

Preliminary Final Report

MONO RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

ABN: 38 131 715 645

Preliminary Financial Report for the period ended 30 June 2009

For announcement to the market

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

				\$A,000
Revenue (item 1.1)	up/down	100%	to	263
Profit (loss) for the period (item 1.9)	up/down	100%	to	2,017
Profit (loss) for the period attributable to security holders (item 1.11)	up/down	100%	to	2,017
Income Distributions		Current period	Previous corresponding period	
N/A		NIL	NIL	
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
No Bonus or Cash issues made for the period ended 30 June 2009.				

Consolidated income statement *(The figures are not equity accounted)**(see note 3)**(In accordance with paragraphs 81-85 and 88-94 of AASB 101: Presentation of Financial Statements)*

	Current period - \$A'000	Previous corresponding period - \$A'000
1.1 Revenues <i>(item 7.1)</i>	2,601	-
1.2 Expenses, excluding finance costs <i>(item 7.2)</i>	(584)	-
1.3 Finance costs	-	-
1.4 Share of net profits (losses) of associates and joint ventures <i>(item 15.7)</i>	-	-
1.5 Profit (loss) before income tax	2,017	-
1.6 Income tax expense <i>(see note 4)</i>	-	-
1.7 Profit (loss) from continuing operations	2,017	-
1.8 Profit (loss) from discontinued operations <i>(item 13.3)</i>	-	-
1.9 Profit (loss) attributable to security holders for the period	2,017	-
1.10 Basic earnings per security <i>(item 9.1)</i>	5.17 cents	-
1.11 Diluted earnings per security <i>(item 9.1)</i>	5.17 cents	-
1.12 Distribution per security <i>(item 9.1)</i>	NIL	-

Comparison of half-year profits*(Preliminary final statement only)*

	Current period - \$A'000	Previous corresponding period - \$A'000
2.1 Consolidated profit (loss) after tax attributable to security holders reported for the 1st half year <i>(item 1.11 in the half yearly statement)</i>	N/A	N/A
2.2 Consolidated profit (loss) after tax attributable to security holders for the 2nd half year	2,017	N/A

Consolidated balance sheet

(See note 5)

(as per paragraphs 68-69 of AASB 101: Financial Statement Presentation)

Current assets		Current period - \$A'000	Previous corresponding period - \$A'000
3.1	Cash and cash equivalents	2,581	-
3.2	Trade and other receivables	84	-
3.3	Inventories	-	-
3.4	Other current assets (provide details if material)	8	-
3.5	Total current assets	2,673	-
Non-current assets			
3.6	Available for sale investments	42	-
3.7	Other financial assets	-	-
3.8	Investments in associates	-	-
3.9	Deferred tax assets	-	-
3.10	Exploration and evaluation expenditure capitalised (see para. 71 of AASB 1022 – new standard not yet finalised)	2,219	-
3.11	Development properties (mining entities)	-	-
3.12	Property, plant and equipment (net)	939	-
3.13	Investment properties	-	-
3.14	Goodwill	-	-
3.15	Other intangible assets	-	-
3.16	Other (provide details if material)	14	-
3.17	Total non-current assets	3,214	-
3.18	Total assets	5,887	-
Current liabilities			
3.19	Trade and other payables	144	-
3.20	Short term borrowings	8	-
3.21	Current tax payable	-	-
3.22	Short term provisions	-	-
3.23	Current portion of long term borrowings	-	-
3.24	Other current liabilities (provide details if material)	8	-
		-	-
3.25	Liabilities directly associated with non-current assets classified as held for sale (para 38 of AASB 5)	-	-
3.26	Total current liabilities	160	-

Non-current liabilities			-
		Current period - \$A'000	Previous corresponding period - \$A'000
3.27	Long-term borrowings	448	-
3.28	Deferred tax liabilities	-	-
3.29	Long term provisions	-	-
3.30	Other (provide details if material)	-	-
3.31	Total non-current liabilities	448	-
3.32	Total liabilities	608	-
3.33	Net assets	5,279	-
Equity			
3.34	Share capital	3,255	-
3.35	Other reserves	8	-
3.36	Retained earnings	2,016	-
3.37	Total equity	5,279	-

Consolidated statement of changes in equity

(as per paragraphs 96-97 of AASB 101: Presentation of Financial Statements)

	Current period – A\$'000	Previous corresponding period – A\$'000
Revenues recognised directly in equity:		
- Gain on acquisition of assets	2,338	-
- Proceeds from disposal of investments	183	-
- Interest income	80	-
Expenses recognised directly in equity:		
- Consultants	(156)	-
- Director fees	(113)	-
- Administration	(60)	-
- Marketing	(18)	-
- Other	(237)	-
4.1 Net income recognised directly in equity	2,017	-
4.2 Profit for the period	2,017	-
4.3 Total recognised income and expense for the period	2,017	-
4.4 Effect of changes in accounting policy (as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors):	NIL	NIL

Consolidated statement of cash flows

(See note 6)

		Current period - \$A'000	Previous corresponding period - \$A'000
	Cash flows related to operating activities		-
5.1	Receipts from customers	-	-
5.2	Payments to suppliers and employees	(672)	-
5.3	Interest and other costs of finance paid	79	-
5.4	Income taxes paid	-	-
5.5	Other (provide details if material)	16	-
5.6	Net cash used in operating activities	(577)	-
	Cash flows related to investing activities		-
5.7	Payments for purchases of property, plant and equipment	-	-
5.8	Proceeds from sale of property, plant and equipment	8	-
5.9	Payment for purchases of equity investments - subsidiary	(1,960)	-
5.9	Payments for purchases of investments	(112)	-
5.10	Proceeds from sale of equity investments	183	-
5.14	Dividends received	-	-
5.15	Other – payments for development costs	(250)	-
5.16	Net cash used in investing activities	(2,131)	-
	Cash flows related to financing activities		-
5.17	Proceeds from issues of securities (shares, options, etc.) - subsidiary	1,960	-
5.17	Proceeds from issues of securities (shares, options, etc.)	3,255	-
5.18	Proceeds from borrowings	53	-
5.19	Repayment of borrowings	-	-
5.20	Distributions paid	-	-
5.21	Other (provide details if material)	-	-
5.22	Net cash used in financing activities	5,268	-
	Net increase (decrease) in cash and cash equivalents	2,560	-
5.23	Cash at beginning of period (see <i>Reconciliations of cash</i>)	-	-
5.24	Net cash acquired	21	-
5.24	Exchange rate adjustments to item 5.23	-	-
5.25	Cash at end of period (see <i>Reconciliation of cash</i>)	2,581	-

Reconciliation of cash provided by operating activities to profit or loss

(as per paragraph Aus20.1 of AASB 107: Cash Flow Statements)

	Current period \$A'000	Previous corresponding period \$A'000
6.1 Profit <i>(item 1.9)</i>	2,017	-
Adjustments for:		-
6.2 Gain on acquisition	(2,338)	-
6.3 Depreciation	20	-
6.4 Retained earnings adjustment pre acquisition	6	-
Gain on sale of shares in investments	(95)	-
6.5 Increase/decrease in provisions	8	-
6.6 Increase/decrease in receivables	(3)	-
6.7 Increase/decrease in payables	(192)	-
6.10 Net cash from operating activities <i>(item 5.6)</i>	(577)	-

The reconciliation of cash provided by operating activities to profit has been derived using movements in the subsidiary balances from the date of acquisition to balance date.

Notes to the financial statements

Details of revenues and expenses

(see note 16)

(Where items of income and expense are material, disclose nature and amount below in accordance with paragraphs 86-87 of AASB 101: Presentation of Financial Statements)

		Current period - \$A'000	Previous corresponding period - \$A'000
	Revenue		
	- Interest revenue	80	-
	- Proceeds from disposal of equity investments	183	-
	- Gain on acquisition of assets	2,338	-
7.1	Total Revenue	<u>2,601</u>	-
	Expenses		
	- Carrying value of equity investments sold	(88)	-
	- Marketing Costs	(18)	-
	- Director's fees	(113)	-
	- Professional fees	(156)	-
7.2	- Administration expenses	(60)	-
	- Other expenses	(149)	-
	Total Expenses	(584)	-
	Profit (loss) before tax	<u>2,017</u>	-

	Ratios	Current period	Previous corresponding period
	Profit before tax / revenue		
8.1	Consolidated profit (loss) before tax (item 1.5) as a percentage of revenue (item 1.1)	77.55%	-
	Profit after tax / equity interests		
8.2	Consolidated profit (loss) after tax attributable to security holders (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 3.37)	38.21%	-

Earnings per Security

9.1

Earnings per share have been calculated using a weighted average number of shares for the year of 38,995,976, and earnings of \$2,017,767. .

Diluted earnings per share have been calculated using a weighted average number of shares for the year of 38,995,976, and earnings of \$2,017,767. .

There are no outstanding instruments which could dilute the earnings per share in the future.

No ordinary share transactions or potential ordinary share transactions took place after the reporting date that would have changed significantly the number of ordinary shares or potential ordinary shares outstanding at the end of the period if those transactions had occurred before the end of the reporting period.

Income distributions

10.1 Date the income distribution is payable

N/A

10.2 Record date to determine entitlements to the income distribution (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by 'End of Day' if a proper ASTC/CHESS transfer)

N/A

10.3 The *distribution plans* shown below are in operation.

Not Applicable

The last date(s) for receipt of election notices to the *distribution plans*

N/A

10.4 Any other disclosures in relation to *distributions*

Not Applicable

Distributions paid or provided for on all securities

(as per paragraph Aus126.4 AASB 101: Presentation of Financial Statements)

		Current period - \$A'000	Previous corresponding period - \$A'000	Franking rate applicable
Distributions paid or provided for during the reporting period				
10.5	Current year interim	-	-	-
10.6	Previous year final	-	-	-

Distributions per security

(as per paragraph Aus126.4 of AASB 101: Presentation of Financial Statements)

		Current year	Previous year	Franking rate applicable
Distributions paid or provided for during the reporting period				
10.7	Current year interim	-	-	-
10.8	Previous year final	-	-	-

Exploration and evaluation expenditure capitalised

To be completed only by issuers with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit

	Current period \$A'000	Previous corresponding period \$A'000
11.1 Opening balance	-	-
11.2 Expenditure incurred during current period	-	-
11.3 Expenditure written off during current period	-	-
11.4 Acquisitions, disposals, revaluation increments, etc.	2,219	-
11.5 Expenditure transferred to Development Properties	-	-
11.6 Closing balance as shown in the consolidated balance sheet (item 3.10)	2,219	-

Development properties

(To be completed only by issuers with mining interests if amounts are material)

	Current period \$A'000	Previous corresponding period \$A'000
12.1 Opening balance	-	-
12.2 Expenditure incurred during current period	-	-
12.3 Expenditure transferred from exploration and evaluation	-	-
12.4 Expenditure written off during current period	-	-
12.5 Acquisitions, disposals, revaluation increments, etc.	-	-
12.6 Expenditure transferred to mine properties	-	-
12.7 Closing balance as shown in the consolidated balance sheet (item 3.11)	-	-

Discontinued Operations

(see note 18)

(as per paragraph 33 of AASB 5: Non-current Assets Held for Sale and Discontinued Operations)

	Current period – A\$'000	Previous corresponding period – A\$'000
13.1 Revenue	-	-
13.2 Expense	-	-
13.3 Profit (loss) from discontinued operations before income tax	-	-
13.4 Income tax expense <i>(as per para 81 (h) of AASB 112)</i>	-	-
13.5 Gain (loss) on sale/disposal of discontinued operations	-	-
13.6 Income tax expense <i>(as per paragraph 81(h) of AASB 112)</i>	-	-

Movements in Equity

(as per paragraph 97 of AASB 101: Financial Statement Presentation)

		Number issued	Number listed	Paid-up value (cents)	Current period – A\$'000	Previous corresponding period – A\$'000
14.1	Preference securities					
	<i>(description)</i>					
14.2	Balance at start of period	-	-	-	-	-
14.3	a) Increases through issues	-	-	-	-	-
14.4	a) Decreases through returns of capital, buybacks etc.	-	-	-	-	-
14.5	Balance at end of period					-
14.6	Ordinary securities					
	<i>(description)</i>					
14.7	Balance at start of period	-	-	-	-	-
14.8	a) Increases through issues					
-	1 July 2008	1	1	100	-	-
-	1 August 2008	30,100,013	30,100,013	0.01	3	
-	14 August 2008	4,000,000	4,000,000	10	400	
-	12 December 2008	14,650,425	14,650,425	20	2,930	
14.9	b) Decreases through returns of capital, buybacks etc.	-	-	-	-	-
14.10	Balance at end of period	48,750,426.	48,750,426	14.62	3,333	-
14.11	Convertible Debt Securities					
14.12	Balance at start of period	-	-	-	-	-
14.13	a) Increases through issues	-	-	-	-	-
14.14	b) Decreases through maturity, converted.	-	-	-	-	-
14.15	Balance at end of period	-	-	-	-	-

		Number issued	Number listed	Paid-up value (cents)	Current period – A\$'000	Previous corresponding period – A\$'000
14.16	Options <i>(description & conversion factor)</i>					
14.17	Balance at start of period	-	-	-	-	-
14.18	Issued during period	-	-	-	-	-
14.19	Exercised during period	-	-	-	-	-
14.20	Expired during period	-	-	-	-	-
14.21	Balance at end of period	-	-	-	-	-
14.22	Debentures <i>(description)</i>		-	-	-	-
14.23	Balance at start of period	-	-	-	-	-
14.24	a) Increases through issues	-	-	-	-	-
14.25	b) Decreases through maturity, converted	-	-	-	-	-
14.26	Balance at end of period	-	-	-	-	-
14.27	Unsecured Notes <i>(description)</i>					
14.28	Balance at start of period	-	-	-	-	-
14.29	a) Increases through issues	-	-	-	-	-
14.30	b) Decreases through maturity, converted	-	-	-	-	-
14.31	Balance at end of period	-	-	-	-	-
14.32	Total Securities	48,750,426	48,750,4265	14.62	3,333	-

		Current period – A\$'000	Previous corresponding period – A\$'000
Reserves			-
14.33	Balance at start of period	-	-
14.34	Transfers to/from reserves	8	-
14.35	Total for the period	8	-
14.36	Balance at end of period	8	-
14.37	Total reserves	8	-
Retained earnings			
14.38	Balance at start of period	-	-
14.39	Changes in accounting policy	-	-
14.40	Restated balance	-	-
14.41	Profit for the balance	2,017	-
14.42	Total for the period	2,017	-
14.43	Dividends	-	-
14.44	Balance at end of period	2,017	-

Details of aggregate share of profits (losses) of associates and joint venture entities*(equity method)**(under AASB 128: Investments in Associates paragraph Aus 37.1 and AASB 131: Interests in Joint Ventures paragraph Aus 57.3)*

Name of associate or joint venture entity

N/A

Reporting entities percentage holding

N/A

		Current period - \$A'000	Previous corresponding period - \$A'000
15.1	Profit (loss) before income tax	-	-
15.2	Income tax	-	-
15.3	Profit (loss) after tax	-	-
15.4	Impairment losses	-	-
15.5	Reversals of impairment losses	-	-
15.6	Share of non-capital expenditure contracted for (excluding the supply of inventories)	-	-
15.7	Share of net profit (loss) of associates and joint venture entities	-	-

Control gained over entities having material effect*(See note 8)*16.1 Name of *issuer* (or *group*)

Xtreme Resources Limited and its Controlled Entities

		\$A'000
16.2	Consolidated profit (loss) after tax of the <i>issuer</i> (or <i>group</i>) since the date in the current period on which control was acquired	117
16.3	Date from which profit (loss) in <i>item 16.2</i> has been calculated	27 April 2009
16.4	Profit (loss) after tax of the <i>issuer</i> (or <i>group</i>) for the whole of the previous corresponding period	6,181

Loss of control of entities having material effect*(See note 8)*

17.1	Name of <i>issuer</i> (or <i>group</i>)	N/A
17.2	Consolidated profit (loss) after tax of the entity (or <i>group</i>) for the current period to the date of loss of control	\$A'000 -
17.3	Date from which the profit (loss) in <i>item 17.2</i> has been calculated	-
17.4	Consolidated profit (loss) after tax of the entity (or <i>group</i>) while controlled during the whole of the previous corresponding period	-
17.5	Contribution to consolidated profit (loss) from sale of interest leading to loss of control	-

Material interests in entities which are not controlled entities*The economic entity has an interest (that is material to it) in the following entities.*

		Percentage of ownership interest (ordinary securities, units etc) held at end of period or date of disposal		Contribution to profit (loss) (<i>item 1.9</i>)	
18.1	Equity accounted associated entities	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period \$A'000
				<i>Equity accounted</i>	
18.2	Total	-	-	-	-
18.3	Other material interests			Non equity accounted (i.e. part of <i>item 1.9</i>)	
18.4	Total	-	-	-	-

Reports for industry and geographical segments

The entity operates in one operational and geographical segment.

NTA Backing

(see note 7)

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	\$0.10829	-

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

21.1	Acquisition of Xtreme Resources Limited and its controlled entities gave rise to a gain on acquisition on consolidation of \$2,338,000. No other material activities took place.
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International Financial Reporting Standards

22.1	N/A
22.2	N/A

Comments by *directors*

Director's Report

The Directors submit their report together with the financial report of Mono Resources Limited ("Mono" or "the Company") and of the Consolidated Entity, being the Company and its controlled entities, for the year ended 30 June 2009.

DIRECTORS

The names and details of the Company's Directors in office during the financial period and until the date of this report are as follows: Note: Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Mr George Monemvasitis (OMIE Aust, MAICD) - Chairman

Mr. George Monemvasitis is an Engineer and an investor. A graduate in Mechanical Engineering from the Institute of Technology, Sydney, Mr Monemvasitis has over 10 years experience in engineering analysis of resource sector capital raising both within Australia and China. A member of the Australian Institute of Company Directors, Mr Monemvasitis brings a wealth of technical knowledge and corporate governance.

Mr Gary Kuo – Managing Director

Mr. Gary Kuo was a contracted lecturer of computer application for 2 years at the University of Technology, Sydney in the faculty of Architecture, Building and Design. With more than 8 years experience in international import & exporting, Gary was formerly a director of BAAO Mining Australia and Vice General Manager of BAAO (Tianjin) Mining which is a 50/50 JV company with Xiamen C&D Inc. in China. Gary has extensive experience in commodities trading, international business development and strategic alliance planning. Having bases in both Australia and China, Gary specializes in dealing with corporations in the mining & producing sector. Gary works closely with his wide network of corporate and governmental contacts in countries such as China, Taiwan, Hong Kong, Singapore, Malaysia and Indonesia.

Mr Jonathan Paul Back LLB, BCL - Non-Executive Director

Mr. Jonathan Back is a qualified solicitor in England and Wales. Prior to working as a lawyer, Jonathan graduated from Oxford University having won the Vinerian Scholarship for the best performance in the Bachelor of Civil Laws Degree. Jonathan has over 18 years of experience in law and finance internationally, having spent significant periods in Europe, Hong Kong and Australia. Jonathan first worked as a lawyer for the leading UK firm Linklaters for 4 years, specializing in large project finance transactions. This included the acquisition of the Gladstone Power Station in Queensland by a consortium expanding the Boyne Island aluminium smelter. Jonathan then worked for Schroders in the UK and in Hong Kong where he also focused on large infrastructure and energy projects including large power station projects in Portugal and the UK as well as port and energy projects across Australia and Asia. Following this Jonathan worked with Goldman Sachs in Hong Kong focusing on raising equity capital for telecoms and technology companies. Jonathan was then recruited by JPMorgan to join their equity team in Hong Kong, which he ran until 2007. During this time he worked on numerous transactions across different industries. Since leaving JPMorgan, Jonathan has been a principal in a partnership investing in a variety of businesses with the largest focus being on natural resources.

Mr. Xiao Long Zhang – Non-Executive Director

Mr. Xiao Long Zhang is currently the chairman of Baao Mining Australia and the General Manager of

Baao (Tianjin) Mining which is a 50/50 JV company with Xiamen C&D Inc. in China. Xiao Long spent his youth in Australia and later returned to China to start his first company in the local base metal trading market. He has been living in China and involved in the Chinese metal supply industry for more than 10 years. Xiao Long later established Baao Mining Australia and has shifted his focus on importing base metal products from international suppliers and distributes these products via local regional channels. He had also successfully completed the 50/50 JV partnership of Baao(Tianjin) Mining Co., Ltd with Xiamen C&D Inc. which is a large scale state owned publicly listed company in China.

Mr. Li Hai Jun – Non- Executive Director
(Commenced 14th April 2009 -)

Mr Li holds a Bachelor of Mechanical Engineering degree from the Beijing Architecture Engineering University, China. He has worked as a Mechanical Engineer for the Beijing Engineering Research Institute and as a Project Manager for the China National Technical Import and Export Corporation (CNTIC). Since the 1950's, CNTIC has imported plant and equipment for more than 280 projects for the nation in the iron & steel sector, with the total contract value reaching 7.8 billion US Dollars. Large sized complete plants and equipment have been imported by CNTIC for 46 iron & steel works and 66 non-ferrous metal enterprises. CNTIC was the biggest importer at that time in charge of governmental purchasing in new production lines and know-how transfer from abroad during Mr Li's employment. Most notably he worked with the First Business division on over 30 key projects including Ma An Shan Steel.

From 1990-1993 Mr Li worked as assistant to the Asia Pacific regional director for Thyssen Wagner in Germany and then moved to Inter Fx Service in Beijing. He also worked for Inter and Golden Mall in Singapore for several years as Managing Director.

At present Mr Li is General manager of Unico Development Limited in Beijing providing consulting services to clients globally.

From 2006 Mr Li has represented Murchison Metals in China and he established Iron Ore offtake agreements for Murchison with Shougang International and assisted in establishing Murchison's relationship with Sinosteel

Mr. Rado Jacob Rebek – Senior Consulting Geologist

Mr Rado Jacob Rebek is a graduate from the Faculty of Mining & Metallurgy of the University of Ljubljana Slovenia. Mr Rebek graduated in 1967 and was engaged in geological mapping in Slovenia and Algeria for several years before joining CRA Exploration in 1970.

During 34 years of employment with the Rio Tinto Group he was involved in field exploration in PNG and Australia and subsequently management of major exploration projects for the Group. From 1998 to 2000 Mr Rebek was the Exploration Director for Rio Tinto in South America based in Santiago, Chile involved in the review of iron ore potential in Brazil and the development of new copper and iron ore prospects and other base metals. From 2001 to 2004 he was responsible for new project generation based on field work in Western Australia, Eastern Australia, Brazil, Peru, Argentina, Chile, China, Mongolia, Iran and Russia.

After retiring from fulltime employment with Rio Tinto in May 2003 Mr Rebek completed a two year consulting contract with Rio Tinto, which terminated by mutual agreement in May 2005.

Since 2005 he has worked on a variety of projects in Australia and Chile for Mineral Securities Limited, Argonaut Resources NL and Hudson Resources Ltd

Tin Exploration Projects in the Xtreme Resources Portfolio:

Smiths Creek Target (in EPM 16948)

A near vertical mineralised zone with a width of the order of 10m has been selected on the basis of re-interpretation of old mine plans, sections and field observations (historic open cut, mineralised exposures in trenches and extensive historic alluvial workings down-slope). A total of 10 Reverse Circulation holes have been completed; details are as follows:

- (1) All holes were inclined scissor holes, intersecting the mineralised zone from both sides
- (2) The holes were drilled on 3 sections which cover a 250m strike extent of the mineralised zone

- (3) On each section two 50m holes were drilled
- (4) On two of the sections additional shallower holes were drilled to determine the tin content closer to the surface where mining would commence
- (5) The mineralised zone was intersected in all holes
- (6) Assay results are awaited

If assays are as encouraging as expected on basis of field tests, a Mining Lease application will be lodged for the Smith Creek area.

Dalcouth Group of Targets (in MLA 20547)

A set of several parallel mineralised zones with widths up to 20m – has been selected on the basis of historic small scale open cut and shallow underground workings, mineralised exposures in trenches and extensive historic alluvial workings down-slope on both sides of the ridge. A total of 40 Reverse Circulation holes have been completed. All holes were inclined scissor holes, intersecting the mineralised zone from both sides. Most of the holes were relatively short - of the order of 30m - because the weathered oxidised zone is being tested. Mineralisation was intersected in most holes and assay results are awaited.

The reasons for placing Dalcouth on top of the list of priorities are:

- (1) Located 0.3 – 0.7km from Mt. Veteran Plant currently in Mining Lease application which is expected to be granted in the next few months
- (2) Located relatively low in the terrain, near the contact of sediments with underlying granite where best mineralisation is expected
- (3) In an area with relatively high stream sediment tin assays which confirm above interpretation

Extended Target (in MLA 20547)

A mineralised zone with a width of the order of 5m – has been selected on the basis of historic small scale open cut and shallow underground workings, mineralised exposures in trenches and extensive historic alluvial workings down-slope. A total of 8 Reverse Circulation holes have been completed. All holes were inclined scissor holes, intersecting the mineralised zone from both sides. Most of the holes were relatively short - of the order of 30m - because the weathered oxidised zone is being tested. Mineralisation was intersected in all holes and assay results are awaited.

The reasons for placing Extended on top of the list of priorities are:

- (1) Located 2.5km from Mt. Veteran Plant currently in Mining Lease application which is expected to be granted in next few months
- (2) Located relatively low in the terrain, near the contact of sediments with underlying granite where best mineralisation is expected
- (3) In an area with relatively high stream sediment tin assays which confirm above interpretation

Tom Hood Target (in MLA 20547)

A mineralised zone with a width up to 30m – has been selected on the basis of historic small scale open cut and shallow underground workings, mineralised exposures in trenches and some historic alluvial workings down-slope. A total of 7 Reverse Circulation holes have been completed. All holes were inclined scissor holes, intersecting the mineralised zone from both sides. Most of the holes were relatively short - of the order of 30m - because the weathered oxidised zone is being tested. Mineralisation was intersected in all holes and assay results are awaited. Based on field tests the results are not expected to be as good as those from other targets.

The reasons for placing Extended a bit lower down the list of priorities, even though the strike extent of mineralised zone is about 800m, are as follows:

- (1) Located relatively high in the terrain, above the contact of sediments with underlying granite
- (2) In an area with lower stream sediment tin assays which confirm above interpretation

Concluding Remarks:

If assays of samples from drill holes are as encouraging as expected on the basis of field tests, additional drilling will be undertaken to better define the resources in the best of the targets tested to

date.

Samples for metallurgical testing will be taken from the best sector of the best target.

Based on assumptions that the assay results from July-Aug 09 drilling for Smiths Creek will be more encouraging than those for Extended and Dalcouth, a more intense exploration and evaluation effort is proposed for the Smiths Creek mine area and surroundings and the whole of the Northern part of EPM 16948.

Due to the fact that the grant of MLA 20547 is in progress, initial mine production to supply Mt. Veteran Plant will probably be from Extended and / or Dalcouth. However, if and when ore with better grades (higher tin content and a gold credit) is proved up by drilling at Smiths Creek and a mining lease is granted for Smiths Creek, the production of ore from Smiths Creek can commence (and replace Extended / Dalcouth as the principal source of feed for the Mt. Veteran Plant).

Gold Exploration Projects in Xtreme Resources Ltd. Portfolio:

The following tenements with gold discovery potential are held by Xtreme Resources Ltd. (in each case 100%):

Pyramid EPM 12887

Yarrol EPM 8402

Mt Steadman EPM 12834

Gooroolba EPM 15426

Yarrol EPM 8402 and Mt Steadman EPM 12834

In the Yarrol gold district of SE Queensland, small gold resources have been defined and they may be of interest to owners of the nearby operating gold mine at Mt. Rawdon. Divestment of these tenements is planned.

Pyramid EPM 12887

In the Drummond gold district of East Queensland, in one of the targets – Gettysburg - high-grade drill intersections have been made:

Hole No.	From(m)	To(m)	Width(m)	g/t Au
MDRC031	0	8	8	18.08
MDRC033	52	76	24	4.96
MDRC034	28	44	16	2.48

Follow-up drill testing is warranted. Testing of other targets is also warranted. Discussions with companies exploring for and mining gold on adjacent tenements have been initiated with a view of arranging a farm-out Joint Venture.

The main reason for farming out or divesting gold projects is that the effort of the Xtreme Resources team will be focused 100% on tin in Mt. Garnet district.

Search for New Opportunities:

Mono Resources will also continue with the search for new opportunities (targets to be tested) by systematic research and networking in Australia and overseas.

In Australia, the focus is on base metals such as copper, zinc, lead and tin, primarily because some of the largest and highest-grade deposits of these metals have been found in Australia and potential for further discoveries of this nature remains.

Basis of accounts preparation

This report is a general purpose financial report prepared in accordance with the listing rules and AASB 134: Interim Financial Reporting. It should be read in conjunction with the last annual report and any announcements to the market made by the issuer during the period. This report does not include all notes of the type normally included in an annual financial report.

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible). In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations (as per paragraphs 16(b), 16(b) and Aus 16.1 of AASB 134: Interim Financial Reporting)

No material transactions have taken place subsequent to the financial year end.

Any other factors which have affected the results in the period, or which are likely to affect results in the future, including those where the effect could not be quantified.

No factors noted.

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

No franking credits available.

There have been no changes in accounting policies, estimation methods and measurement bases since the last annual report.

Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assts since the last annual report (as per paragraph 16(j) of AASB 134: Interim Financial Reporting)

No changes noted. First financial report as entity incorporated during the financial year.

The nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence (as per paragraph 16(c) of AASB 134: Interim Financial Reporting)

Amount of \$2,338,000 recognised in the profit and loss as a gain on acquisition of Xtreme Resources Limited, and its controlled entities.

Annual meeting*(Preliminary final statement only)*

The annual meeting will be held as follows:

Place

To be advised

Date

To be advised

Time

To be advised

Approximate date the annual report will be available

To be advised

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

N/A

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, details of any qualifications will follow immediately they are available
6. The *issuer* does not have a formally constituted audit committee.



Sign here:
Chairman and Director

Date: 11 September 2009

Print name: George Monemvasitis.