

FORM: Half yearly/preliminary final report

Name of issuer

Florin Mining Investment Company Limited

ACN or ARBN	Half yearly (tick)	Preliminary final (tick)	Half year/financial year ended (‘Current period’)
111 170 882		<input checked="" type="checkbox"/>	30th June 2007

For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

					\$A
Operating Revenue (item 1.1)	UP	169%	To		1,567,480
Operating Profit (loss) before abnormal items and tax	UP	161%	To		1,049,960
Operating Profit (loss) for the period after tax but before minority equity interests (item 1.9)	UP	178%	To		827,290
Profit (loss) for the period attributable to security holders (item 1.11)	UP	178%	to		827,290
Income Distributions				Current period	Previous corresponding period
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:					

Annual meeting
(Preliminary final statement only)

The annual meeting will be held as follows:

Place

TBA

Date

Time

Approximate date the annual report will be available

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does give a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:


The financial statements have been audited.

The financial statements have been subject to review by a registered auditor (or overseas equivalent).

The financial statements are in the process of being audited or subject to review.

The financial statements have *not* yet been audited or reviewed.

5. If the accounts have been or are being audited or subject to review and the audit report is not attached.
6. The *issuer* has a formally constituted audit committee.

Sign here: .....
.....
(Company secretary)

Date: 13/9/07

Print name: Brett Hall

FLORIN MINING INVESTMENT COMPANY LIMITED

INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
Income from investment portfolio	2	8,994	5,012
Income from trading portfolio	2	1,500,599	576,881
Income from deposits		4,785	1,368
Total income from ordinary activities		1,567,480	583,261
Administration expenses			(51,757)
Borrowing costs expense		(4,321)	(1,477)
Management fees		(28,399)	(13,514)
Performance fees		(404,956)	(113,978)
Operating profit before income tax and realised gains/(losses) on the investment portfolio	3	1,049,960	402,535
Income tax (expense)/credit relating to ordinary activities *	4	300,681	(109,658)
Operating profit before realised gains/(losses) on the investment portfolio		749,279	292,877
Realised gains/(losses) on the investment portfolio		111,444	6,798
Income tax (expense)/credit thereon *	4	(33,433)	(2,039)
Net realised gains on investment portfolio		78,011	4,759
Profit attributable to members of the company		827,290	297,636
 Overall Operations			
Basic earnings per share (cents per share)	7	9.52	5.80
Diluted earnings per share (cents per share)	7	9.52	5.80
* Total tax expense / (benefit)		334,114	111,697

The accompanying notes form part of these financial statements.

FLORIN MINING INVESTMENT COMPANY LIMITED

BALANCE SHEET AS AT 30 JUNE 2007

	Note	2007 \$	2006 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	262,886	26,394
Trade and other receivables	9	132,808	108,247
Trading Portfolio	10	3,179,687	1,022,457
Other	11	180,225	14,686
TOTAL CURRENT ASSETS		3,755,606	1,171,784
NON-CURRENT ASSETS			
Investment Portfolio	12	1,178,749	458,633
Deferred tax assets	13	114,500	20,192
TOTAL NON-CURRENT ASSETS		1,293,249	478,825
TOTAL ASSETS		5,048,855	1,650,609
LIABILITIES			
CURRENT LIABILITIES			
Payables	14	642,536	126,923
Borrowings	15	147,912	26,734
Current tax liabilities	16	-	83,201
TOTAL CURRENT LIABILITIES		790,448	236,858
NON-CURRENT LIABILITIES			
Deferred tax liabilities	17	618,100	61,041
TOTAL NON-CURRENT LIABILITIES		618,100	61,041
TOTAL LIABILITIES		1,408,548	297,899
NET ASSETS		3,640,307	1,352,710
EQUITY			
Contributed equity	18	2,416,174	977,073
Reserves	19	530,998	136,829
Retained earnings		693,134	238,808
TOTAL EQUITY		3,640,307	1,352,710

The accompanying notes form part of these financial statements.

FLORIN MINING INVESTMENT COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

	Note	Issued Capital	Retained Profits	Capital Profits Reserve	Investment Revaluation Reserve	Total
		\$	\$	\$	\$	\$
Balance at 1 July 2005		977,073	(54,070)	-	11,773	934,776
Profit / (Loss) for the year		-	297,636	-	-	297,636
Revaluation of investment portfolio (net of tax)	19b	-	-	-	120,298	120,298
Transfers between reserves	19a	-	(4,758)	4,758	-	-
Balance at 30 June 2006		<u>977,073</u>	<u>238,808</u>	<u>4,758</u>	<u>132,071</u>	<u>1,352,710</u>
Balance at 1 July 2006		977,073	238,808	4,758	132,071	1,352,710
Issued shares		1,329,726	-	-	-	1,329,726
Dividends paid and dividend reinvestment plan	6 & 17	109,375	(287,406)	-	-	(178,031)
Profit/(Loss) for the year		-	741,733	-	-	741,733
Revaluation of investment portfolio (net of tax)	19b	-	-	-	316,158	315,158
Transfers between reserves	19a	-	(78,011)	78,011	-	-
Balance at 30 June 2007		<u>2,416,174</u>	<u>693,135</u>	<u>82,769</u>	<u>448,229</u>	<u>3,640,307</u>

The accompanying notes form part of these financial statements.

FLORIN MINING INVESTMENT COMPANY LIMITED

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Sales from trading portfolio		1,712,437	1,529,484
Purchases for trading portfolio		(2,439,333)	(1,532,212)
Dividends received		59,912	39,570
Interest received		8,124	2,015
Sub underwriting fees received		4,400	-
Other Receipts		19,835	-
		634,626	38,857
Administration expenses		(79,345)	(52,624)
Bank charges		(827)	(403)
Borrowing costs		(4,214)	(1,025)
Management fees		(27,402)	(12,964)
Performance fees		(113,978)	-
Income tax paid		(83,111)	-
Other payments		(10,468)	(2,073)
Net cash (used in) operating activities	21	(953,972)	(30,232)
CASH FLOWS FROM INVESTING ACTIVITIES			
Sales from investment portfolio		300,573	243,232
Purchases for investment portfolio		(394,263)	(276,452)
Net cash (used in) investing activities		(93,690)	(33,220)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		1,369,062	-
Capital raising costs		(21,704)	-
Proceeds from borrowings		337,728	135,444
Repayment of borrowings		(194,074)	(131,738)
Dividends paid		184,281	-
Net cash provided by financing activities		1,306,731	(3,706)
Net increase (decrease) in cash held		259,069	(59,746)
Cash at beginning of financial year		3,818	63,564
Cash at end of financial year	8	262,886	3,818

The accompanying notes form part of these financial statements.

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Florin Mining Investment Company Limited is a listed public company, incorporated and domiciled in Australia.

The financial report of Florin Mining Investment Company Limited as an individual entity comply with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

First-time Adoption of Australian Equivalents to International Financial Reporting Standards

Florin Mining Investment Company Limited as an individual entity has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (AIFRS) from 1 July 2005.

Judgements made by management in the application of AIFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

In accordance with the requirements of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments to the accounts resulting from the introduction of AIFRS have been applied retrospectively to 2005 comparative figures excluding cases where optional exemptions available under AASB 1 have been applied. These accounts are the first financial statements of Florin Mining Investment Company Limited to be prepared in accordance with Australian equivalents to IFRS.

Reconciliations of the transition from previous Australian GAAP to AIFRS have been included in Note 27 to this report.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007 (CONTINUED)

Accounting Policies

a. Investment and Trading Portfolios

(i) Balance Sheet classification

The Company has two portfolios of securities, the investment portfolio and the trading portfolio.

The investment portfolio relates to holdings of securities which the directors intend to retain on a long-term basis.

The trading portfolio comprises securities held for short term trading purposes.

The investment portfolio is classified as a 'non-current asset', whereas the trading portfolio is classified as a 'current asset'.

Ordinary securities within the investment portfolio are classified as 'assets available for sale', whilst securities within the trading portfolio are classified as 'assets measured at fair value through the Income Statement'.

(ii) Valuation of investment portfolio

Securities, including listed and unlisted shares and notes and options, are initially brought to account at cost, which is the cost of acquisition including transaction costs, and are revalued to market values continuously. Increments and decrements on Ordinary Securities are taken to the Investment Revaluation Reserve while it has a credit balance in total, otherwise they are included in Profit from ordinary activities before income tax expense.

Where disposal of an investment occurs any revaluation increment or decrement relating to it is transferred from the Investment Revaluation Reserve to the Income Statement. Subsequently, any revaluation or decrement to the extent of a capital profits reserve balance relating to the disposal of an investment is transferred to the Capital Profits Reserve.

(iii) Valuation of trading portfolio

Securities, including listed and unlisted shares and notes, are initially brought to account at cost which is the cost of acquisition including transaction costs and are revalued to market values continuously.

Increments and decrements on the value of securities in the trading portfolio are taken directly through to the Income Statement.

(iv) Determination of market value

Market value for the purposes of valuing holdings of securities is determined by reference to market prices prevailing at balance date, predominantly last sale price, where the securities are traded on an organised market. Where a security is not so traded, its fair value is determined by the Directors.

(v) Income from holdings of securities

Distributions relating to listed securities are recognised as income when those securities are quoted ex-distribution basis and distributions relating to unlisted securities are recognised as income when received. If the distributions are capital returns on ordinary securities the amount of the distribution is treated as an adjustment to the carry value of the securities.

b. Fair Value of Financial Assets and Liabilities

The fair value of cash and cash equivalents, and non-interest bearing monetary financial assets and liabilities of the Company approximates their carrying value.

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007 (CONTINUED)

c. **Income Tax**

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

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

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

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

d. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

e. **Initial Public Offer Costs**

The costs incurred in the establishment of the Company and its subsequent initial public offer have been charged directly against contributed equity.

f. **Goods and Services Tax (GST)**

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

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

g. **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

h. **Foreign Currency Transactions and Balances**

Foreign currency transactions during the year are converted to Australian currency using the exchange rates applicable at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are converted at the rates of foreign exchange ruling at that date.

i. **Borrowings**

The Company is party to an agreement under which BT Securities Limited have agreed to accept listed securities beneficially held by the Company as security under the loan facility.

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007 (CONTINUED)

NOTE 2: REVENUE

	Note	2007 \$	2006 \$
a. Income from Investment Portfolio			
— dividends received		8,994	5,012
Total Income from Investment Portfolio		8,994	5,012
 b. Income from Trading Portfolio			
— sales revenue		1,750,877	1,576,277
— cost of sales		(250,278)	(1,034,270)
— Net gains/(losses) from trading portfolio sales		1,500,599	542,007
— dividends received		49,102	34,874
Total Income from Trading Portfolio		1,549,701	576,881
 c. Income from deposits			
— interest income		4,785	1,368
Total income from deposits		4,785	1,368
Total Revenue		1,563,480	583,261

NOTE 3: PROFIT FOR THE YEAR

	Note	2007 \$	2006 \$
Operating profit before income tax has been determined after:			
Expenses			
Administration expenses		71,449	46,346
Bank expenses		821	412
Borrowing costs		4,321	1,477
Listing fees		7,574	5,000
Management fees		28,399	13,513
Performance fees		404,956	113,978
Profit/(loss) from operating activities before income tax and realised gains on the investment portfolio		1,049,960	402,535

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007 (CONTINUED)

NOTE 4: INCOME TAX EXPENSE

	Note	2007 \$	2006 \$
a. The components of tax expense comprise:			
Current tax provision		-	83,201
(Increase) / decrease in deferred tax assets - other		(94,234)	28,496
Increase / (decrease) in deferred tax liabilities		428,348	-
		334,114	111,697
 b. The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:			
Operating profit / (loss) before income tax expense and realised gains on investment portfolio		1,049,960	402,535
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2005: 30%)		314,988	120,761
Add:			
Tax effect of:			
— Imputation gross-up on dividends received		6,131	4,758
— Franking credits on dividends received		(20,438)	(15,861)
Income tax expense on operating profit before realised gains on investment portfolio		300,681	109,658
Realised gains (losses) on investment portfolio		111,444	6,797
Prima facie tax payable (credit) calculated at 30% (2006: 30%)		33,433	2,039
Income tax expense (credit) on realised gains (losses) on investment portfolio		33,433	2,039
Total income tax expense (credit)		334,114	111,697
 c. Amounts recognised directly in equity			
Increase / (decrease) in deferred tax liabilities relating to capital gains on the increase in unrealised gains on securities in the investment portfolio		135,570	51,496
(Increase) / decrease in deferred tax assets relating to capital losses on the increase in unrealised losses on securities in the investment portfolio		(74)	88
		135,496	51,557

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007 (CONTINUED)

NOTE 5: AUDITORS' REMUNERATION

	2007	2006
Note	\$	\$
Remuneration of the auditor of the company for:		
Forsythes		
— auditing or reviewing the financial report	6,500	6,300

NOTE 6: DIVIDENDS

	2007	2006
Note	\$	\$
a. Dividends Paid or Declared		
Fully franked ordinary dividend of 1 cent per share paid on 5 November 2006		
	68,395	
Fully franked ordinary special dividend of 2 cents per share paid on 7 January 2007.		
	219,011	
Total dividends paid or declared in the financial year	287,406	-
b. Franking Account		
Balance of franking account at year end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables and it does not reflect the impact of dividends declared after balance date.		
	-	99,383

NOTE 7: EARNINGS PER SHARE

	2007	2006
Note	Number	Number
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	8,691,999	5,127,502
Weighted average number of options outstanding	11,458,362	10,255,000
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive earnings per share	8,691,999	5,127,502
a. Basic and diluted earnings per share		
Profit / (Loss) attributable to members of the company	827,290	297,635
	Cents	Cents
Basic earnings per share including realised gains(losses) on the investment portfolio	9.52	5.80
Diluted earnings per share including realised gains(losses) on the investment portfolio	9.52	5.80

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007 (CONTINUED)

NOTE 7: EARNINGS PER SHARE (CONTINUED)

b. Basic and diluted operating earnings per share excluding realised gains/(losses) on the investment portfolio	Note	2007 \$	2006 \$
Operating profit before realised gains/(losses) on the investment portfolio		749,279	292,877
		Cents	Cents
Basic operating earnings per share excluding realised gains/(losses) on the investment portfolio		8.62	5.71
Diluted operating earnings per share excluding realised gains/(losses) on the investment portfolio		8.62	5.71
		Number	Number
c. Classification of securities			
The following potential ordinary shares are not dilutive and therefore excluded from the weighted average number of ordinary shares for the purposes of dilutive earnings per share:			
- Options outstanding		14,560,870	10,255,000

NOTE 8: CASH AND CASH EQUIVALENTS

	Note	2007 \$	2006 \$
Cash at bank and in hand		252,970	-
Deposits at call		9,916	26,394
		262,886	26,394

The effective interest rate on deposits at call was 5.36% (2006: 4.80%).

The credit risk exposure of the Company in relation to cash and deposits is the carrying amount and any accrued unpaid interest.

Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	262,886	26,394
Bank overdrafts	-	(22,567)
	262,886	3,818

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007 (CONTINUED)

NOTE 9: TRADE AND OTHER RECEIVABLES

	Note	2007 \$	2006 \$
CURRENT			
Outstanding settlements – investment portfolio		-	58,120
Outstanding settlements – trading portfolio		85,194	46,752
Other debtors		47,614	3,375
		132,808	108,247

Receivables are non-interest bearing and unsecured.

The credit risk exposure of the Company in relation to receivables is the carrying amount.

NOTE 10: TRADING PORTFOLIO

	Note	2007 \$	2006 \$
CURRENT			
Listed investments, at market value			
- Shares		2,972,895	979,907
- Options		206,792	42,550
		3,179,687	1,022,457

NOTE 11: OTHER ASSETS

	Note	2007 \$	2006 \$
New security issue applications		180,000	14,461
Prepayments		225	225
		180,225	14,686

NOTE 12: INVESTMENT PORTFOLIO

	Note	2007 \$	2006 \$
NON-CURRENT			
Listed investments, at market value			
- Fixed interest securities		-	25,200
- Shares		1,169,199	3,850
- Options		9,550	429,583
		1,178,749	458,633

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007 (CONTINUED)

NOTE 13: DEFERRED TAX ASSETS

	Note	2007 \$	2006 \$
Deferred tax asset			
The deferred tax asset is made up of the following estimated tax benefits:			
- Timing differences		114,500	20,192
		114,500	20,192

NOTE 14: PAYABLES

	Note	2007 \$	2006 \$
CURRENT			
Sundry creditors and accrued expenses		642,536	126,923
		642,536	126,923

NOTE 15: BORROWINGS

	Note	2007 \$	2006 \$
CURRENT			
Overdraft		-	22,576
Short-term borrowings - secured		147,912	4,158
		147,912	26,734

The above short-term borrowings are secured by listed securities held in the company's investment and trading portfolio's, whilst the overdraft is unsecured. Repayment of the facility is done either through the use of cash received from dividends and distributions or the sale of securities.

NOTE 16: TAX LIABILITIES

	Note	2007 \$	2006 \$
CURRENT			
Income tax payable		-	83,201
		-	83,201

NOTE 17: DEFERRED TAX LIABILITIES

	Note	2007 \$	2006 \$
NON-CURRENT			
Provision for deferred income tax attributable to:			
- Deferred capital gains tax		618,100	61,041
		618,100	61,041

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007 (CONTINUED)

NOTE 18: CONTRIBUTED EQUITY

	Note	2007 \$	2006 \$
13,216,306 (2006: 5,127,502) fully paid ordinary shares	18a	2,416,174	977,073
a. Ordinary shares			
At the beginning of reporting period		977,073	-
Shares issued during the year			
- 2 on 29 September 2004		-	1
- 5,127,500 on 3 February 2005		-	1,025,499
- 1,712,000 on 15 November 2006		430,250	-
- 2,580,000 on 15 December 2006		516,000	-
- 1,531,055 on 24 December 2006		31,,205	-
- 372,285 on 31 January 2007		78,170	-
- 747,084 on 31 May 2007		164,358	-
- 1,146,380 on 30 June 2007		252,204	-
Transaction costs relating to share issues		(33,086)	(48,427)
At the end of reporting period		2,416,174	977,073

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

b. Options

On 7 May 2007, 5,661,442 Series C Options were granted to the holders of ordinary shares at an exercise price of \$0.40 each. The option is exercisable on or before 15 December 2008.

At 30 June 2007 there were 14,560,870 (2006:10,255,000) unissued ordinary shares for which options were outstanding. The options carry no rights to dividends and no voting rights.

NOTE 19: RESERVES

	Note	2007 \$	2006 \$
Capital profits	19a	78,011	4,758
Investment revaluation	19b	316,157	132,071
		394,168	136,829
19a. Capital Profits Reserve			
Movements During the Year			
Opening balance		4,758	-
Transfer (to) / from retained earnings		78,010	4,758
Closing Balance		82,768	4,758

The capital profits reserve records capital profits made upon the sale of investments in the Company's investment portfolio.

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007 (CONTINUED)

NOTE 19: RESERVES (CONTINUED)

	Note	2007 \$	2006 \$
19b. Investment Revaluation Reserve			
Movements During the Year			
Opening balance		132,071	11,773
Revaluation of the investment portfolio (net of tax)		316,158	120,298
Closing Balance		448,229	132,071

The investment revaluation reserve records revaluations of the Company's investment portfolio

NOTE 20: SEGMENT REPORTING

The Company operates in one business segment, being that of a listed investment company. The Company operates from Australia only and therefore has only one geographical segment. However the Company has investment exposures in different countries which are shown below. The Company invests in securities listed on overseas stock exchanges. Details of the geographical exposures are as follows:

2007	Revenue \$	Unrealised Gains \$	Market Value \$	Portfolio %
Australia	59,095	1,271,396	4,147,067	94.93
Canada	-	(2,066)	14,700	0.34
United States of America	-	57,947	196,670	4.51
Sub Total	59,095	1,331,409	4,358,437	99.78
Cash	4,785	-	9,916	0.22
Total	62,880	1,331,409	4,368,353	100.00

2006	Revenue \$	Unrealised Gains \$	Market Value \$	Portfolio %
Australia	39,886	374,959	1,276,111	84.65
Canada	-	11,165	23,800	1.58
New Zealand	-	(13,374)	19,710	1.31
United States of America	-	39,167	161,470	10.71
Sub Total	39,886	411,917	1,481,091	98.25
Cash	1,368	-	26,394	1.75
Total	41,254	411,917	1,507,485	100.00