74
Cheetah Holdings Pty Ltd	2,000,000	8.58

New Age Exploration Limited
Shareholder information
30 June 2011

Voting rights

The voting rights attached to ordinary shares are set out below:

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

There are no other classes of equity securities.