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*Strategic  
Minerals  
Corporation N.L.*

ABN: 35 008 901 380

INTERIM FINANCIAL REPORT  
FOR THE HALF YEAR ENDED  
30 JUNE 2009

**STRATEGIC MINERALS CORPORATION NL**

**ABN: 35 008 901 380**

**INTERIM FINANCIAL REPORT  
FOR THE HALF YEAR ENDED 30 JUNE 2009**

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# STRATEGIC MINERALS CORPORATION NL

## CORPORATE DIRECTORY

### DIRECTORS:

Claude F Guerre  
Chairman

Wally A C Martin  
Managing Director

Claude Bigeard  
Director

Jay Stephenson  
Director – Appointed 8 August 2009

Roland D Bartsch  
Director - Resigned 26 June 2009

### COMPANY SECRETARY:

Jay Stephenson

### REGISTERED OFFICE:

Suite 4, Level 1  
Roberts Road  
SUBIACO WA 6008

PO Box 66  
FLOREAT FORUM WA 6014

Telephone (08) 9388 8399  
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### AUDITORS:

BDO Kendalls Audit & Assurance  
(WA) Pty Ltd  
128 Hay Street  
SUBIACO WA 6008

### HOME BRANCH:

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Exchange Plaza  
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PERTH WA 6000

ASX Code: SMC

### SHARE REGISTRY:

Securities Transfer Registrars Pty Ltd  
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# STRATEGIC MINERALS CORPORATION NL

## DIRECTORS' REPORT

Your Directors present their financial report on the consolidated entity consisting of Strategic Minerals Corporation NL and the entities it controlled at the end of, or during, the half year ended 30 June 2009.

### 1. Directors

The following persons were directors of Strategic Minerals Corporation NL during the whole of the half year and up to the date of this report:

Mr Claude Guerre	Chairman
Mr Walter AC Martin, Dip. Legal Studies	Managing Director
Mr Claude Bigeard	Non-executive Director
Mr Jay Stephenson, MBA, FCPA, CMA, FCIS, MAICD -Appointed 4 August 2009	Non-executive Director
Mr Roland D Bartsch, B.Sc. (Hons), MSC -Resigned 26 June 2009	Non-executive Director

### 2. Consolidated Results

The net amount of the consolidated loss of the consolidated entity for the half year ended 30 June 2009 after providing for income tax was \$262,561 (30 June 2008: \$432,182).

### 3. Review of Operations

The Company continued its exploration of its Woolgar project in Queensland.

### 4. Significant Changes in the State of Affairs

Mr Roland Bartsch resigned as Joint Managing Director on the 26 June 2009.

Mr Jay Stephenson was appointed as Non-executive Director on 4 August 2009.

There were no other significant changes in the state of affairs of the consolidated entity.

### 5. Events subsequent to balance date

The Company issued 2,500,000 Shares at \$0.04 per share to raise \$100,000 on 17 August 2009.

### 6. Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 15.

This report is made in accordance with a resolution of the Board of Directors.

For and on behalf of the Board.



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WAC MARTIN  
**DIRECTOR**

Perth, Western Australia

Dated this 11<sup>th</sup> Day of September 2009.

**STRATEGIC MINERALS CORPORATION NL**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED 30 JUNE 2009**

	<b>Half Year 30 June 2009 \$</b>	<b>Half Year 30 June 2008 \$</b>
<b>Revenue from Continuing Operations</b>	12,723	107,250
Administration expenses	(79,836)	(74,069)
Employee wages and benefits expenses	(53,118)	(127,338)
Consulting/legal expenses	(80,750)	(97,782)
Depreciation expenses	(14,038)	(16,113)
Finance costs	-	-
Occupancy expenses	(33,367)	(40,167)
Travel expenses	(1,229)	(2,406)
Shareholder costs	(12,954)	(19,786)
Director option expense	-	(161,000)
Other expenses	-	(950)
 (Loss) before income tax	<b>(262,569)</b>	<b>(432,360)</b>
Income tax expense	-	-
 (Loss) for the half-year	<b>(262,569)</b>	<b>(432,360)</b>
 Other Comprehensive Income for the half-year	-	-
 Total Comprehensive Income for the half-year	<b>(262,569)</b>	<b>(432,360)</b>
 Loss is attributed to:		
Equity holders of Strategic Minerals Corporation NL	(262,569)	(432,271)
Non-Controlling Interest	(8)	(89)
	<b>(262,561)</b>	<b>(432,182)</b>
 Total Comprehensive Income for half year is attributable to:		
• Equity holders of Strategic Minerals Corporation NL	(262,569)	(432,271)
• Non controlling interest.	(8)	(89)
	<b>(262,561)</b>	<b>(432,182)</b>
	<b>Cents</b>	<b>Cents</b>
<b>Earnings per Share for Profit from continuing operations attributable to the ordinary equity holders of the Company</b>		
Basic loss per share	(0.001)	(0.31)

Diluted loss per share has not been calculated as it is not considered dilutive.

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

# STRATEGIC MINERALS CORPORATION NL

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2009

	30 June 2009 \$	31 Dec 2008 \$
<b>Current Assets</b>		
Cash and cash equivalents	650,702	764,493
Trade and other receivables	42,380	69,910
<b>Total Current Assets</b>	693,082	834,403
<b>Non-Current Assets</b>		
Property, plant and equipment	88,991	103,029
Exploration and evaluation expenditure	13,529,514	13,466,169
Other non-current assets	76,564	76,564
<b>Total Non-Current Assets</b>	13,695,069	13,645,762
<b>Total Assets</b>	14,388,151	14,480,165
<b>Current Liabilities</b>		
Trade and other payables	36,672	50,245
Interest bearing liabilities	24,908	29,429
Provisions	52,700	54,755
<b>Total Current Liabilities</b>	114,280	134,429
<b>Non-Current Liabilities</b>		
Interest bearing liabilities	-	9,302
<b>Total Non-Current Liabilities</b>	-	9,302
<b>Total Liabilities</b>	114,280	143,731
<b>NET ASSETS</b>		
	14,273,871	14,336,434
<b>Equity</b>		
Contributed equity	34,348,711	34,148,711
Reserves	3,242,272	3,242,272
Accumulated losses	(23,318,739)	(23,056,170)
Capital and Reserves attributable to equity holders of Strategic Minerals Corporation NL	14,272,244	14,334,813
Non-controlling Interest	1,627	1,619
<b>TOTAL EQUITY</b>	14,273,871	14,336,432

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

**STRATEGIC MINERALS CORPORATION NL**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
AS AT 30 June 2009**

	Contributed Equity	Reserves	Retained Earnings	Total	Non Controlling Interest	Total
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 January 2008</b>	32,819,065	3,066,670	(22,273,459)	13,612,276	1,530	13,613,806
Loss for the half year	-	-	(432,271)	(432,271)	(89)	(432,182)
<b>Total Comprehensive Income for the half year</b>	-	-	(432,271)	(432,271)	(89)	(432,182)
<b>Transactions with owners in their capacity as owners.</b>						
Contributions of equity, net of transaction costs	1,379,469	-	-	1,379,469		1,379,469
Share Premium to Reserve	-	14,602	-	14,602		14,602
Employee share options at valuation	-	161,000	-	161,000		161,000
<b>Balance at 30 June 2008</b>	34,198,711	3,242,272	(22,705,730)	14,735,076	1,619	14,736,695
	<b>Contributed Equity</b>	<b>Reserves</b>	<b>Retained Earnings</b>	<b>Total</b>	<b>Non Controlling Interest</b>	<b>Total</b>
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 January 2009</b>	34,148,711	3,242,272	(23,056,170)	14,334,813	1,619	14,336,432
Loss for the half year	-	-	(262,569)	(262,569)	(8)	(262,561)
<b>Total Comprehensive Income for the half year</b>	-	-	(262,569)	(262,569)	(8)	(262,561)
<b>Transactions with owners in their capacity as owners.</b>						
Contributions of equity, net of transaction costs	200,000	-	-	200,000	-	200,000
<b>Balance at 30 June 2009</b>	34,348,711	3,242,272	(23,318,739)	14,272,244	1,627	14,273,871

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

**STRATEGIC MINERALS CORPORATION NL**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE HALF YEAR ENDED 30 JUNE 2009**

	<b>Half Year 30 June 2009 \$</b>	<b>Half Year 30 June 2008 \$</b>
<b>Cash Flows from operating activities</b>		
Payments to suppliers and employees	(249,340)	(714,544)
Payments for deferred expenditure	(63,351)	-
	<hr/>	<hr/>
<b>Net cash outflow from operating activities</b>	(312,691)	(714,544)
	<hr/>	<hr/>
<b>Cash Flows from investing activities</b>		
Payments for investments	-	(65,235)
Interest received	12,723	107,250
	<hr/>	<hr/>
<b>Net cash inflow from investing activities</b>	12,723	42,015
	<hr/>	<hr/>
<b>Cash Flows from financing activities</b>		
Proceeds of capital raising	200,000	1,379,646
Proceeds of new borrowings	-	14,715
Repayment of borrowings	(13,823)	
	<hr/>	<hr/>
<b>Net cash inflow from financing activities</b>	186,177	1,394,361
	<hr/>	<hr/>
<b>Net increase (decrease) in cash and cash equivalents</b>	(113,791)	721,832
Cash and cash equivalent at the beginning of the half year	764,493	1,218,514
	<hr/>	<hr/>
<b>Cash and cash equivalent at the end of the half year</b>	650,702	1,940,346
	<hr/> <hr/>	<hr/> <hr/>

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



# STRATEGIC MINERALS CORPORATION NL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2009

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### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Preparation**

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 31 December 2008 and any public announcements made by Strategic Minerals Corporation NL and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the December 2008 financial report.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

#### **Going Concern**

The financial statements have been prepared on the going concern basis. As at 30 June 2009 the Group had incurred a net loss of \$262,561 and incurred cash outflows from operating activities for the half year ended 30 June 2009 of \$312,691. The Group had net assets of \$14,273,871 and continues to incur expenditure on its exploration tenements drawing on its cash balances. At 30 June 2009, the Group has approximately \$650,702 in cash and cash equivalents. Without raising additional funds or obtaining mining department relief from minimum exploration expenditure commitments, there is significant uncertainty whether the Group will continue as a going concern and therefore whether the Group will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. The directors remain confident that the company will be successful in its fund raising activities and have accordingly prepared the financial report on a going concern basis.

In addition, the ultimate recoupment of costs carried forward for exploration and evaluation is dependent upon the successful development and commercial exploitation or sale of the respective areas of interest.

Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should exploitation of tenements not be successful or the company not continue as a going concern.

#### **Changes in accounting policy**

From 1 January 2009 the Group has adopted the following Standards and Interpretations, mandatory for annual periods beginning on or after 1 January 2009. Adoption of these standards and interpretations did not have any effect on the financial position or performance of the Group. However, the adoption of AASB 8 *Operating Segments* has

## STRATEGIC MINERALS CORPORATION NL

caused to Group to revise its segment reporting. Seen Note 3 for details of reportable segments and applicable accounting policies.

- AASB 2 Revised Vesting Conditions and Cancellations
- AASB 8 Operating Segments
- AASB 101 Revised Presentation of Financial Statements

The following amending standards have also been adopted from 1 January 2009:

- AASB 2007-3 Amendments to Australian Accounting Standards arising out from AASB 8.
- AASB 2007-8 Amendments to Australian Accounting Standards arising out from AASB 101.
- AASB 2008-1 Amendments to Australian Accounting Standards Share based Payments: Vesting Conditions and Cancellations.

## 2. COMMITMENTS

Tenement Commitments

The following expenditure is required to maintain the exploration tenements over which the Company has an interest in:

	<b>30 June 2009</b>
	<b>\$</b>
Not later than one year	903,906
Later than one year but not later than five years	993,013
Later than five years	<u>2,125,586</u>
	<u>4,022,505</u>

The calculation of commitments assumes that all tenements are renewed at the end of each term. If a tenement is not renewed, the level of commitments will decrease.

## 3. SEGMENT INFORMATION

This is the first time the Group has adopted AASB8 Operating Segments. The accounting policies used by the Group in reporting segments are in accordance with the measurement principles of Australian Accounting Standards.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors on a regular basis. Management has identified the operating segments based on the main minerals of the members of the Group.

The two main mineral types of the Group are Uranium and Gold. The Uranium projects are held within the subsidiary Alpha Uranium Pty Ltd and the Gold Projects are held in Strategic Minerals Corporation NL.

**STRATEGIC MINERALS CORPORATION NL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 30 JUNE 2009**

**3. SEGMENT INFORMATION (continued)**

Segment assets include the cost to acquire the tenement and the capitalised exploration costs of those tenements.

<b>30 June 2009</b>	<b>Strategic</b>	<b>Alpha</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
External Sales	-	-	-
<b>Segment Revenue</b>	-	-	-
Interest Income and other revenue			12,723
Total Revenue per Statement of Comprehensive Income			12,723
Segment Result	(272,585)	(2,699)	(275,284)
Reconciliation of segment profit to net profit before tax			
Interest income and other revenue			12,723
Net Loss before tax from continuing operations			(262,561)

<b>30 June 2008</b>	<b>Strategic</b>	<b>Alpha</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
External Sales	-	-	-
<b>Segment Revenue</b>	-	-	-
Interest Income and other revenue			107,250
Total Revenue per Statement of Comprehensive Income			107,250
Segment Result	(558,175)	18,565	(539,610)
Reconciliation of segment profit to net profit before tax			
Interest income and other revenue			107,250
Net Loss before tax from continuing operations			(432,360)

## STRATEGIC MINERALS CORPORATION NL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2009

#### 3. SEGMENT REPORTING (continued)

Total Segment Assets 30 June 2009	Strategic \$	Alpha \$	Total \$
Segment Assets	14,033,940	354,217	14,388,157

Reconciliation of segment assets to consolidated total assets

Deferred tax assets			-
Total assets from continuing operations per balance sheet			14,388,157

Total Segment Assets 31 December 2008	Strategic \$	Alpha \$	Total \$
Segment Assets	14,123,287	356,878	14,480,165

Reconciliation of segment assets to consolidated total assets

Deferred tax assets			-
Total assets from continuing operations per balance sheet			14,480,165

#### 4. SHARE BASED PAYMENTS

There were no share based payments made during the half year.

Set out below are summaries of options granted to directors:

Grant Date	Expiry Date	Exercise Price	Balance at Start of half year NUMBER	Granted during the half year NUMBER	Exercised during the half year NUMBER	Forfeited during the half year NUMBER	Balance at end of half year NUMBER	Vested and exercisable at end of the half year NUMBER
<b>Consolidated and parent entity –for the half year ended 30 June 2009</b>								
6/8/2007	30/6/2010	\$0.20	2,500,000	-	-	-	2,500,000	2,500,000
28/6/2008	30/6/2011	\$0.10	4,000,000	-	-	-	4,000,000	4,000,000
Total			6,500,000	-	-	-	6,500,000	6,500,000
Weighted average exercise price			\$0.138		-	-	\$0.138	\$0.138

# STRATEGIC MINERALS CORPORATION NL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 JUNE 2009

### 4. SHARE BASED PAYMENTS (continued)

Grant Date	Expiry Date	Exercise Price	Balance at Start of half year NUMBER	Granted during the half year NUMBER	Exercised during the half year NUMBER	Forfeited during the half year NUMBER	Balance at end of half year NUMBER	Vested and exercisable at end of the half year NUMBER
<b>Consolidated and parent entity –for the half year ended 30 June 2008</b>								
6/8/2007	30/6/2010	\$0.20	2,500,000	-	-	-	2,500,000	2,500,000
28/6/2008	30/6/2011	\$0.10		4,000,000	-	-	4,000,000	4,000,000
Total			2,500,000	4,000,000	-	-	6,500,000	6,500,000
Weighted average exercise price			\$0.20	\$0.10	-	-	\$0.138	\$0.138

### 5. EVENTS SUBSEQUENT TO REPORTING DATE

The Company issued 2,500,000 Shares at \$0.04 per share to raise \$100,000 on 17 August 2009.

### 6. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

### 7. EQUITY SECURITIES ISSUED

	30 June 2009 Shares	30 June 2008 Shares	30 June 2009 \$	30 June 2008 \$
<b>Issues of ordinary shares during the half year</b>				
Placement on 25 May 2009 at 4 cents	5,000,000		200,000	
Placement on 27 February 2008 at 7 cents		14,285,714		1,000,000
Placement on 6 March 2008 at 7 cents		5,981,571		418,709
	<u>5,000,000</u>	<u>20,267,285</u>	<u>200,000</u>	<u>1,418,709</u>

### 8. RELATED PARTY TRANSACTIONS

There are no significant related party transactions not already identified at the 31 December 2008 year end, other than those outlined in Note 4 of this in the interim financial report.

### 9. DIVIDENDS

There were no dividends declared or paid to shareholders during the half year.

# STRATEGIC MINERALS CORPORATION NL

## DIRECTORS' DECLARATION

In the Directors' opinion:

1. The financial statements and notes set out on pages 5 to 13 are in accordance with the Corporations Act 2001; including:
  - (a) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001, and other mandatory professional reporting requirements; and
  - (b) giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and of its performance for the half year ended on that date.
2. There are reasonable grounds to believe that Strategic Minerals Corporation NL will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors and signed for and on behalf of the directors by:



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WAC Martin  
**DIRECTOR**

Perth, Western Australia  
Dated this 11<sup>th</sup> day of September 2009



BDO Kendalls

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ABN 79 112 284 787

The Directors  
Strategic Minerals Corporation N.L.  
P.O. Box 66  
Floreat Forum  
WA 6014

Dear Sirs

**DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE DIRECTORS OF STRATEGIC MINERALS CORPORATION N.L.**

As lead auditor for the review of Strategic Minerals Corporation N.L. for the half-year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Strategic Minerals Corporation N.L. and the entities it controlled during the period.

BDO Kendalls

Chris Burton  
Director

BDO Kendalls

BDO Kendalls Audit & Assurance (WA) Pty Ltd  
Perth, Western Australia and 11 September 2009



BDO Kendalls

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## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS STRATEGIC MINERALS CORPORATION N.L.**

### **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Strategic Minerals Corporation N.L., which comprises the statement of financial position as at 30 June 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, and other selected explanatory notes and the directors' declaration.

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

The directors of the disclosing entity 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 establishing and maintaining internal controls 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 Interim and Other Financial Reports 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 matter 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 disclosing entity's financial position as at 30 June 2009 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 Strategic Minerals Corporation N.L., 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 an audit opinion.



## Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* would be in the same terms if it had been given to the directors at exactly the same time that this auditor's review report was made.

## 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 Strategic Minerals Corporation N.L and it's controlled entities is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the disclosing groups financial position as at 30 June 2009 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and Corporations Regulations 2001.

## Basis Material Uncertainty Regarding Continuation as a Going Concern

Without qualifying our conclusion, we draw attention to Note 1 in the interim financial report which indicates that Strategic Minerals Corporation N.L incurred a net loss of \$262,561 during the half year ended 30 June 2009. The group will be required to seek additional funding through equity raisings to continue its exploration and evaluation activities in addition to undertaking cost reduction strategies relating to its exploration expenditure. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the group ability to continue as a going concern and therefore whether it will be able to realise its assets and liabilities in the normal course of business at the values carried in the financial statements.

## BDO Kendalls Audit & Assurance (WA) Pty Ltd

BDO Kendalls



**Chris Burton**  
Director

Perth, Western Australia  
Dated this 11<sup>th</sup> day of September 2009