

**SYRAH RESOURCES LIMITED**  
**ABN 77 125 242 284**

**Financial Report**  
**for the half-year ended 31 December 2007**

**SYRAH RESOURCES LIMITED**  
**ABN 77 125 242 284**

**CORPORATE DIRECTORY**

**Board of Directors**

Tom Eadie (Chairman)  
Alistair Campbell (Managing Director)  
Terry Lees (Exploration Director)

**Company Secretary**

David Ogg

**Place of Business**

Level 9/356 Collins Street  
MELBOURNE VIC 3000  
Ph: 613 9670 7264  
Fax: 613 9642 0698  
Web: www.syrahresources.com.au

**Auditors**

Leydin Freyer Corporate Pty Ltd  
Chartered Accountants  
Suite 304, 22 St Kilda Road  
ST KILDA VIC 3182

**Legal Advisors**

Middletons  
Level 25, 525 Collins Street  
MELBOURNE VIC 3000

**Share Registry**

Security Transfer Registrars Pty Ltd  
Alexandra House  
Suite 1, 770 Canning Highway  
APPLECROSS WA 6153

**Stock Exchange Listing**

Syrah Resources Limited is listed on the Australian Stock Exchange. Home Stock Exchange is Melbourne.  
ASX Code: SYR

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## **DIRECTORS' REPORT**

The Directors of Syrah Resources Limited submit herewith the financial report for the half-year ended 31 December 2007. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

### **DIRECTORS**

The names of the Company's Directors in office during or since the end of the half-year are:

| <b>Name</b>       |                      |
|-------------------|----------------------|
| Tom Eadie         | Chairman             |
| Alistair Campbell | Managing Director    |
| Terry Lees        | Exploration Director |

### **REVIEW OF OPERATIONS**

#### Exploration Activities

Upon listing on the ASX on 11 September 2007, field exploration activities commenced at the Levuka, Munna and Lyndhurst tenements.

At Levuka in northwest Queensland, a proposed 3 hole, 1,000m drilling program to test the Boanda Prospect was delayed by drill rig availability and then postponed due to the onset of the wet season. All drill program planning and clearances with the Mitakoodi People have been completed. The drill program at Levuka is now planned to commence in April 2008.

At Lyndhurst in the North Flinders Ranges, South Australia, field mapping and drill target refinement at the Stones Claim, Nichols Nob, Mt Lyndhurst and White Lead prospects was completed. As a consequence of these reviews a 1,000m drill program was defined for the White Lead and Stones Claim prospects targeting copper mineralisation. Proposed timing for the drilling program is March 2008.

In southeast Queensland at the Munna project, field reviews covered the Mt Suthers-Mt Allen-Kolbar area and Mt Melanie.

No activities occurred at the newly granted Archie-Mackenzie tenements in northwest Queensland.

The Norfolk project tenement applications, also in northwest Queensland, are proceeding through the grant process.

#### Option to Purchase 80% of White Dam Gold Project

In December 2007 Syrah (80%) and RMB Resources Ltd (20%) successfully negotiated an option to acquire Exco Operations (SA), a fully owned subsidiary of Exco Resources (EXS). The principal asset of Exco Operations (SA) is the White Dam Gold Project located in South Australia, 80km west of Broken Hill.

The White Dam Gold Project is an advanced development project containing a mineral inventory of 330,400 ounces of gold, as reported by EXS.

Syrah and RMB Resources were granted an 8 week exclusivity period during which a full due diligence program will be completed. The exclusivity period ended in mid February 2008.

At the end of December 2007, Syrah and RMB Resources had substantially progressed a detailed due diligence study on White Dam utilising an industry consultant team.

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration under s.307C of the *Corporation Act 2001* in relation to the review of the half-year is included on page 5.

Signed in accordance with a resolution of the Directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Alistair Campbell', written in a cursive style.

**Alistair Campbell**  
Managing Director

MELBOURNE

7 March 2008

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the Directors of Syrah Resources Limited:

I declare that to the best of my knowledge and belief, in relation to the Independent Half-year Auditor's Review for the half-year ending 31 December 2007, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.



**MELANIE J LEYDIN**  
Registered Company Auditor  
Registration: 212298

7 March 2008

*"Liability limited by a scheme approved under Professional Standards Legislation"*

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SYRAH RESOURCES LIMITED

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Syrah Resources Limited, which comprises the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity, cash flow statement for the half-year ended on that date, selected explanatory notes and the directors' declaration of the company at the end of the half-year.

#### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matters that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the entity's financial position as at 31 December 2007 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Syrah Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express audit opinion.

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## *Auditor's Independence Declaration*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

## *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Syrah Resources Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the entity's financial position as at 31 December 2007 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Yours faithfully



**MELANIE J LEYDIN**  
Registered Company Auditor  
Registration: 212298

7 March 2008

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**DIRECTORS DECLARATION**

The Directors declare that:

- a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in black ink that reads "Alistair Campbell". The signature is written in a cursive, flowing style.

**Alistair Campbell**  
Managing Director

MELBOURNE

7 March 2008

**SYRAH RESOURCES LIMITED**  
**ABN 77 125 242 284**

**CONDENSED INCOME STATEMENT**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2007**

|  | <b>Half-year<br/>ended<br/>31<br/>December<br/>2007<br/>\$</b> | <b>Half-year<br/>ended<br/>31<br/>December<br/>2006<br/>\$</b> |
|--|--|--|
| Other Revenue                                  | 88,667   | -  |
| Employment expenses                            | (159,278)  | -  |
| Administration expenses                        | (129,391)  | -  |
| Share based payments                           | (170,650)  | -  |
| Exploration costs written off                  | (1,036)  | -  |
| <b>Profit/(loss) before tax for the period</b> | <b>(371,688)</b>   | <b>-</b>   |
| Income tax expense                             | -  | -  |
| <b>Profit/(loss) after tax for the period</b>  | <b>(371,688)</b>   | <b>-</b>   |
|  | <b>Cents per<br/>Share</b>                                     | <b>Cents per<br/>Share</b>                                     |
| <b>Earnings/(Loss) per Share</b>               |  |  |
| Basic Earnings/(Loss) per share                | (1.71)   | -  |
| Diluted Earnings/(Loss) per share              | (1.60)   | -  |

This statement is to be read in conjunction with the notes to the financial statements.

**SYRAH RESOURCES LIMITED**  
**ABN 77 125 242 284**

**CONDENSED BALANCE SHEET**  
**AS AT 31 DECEMBER 2007**

|                                      | <b>31<br/>December<br/>2007<br/>\$</b> | <b>30<br/>June<br/>2007<br/>\$</b> |
|--------------------------------------|--|------------------------------------|
| <b>Current Assets</b>                |  |                                    |
| Cash and cash equivalents            | 3,561,741                              | 200,001                            |
| Trade and other receivables          | <u>22,767</u>                          | <u>-</u>                           |
| <b>Total Current Assets</b>          | <u>3,584,508</u>                       | <u>200,001</u>                     |
| <b>Non Current Assets</b>            |  |                                    |
| Plant and Equipment                  | 4,315                                  | -                                  |
| Exploration Expenditure              | 1,980,303                              | 1,800,000                          |
| Intangible Assets                    | 8,751                                  | -                                  |
| Other non-current assets             | <u>7,500</u>                           | <u>-</u>                           |
| <b>Total Non-Current Assets</b>      | <u>2,000,869</u>                       | <u>1,800,000</u>                   |
| <b>Total Assets</b>                  | <u>5,585,377</u>                       | <u>2,000,001</u>                   |
| <b>Current Liabilities</b>           |  |                                    |
| Trade and other payables             | 40,753                                 | -                                  |
| Borrowings                           | 3,256                                  | -                                  |
| Provisions                           | <u>4,550</u>                           | <u>-</u>                           |
| <b>Total Current Liabilities</b>     | <u>48,559</u>                          | <u>-</u>                           |
| <b>Non Current Liabilities</b>       |  |                                    |
| Borrowings                           | -                                      | 200,000                            |
| Provisions                           | <u>1,102</u>                           | <u>-</u>                           |
| <b>Total Non Current Liabilities</b> | <u>1,102</u>                           | <u>200,000</u>                     |
| <b>Total Liabilities</b>             | <u>49,661</u>                          | <u>200,000</u>                     |
| <b>Net Assets</b>                    | <u>5,535,716</u>                       | <u>1,800,001</u>                   |
| <b>Equity</b>                        |  |                                    |
| Issued Capital                       | 5,736,754                              | 1,800,001                          |
| Reserves                             | 170,650                                |                                    |
| Accumulated profit/(losses)          | <u>(371,688)</u>                       | <u>-</u>                           |
| <b>Total Equity</b>                  | <u>5,535,716</u>                       | <u>1,800,001</u>                   |

This statement is to be read in conjunction with the notes to the financial statements.

**SYRAH RESOURCES LIMITED**  
**ABN 77 125 242 284**

**CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2007**

|                                      | Issued Capital | Retained Earnings | Option Reserve | Total    |
|--------------------------------------|----------------|-------------------|----------------|----------|
| Equity as at 1 July 2006             | -              | -                 | -              | -        |
| Profit/(loss) for the period (a)     | -              | -                 | -              | -        |
| Issue of Shares                      | -              | -                 | -              | -        |
| Costs of Capital Raising             | -              | -                 | -              | -        |
| Cost of share based payments         | -              | -                 | -              | -        |
| <b>Equity as at 31 December 2006</b> | <b>-</b>       | <b>-</b>          | <b>-</b>       | <b>-</b> |

|                                      |                  |                  |                |                  |
|--------------------------------------|------------------|------------------|----------------|------------------|
| Equity as at 1 July 2007             | 1,800,001        | -                | -              | 1,800,001        |
| Profit/(loss) for the period (a)     | -                | (371,688)        | -              | (371,688)        |
| Issue of Shares                      | 4,200,000        | -                | -              | 4,200,000        |
| Costs of Capital Raising             | (263,247)        | -                | -              | (263,247)        |
| Cost of share based payments         | -                | -                | 170,650        | 170,650          |
| <b>Equity as at 31 December 2007</b> | <b>5,736,754</b> | <b>(371,688)</b> | <b>170,650</b> | <b>5,535,716</b> |

(a) Loss for the period equals total recognised income and expense for the period.

This statement is to be read in conjunction with the notes to the financial statements.

**SYRAH RESOURCES LIMITED**  
**ABN 20 119 323 385**

**CONDENSED CASH FLOW STATEMENT**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2007**

|  | <b>Half-year<br/>ended<br/>31<br/>December<br/>2007<br/>\$</b> | <b>Half-year<br/>ended<br/>31<br/>December<br/>2006<br/>\$</b> |
|--|--|--|
| <b>Cash Flows From Operating Activities</b>                  |  |  |
| Receipts from customers                                      | -  | -  |
| Interest received  | 80,096   | -  |
| Payments to suppliers and employees                          | <u>(256,055)</u>   | <u>-</u>   |
| Net cash used in operating activities                        | <u>(175,959)</u>   | <u>-</u>   |
| <b>Cash Flows From Investing Activities</b>                  |  |  |
| Payment for plant and equipment and software                 | (13,471)   | -  |
| Payment for exploration expenditure                          | (181,339)  | -  |
| Payment for deposits paid                                    | <u>(7,500)</u>   | <u>-</u>   |
| Net cash (used in)/provided by investing activities          | <u>(202,310)</u>   | <u>-</u>   |
| <b>Cash Flows From Financing Activities</b>                  |  |  |
| Loans from director related entities                         | 3,256  | -  |
| Proceeds from issue of equity securities                     | 4,000,000  | -  |
| Payment for share issue costs                                | <u>(263,247)</u>   | <u>-</u>   |
| Net cash flows from financing activities                     | <u>3,740,009</u>   | <u>-</u>   |
| <b>Net Increase (Decrease) in cash and cash equivalents</b>  | <b>3,361,740</b>   | <b>-</b>   |
| Cash and cash equivalents at beginning of the half year      | <u>200,001</u>   | <u>-</u>   |
| <b>Cash and cash equivalents at the end of the half year</b> | <b><u>3,561,741</u></b>  | <b><u>-</u></b>  |

This statement is to be read in conjunction with the notes to the financial statements.

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

### **1. SUMMARY OF ACCOUNTING POLICIES**

#### **Statement of compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

#### **Basis of preparation**

The condensed financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are stated below.

#### **(a) Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

#### **(b) Impairment of assets**

At each reporting date, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**1. SUMMARY OF ACCOUNTING POLICIES (CONT)**

**(c) Goods and Services Tax**

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

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

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

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

**(d) Acquisition of Assets**

Assets including plant and equipment and exploration interests acquired are initially recorded at their cost of acquisition on the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

When equity instruments are issued as consideration, their market price at the date of acquisition is used as fair value, except where the notional price at which they could be placed in the market is a better indication of fair value.

**(e) Exploration Expenditure**

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
  - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
  - (b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

### **1. SUMMARY OF ACCOUNTING POLICIES (CONT)**

**(f) Financial Assets**

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Subsequent to initial recognition, investments in subsidiaries are measured at cost in the company financial statements. Subsequent to initial recognition, investments in associates are accounted for under the equity method in the consolidated financial statements and the cost method in the company financial statements.

Other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity investments', 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Interest is recognised by applying the effective interest rate.

**(g) Share-Based Payments**

Equity-settled share-based payments with employees and other providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value is measured by use of a binomial model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the company's estimate of shares that will eventually vest.

**(i) Employee Entitlements**

Provision is made for benefits accruing to employees in respect of wages and salaries and annual leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of wages and salaries and annual leave expected to be settled within 12 months, are measured at their nominal values.

**(j) Revenue**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, stock rotation, price protection, rebates and other similar allowances.

Interest Revenue

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.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**2. SEGMENT INFORMATION**

The company operated predominately as an explorer for base and precious metals, with the emphasis on copper, zinc, uranium and gold exploration and development within Australia.

**3. ISSUE OF EQUITY SECURITIES**

During the half year ended 31 December 2007 Syrah Resources Limited issued 21,000,000 ordinary shares through an initial public offering at an issue price of \$0.20, raising \$4,200,000 before costs.

The company also issued the following options:

- 2,000,000 options at an exercise price of \$0.25 exercisable on or before 31/7/2012. These options were valued using the Black Scholes option valuation methodology and the key assumptions were a 62% volatility rate, a \$0.18 cent market value for the shares, a risk free interest rate of 6% and a term for the options of 5 years. A discount rate of 35% has been applied for vesting hurdles.
- 500,000 options at an exercise price of \$0.25 exercisable on or before 31/7/2012. These options were valued using the Black Scholes option valuation methodology and the key assumptions were a 62% volatility rate, a \$0.18 cent market value for the shares, a risk free interest rate of 6% and a term for the options of 5 years. A discount rate of 25% has been applied for vesting hurdles.

During the 30 June 2007 financial period Syrah Resources Limited issued 9,000,005 ordinary shares at an issue price of \$0.20 raising \$1,800,001.

**4. COMMITMENTS**

**Exploration Tenements – Commitments for Expenditure**

In order to maintain current rights of tenure to exploration tenements, the Company and economic entity is required to outlay rentals and to meet the minimum expenditure requirements of the State Mines Departments. Minimum expenditure commitments may be subject to renegotiation and with approval may otherwise be avoided by sale, farm out or relinquishment. These obligations are not provided in the accounts and are payable:

|   | <b>31<br/>DECEMBER<br/>2007</b> | <b>30<br/>JUNE<br/>2007</b> |
|---|---------------------------------|-----------------------------|
| Not later than 1 year                       | 554,750                         | 365,000                     |
| Later than one year but not later than five | 3,522,250                       | 2,700,000                   |
| Later than 5 years                          | 32,000                          | -                           |
|   | 4,109,000                       | 3,065,000                   |

**5. EVENTS AFTER THE BALANCE SHEET DATE**

There has been no matter or circumstance has arisen since the date of this report which has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years other than:

Syrah Resources Limited advised on 15 February 2008 that it had completed its due diligence on the White Dam Gold Project and as a consequence of this work has decided not to proceed with acquisition.