

FORM: Half yearly/preliminary final report

Name of issuer

Florin Mining Investment Company Limited

ACN or ARBN

111 170 882

Half yearly
(tick)

Preliminary
final (tick)



Half year/financial year ended
(‘Current period’)

30th June 2012

For announcement to the market

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

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				\$A
Operating Revenue (item 1.1)	Down	157.08%	To	1,978,257
Operating Profit /(loss) before abnormal items and tax	Down	210.75%	To	(1,269,721)
Operating Profit /(loss) before realised gains /(losses) on the investment portfolio	Down	209.87%	To	(885,363)
Profit /(loss) for the period attributable to security holders (item 1.11)	Down	209.87%	To	(885,363)
Income Distributions		Current period	Previous corresponding period	
Dividends Paid		0.01 Per Share Fully Franked Dividend paid on 15 December 2011	0.01 Per Share Fully Franked Dividend paid on 28 February 2011	
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: _____ Date: 13 Sept 2013
(Director)

Print name: Steven Pritchard

FLORIN MINING INVESTMENT COMPANY LIMITED

ABN 60 111 170 882

2012 ANNUAL REPORT

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FLORIN MINING INVESTMENT COMPANY LIMITED

HIGHLIGHTS

Key Financial Statistics

	2012	2011
Profit /(loss) after tax	(885,363)	805,862
Earnings per Share (cents per share)	(5.25)	4.74
Total Assets	3,327,801	4,604,923
Total Liabilities	301,453	487,335
Shareholders Funds	3,026,348	4,117,588
Net Asset backing per share	\$0.18	\$0.25
Total Shareholders Return*	(7%)	18%
Shares on issue	16,985,769	16,760,455
Number of Shareholders	273	280

*Total shareholders return consists of the dividends paid together with the change in net asset backing per share

Benefits of Investing in Florin Shares

Florin Mining Investment Company Limited (Florin) was incorporated in 2004, and listed on the National Stock Exchange of Australia Limited in 2005. Some of the benefits of investing in Florin Mining Investment Company Limited shares include:

- **Diversification of risk**

In order to diversify the risk in its investment portfolio, Florin intends to manage its investment portfolio with a view to building the number of issuers in the Portfolio to a minimum of 20 and a maximum of 100.

- **Professional Management**

The investment portfolio of Florin is managed by Cameron Stockbrokers Limited, which is a participant of the National Stock Exchange of Australia Limited (NSX), Australian Stock Exchange Company and licensed by the Australian Securities & Investments Commission.

- **Fixed Capital Base Not Affected by Unexpected Cash Inflows or Outflows**

Florin is able to invest for the medium to long term, as it has a fixed capital base and does not need to manage constant inflows and outflows of additional capital.

- **Regular Reporting to the National Stock Exchange of Australia Limited**

Florin reports its performance to the NSX and shareholders on a bi annual basis and it announces its net asset backing to the NSX monthly. In addition, as a listed company, Florin complies with the continuous disclosure requirements of the NSX. Copies of all announcements to the NSX are also posted on the Florin internet site www.florin.com.au.

FLORIN MINING INVESTMENT COMPANY LIMITED

INVESTMENT MANAGER'S REPORT

Investment Objectives

The investment objectives of Florin Mining Investment Company Limited, are to:

- Preserve the capital of the Company;
- Achieve a high real rate of return, comprising both income and capital growth; and
- Generally, to limit the investments of the Company to natural resource companies being those companies:
 - who derive a significant proportion of their revenues from the mining of base and precious metals, industrial minerals, and bulk commodities, the production of oil and gas or geothermal energy; or
 - have a significant proportion of their assets invested, or they propose to invest a significant proportion of their assets, in activities involved in the exploration for base and precious metals, industrial minerals, and bulk commodities, the production of oil and gas or geothermal energy.

Investment Philosophy

The Manager seeks to maximise the capital growth of the Company's portfolio by investing in natural resource companies. Investments are primarily in mining or exploration companies – that are either producing or exploring for base and precious metals, industrial minerals and bulk commodities. From time to time the portfolio may have exposure to oil, gas and geothermal energy companies.

Whilst in making its investment decisions the Manager will generally take a medium to long term view, it may however, from time to time acquire investments with a view to profit through short term trading opportunities.

The Manager:

- focuses on the investment merits of individual stocks rather than market and economic trends; and
- seeks to invest in shares which it assesses to be undervalued relative to their longer term growth prospects.

The following table shows the progress of Florin Mining Investment Company Limited:

Year	Dividends Cents Per Share	Net Profit /(loss) \$	Issued Capital \$	Issued Ordinary Shares	Net Assets \$
2005	-	(54,070)	977,073	5,127,502	934,776
2006	-	297,636	977,073	5,127,502	1,352,710
2007	3.0	844,323	2,416,174	13,216,306	3,664,886
2008	-	(231,528)	3,193,806	16,767,182	4,000,269
2009	-	(618,525)	3,190,675	16,750,883	3,017,201
2010	1.0	607,225	3,251,699	17,109,907	3,566,239
2011	1.0	805,862	3,183,837	16,760,455	4,117,588
2012	1.0	(885,363)	3,229,597	16,985,769	3,026,348

FLORIN MINING INVESTMENT COMPANY LIMITED

INVESTMENT MANAGER'S REPORT (CONTINUED)

Details Of Investments Held as at 30 June 2012

Name of the Investment	Holding	Market Value	Portfolio %
<i>Investment Portfolio</i>			
Australian Equities			
Independence Group NL	14,367	49,566	1.62
King Solomon Mines Limited	264,286	4,228	0.14
Kingsgate Consolidated NL	4,000	19,400	0.63
Mincor Resources NL	61,000	39,345	1.29
Newcrest Mining Limited	2,000	45,220	1.48
Tasmania Mines Limited	44,247	68,583	2.24
Traka Resources Limited	177,777	8,889	0.29
Western Areas NL	3,500	14,210	0.47
Total Australian Equities		249,441	8.16
<i>Total Investment Portfolio</i>			
		249,441	8.16
<i>Trading Portfolio</i>			
Australian Equities			
A-Cap Resources Limited	50,000	6,000	0.20
Adelaide Resources Limited	253,947	13,205	0.43
Antipa Minerals Limited	100,000	5,000	0.16
Astron Corporation Limited CHESS Depositary Interests	40,000	50,400	1.65
Augur Resources Limited	200,000	7,600	0.25
Ausgold Limited	50,000	20,500	0.67
Ausquest Limited	150,000	4,350	0.14
Aviva Corporation Limited	100,000	8,000	0.26
Azumah Resources Limited	100,000	18,500	0.61
Beadell Resources Limited	210,000	131,250	4.30
Botswana Metals Limited	300,000	6,300	0.21
Bright Star Resources Limited	736,111	73,611	2.41
Bright Star Resources Limited Deferred Ex Rift Valley Res	281,250	28,125	0.92
Bright Stars Resources Limited Options Expiring 7-Oct-2012	155,556	2,489	0.08
Bullabulling Gold Limited	136,350	25,907	0.85
Burey Gold Limited	1,100,000	36,300	1.19
Buru Energy Limited	30,000	94,200	3.08
Canyon Resources Limited	126,714	41,816	1.37
Castle Minerals Limited	100,000	26,000	0.85

FLORIN MINING INVESTMENT COMPANY LIMITED

INVESTMENT MANAGER'S REPORT (CONTINUED)

Name of the Investment	Holding	Market Value	Portfolio %
CGA Mining Limited	60,000	109,800	3.59
Chalice Gold Mines Limited	150,000	33,000	1.08
Chesser Resources Limited	165,000	53,625	1.76
Chinalco Yunnan Copper Resources Limited	100,000	11,000	0.36
Clancy Exploration Limited	169,161	3,383	0.11
Cobar Consolidated Resources Limited	115,000	61,525	2.01
Convergent Minerals Limited	3,000,000	90,000	2.94
Cooper Energy Limited	100,000	44,500	1.46
Coventry Resources Limited	1,149,224	76,998	2.52
Crusader Resources Limited	40,000	24,800	0.81
Drake Resources Limited	150,000	13,200	0.43
ELK Petroleum Limited	100,000	12,500	0.41
Emmerson Resources Limited	200,000	24,000	0.79
Endeavour Mining Corporation CHESSE Depository Interests	36,480	76,608	2.51
Endocoal Limited	100,000	27,000	0.88
Gippsland Limited	1,200,000	10,800	0.35
Golden Rim Resources Limited	150,000	18,750	0.61
Gryphon Minerals Limited	28,285	19,234	0.63
Hampton Hill Mining NL	250,000	10,000	0.33
Helix Resources Limited	700,000	25,200	0.82
Heron Resources Limited	200,000	26,000	0.85
Highlands Pacific Limited	150,000	23,250	0.76
Integra Mining Limited	260,000	101,400	3.32
International Goldfields Limited	500,000	15,000	0.49
Intrepid Mines Limited	118,427	60,990	2.00
Investigator Resources Limited	140,000	26,600	0.87
Ironbark Zinc Limited	250,000	38,750	1.27
Kentor Gold Limited	52,286	33,463	1.09
King Solomon Mines Limited	248,800	3,981	0.13
Krucible Metals Limited	295,000	22,715	0.74
Leyshon Resources Limited	250,000	43,750	1.43
Manas Limited	413,334	38,440	1.25
Marmota Energy Limited	677,931	21,694	0.71
Marmota Energy Limited Non-Renounceable Rights	338,966	-	-
Minotaur Exploration Limited	100,000	15,500	0.51
Monax Mining Limited	358,487	14,339	0.47
Mungana Goldmines Limited	27,224	8,848	0.29
Norton Gold Fields Limited	300,000	70,500	2.30

FLORIN MINING INVESTMENT COMPANY LIMITED

INVESTMENT MANAGER'S REPORT (CONTINUED)

Name of the Investment	Holding	Market Value	Portfolio %
New Talisman Gold Mines Limited	885,401	13,281	0.43
Overland Resources Limited	100,000	1,400	0.05
Peel Mining Limited	1,045,500	81,549	2.66
Platina Resources Limited	150,000	7,200	0.24
Perseus Mining Limited	51,000	126,480	4.14
Ramelius Resources Limited	55,000	26,675	0.87
Reedy Lagoon Corporation Limited	350,000	24,500	0.80
Red 5 Limited	10,000	14,550	0.47
Saracen Mineral Holdings Limited	85,000	47,175	1.54
Silver Swan Group Limited	570,000	20,520	0.67
Sipa Resources Limited	366,667	31,900	1.04
Southern Cross Goldfields Limited	200,000	7,400	0.24
Southern Gold Limited	527,846	15,835	0.52
Sumatra Copper & Gold Plc CHESSE Depositary Interests	400,000	28,000	0.92
Swick Mining Services Limited	100,000	26,500	0.87
Tiger Resources Limited	45,000	11,700	0.38
Traka Resources Limited	150,000	7,500	0.25
Viking Ashanti Limited	96,500	11,580	0.38
White Cliff Minerals Limited	200,000	6,000	0.20
Total Australian Equities		2,420,441	79.18
International Equities			
Apogee Minerals Limited	78,000	5,982	0.20
Global Strategic Metals NL Partly Paid Shares	100,000	-	-
Endeavour Mining Corporation	30,000	63,861	2.09
Entrée Gold Inc	15,270	9,224	0.30
Mariana Resources Limited	30,000	2,526	0.08
Mawson Resources Limited	30,000	42,000	1.37
Northern Dynasty Minerals Limited	3,000	6,854	0.22
Paniai Gold Limited	600,000	-	-
Paniai Gold Limited Options Expiring 31-Mar-2014	300,000	-	-
Uranium One Inc	7,000	17,385	0.57
Total International Equities		147,832	4.83
Total Trading Portfolio		2,568,273	84.01
Cash & equivalents		239,292	7.83
Total Portfolios		3,057,006	100.00

FLORIN MINING INVESTMENT COMPANY LIMITED

CORPORATE GOVERNANCE STATEMENT

The Board has the responsibility of ensuring the Company is properly managed so as to protect and enhance shareholders interests in a manner that is consistent with the Company's responsibility to meet its obligations to all parties with which it interacts. To this end, the Board has adopted what it believes to be appropriate corporate governance policies and practices having regard to its size and nature of activities.

The main corporate governance policies are summarised below.

Appointment and Retirement of Non-Executive Directors

It is the Board's policy to determine the terms and conditions relating to the appointment and retirement of non-executive directors on a case by case basis and on conformity with the requirements of the Listing Rules and the Corporations Act.

Director's Access to Independent Professional Advice

It is the Board's policy that any committees established by the Board should:

- Be entitled to obtain independent professional or other advice at the cost of the Company, unless the Board determines otherwise.
- Be entitled to obtain such resources and information from the Company including direct access to employees of and advisers to the Company as they might require.
- Operate in accordance with the terms of reference established by the Board.

Audit Committee

The Audit Committee intends to meet with the external auditors at least once a year. This committee addresses the financial and compliance oversight responsibilities of the Board. The specific activities include assessing and monitoring:

- The adequacy of the Company's internal controls and procedures to ensure compliance with all applicable legal obligations.
- The adequacy of the financial risk management processes.
- The appointment of the external auditor, any reports prepared by the external auditor and liaising with the external auditor.

Board Participation in Management

Under the Management Agreements, the Manager has discretion to acquire and dispose of investments on behalf of the Company. Investments consistent with the Investment Guidelines may be undertaken without consultation with the Board.

Any proposed investment that does not fall within this Investment Guidelines or any change in the Investment Guidelines proposed by the Manager requires the prior approval of the Board which may be withheld in its absolute discretion.

FLORIN MINING INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2012. In order to comply with the provisions of the Corporations Act 2001, the directors' report as follows:

Directors

The names of directors in office at any time during or since the end of the year are:

Victor Gowan Burley

Steven Pritchard

Daniel Di Stefano

Peter Cameron

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The following persons held the position of company secretary at the end of the financial year:

Daniel Di Stefano held the position of joint company secretary at the end of the financial year. Further details in respect of Daniel Di Stefano's qualifications are contained in the Information on Directors.

Brett Hall held the position of joint company secretary as at the end of the financial year. Brett Hall has a Bachelor of Commerce degree and is a Certified Practising Accountant.

Auditor

Nexia Forsythes was appointed auditor during the year and continue in office in accordance with section 327 of the Corporations Act 2001.

Principal Activities

The principal activity of the Company during the financial year was making medium to long term investments in securities.

There were no significant changes in the nature of the Company's principal activities during the financial year.

Operating Results

The loss of the company after providing for income tax amounted to \$885,363 (2011: profit \$805,862).

Dividends Paid or Recommended

A dividend of \$0.01 (2011: \$0.01) was paid on 15th December 2011.

Review of Operations

Shareholders equity decreased by \$1,091,240 to \$3,026,348 or 26.50% for the year.

The trading portfolio resulted in a loss of \$1,143,444 in the current year compared to a profit of \$1,959,703 in the previous year. Further information on the operations of the Company is included in the Investment Manager's report.

Significant Changes in State of Affairs

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

After Balance Date Events

There have been no other activities which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in the future.

FLORIN MINING INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

Future Developments, Prospects and Business Strategies

The Company will continue to pursue its investment objectives for the long-term benefit of members. This will require the continued review of the investment strategy that is in place and may require some changes to that strategy.

Further information on likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental Issues

The Company's operations are not regulated by any significant environmental regulation under the law of the Commonwealth and State.

Information on Directors

Victor Gowan Burley	—	Chairman (Executive)
Qualifications	—	Bachelor of Engineering (Honours 1), Master of Building Science, Graduate of Institute of Engineers of Australia
Experience	—	Appointed Chairman 2004. Board member since 2004
Interest in Shares	—	794,697 Ordinary Shares in Florin Mining Investment Company Limited
Special Responsibilities	—	Victor Gowan Burley is a Member of the Audit Committee
 Steven Shane Pritchard	—	 Director (Executive)
Qualifications	—	Bachelor of Commerce, Certified Practising Accountant, Registered Tax Agent, Fellow Taxation Institute of Australia, Graduate Diploma Applied Finance and Investment, and Fellow of Financial Services Institute of Australasia
Experience	—	Board member since 2004
Interest in Shares	—	1,185,824 Ordinary Shares in Florin Mining Investment Company Limited
Special Responsibilities	—	Steven Pritchard is a Member of the Audit Committee
Directorships held in other listed entities	—	Current director of Illuminator Investment Company Limited (since 22 December 2003), Pritchard Equity Limited (since 10 May 2002), Winpar Holdings Limited (since 4 July 2004) and Hamilton Securities Limited (since 08 July 2009)
 Daniel Di Stefano	—	 Director (Non-Executive) and Joint Company Secretary
Qualifications	—	Bachelor of Commerce; Certified Practising Accountant, Graduate Diploma of Applied Finance and Investment, Fellow of Financial Services Institute of Australasia
Experience	—	Board member and company secretary since 2004
Interest in Shares	—	1,186,420 Ordinary Shares of Florin Mining Investment Company Limited
Special Responsibilities	—	Daniel Di Stefano is a Member of the Audit Committee
Directorships held in other listed entities	—	Current director of Illuminator Investment Company Limited (since 22 December 2003)
	—	Director (Executive)
 Peter Cameron		
Interest in Shares	—	299,939 Ordinary Shares of Florin Mining Investment Company Limited
Special Responsibilities	—	Peter Cameron is a Member of the Audit Committee

FLORIN MINING INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT

This report details the nature and amount of remuneration for each director of Florin Mining Investment Company Limited, and for the executives receiving the highest remuneration.

Remuneration policy

All issues in relation to remuneration of both Executive Directors and Non-Executive Directors are dealt with by the board of the Company.

The constitution of Florin Mining Investment Company Limited requires approval by the shareholders in general meetings of a maximum amount of remuneration per year to be allocated between Non-Executive Directors as they determine. In proposing the maximum amount for consideration in general meeting, and in determining the allocation, the Board takes account of the time demands made on Directors, together with such factors as the general level of fees paid to Directors. The amount of remuneration currently approved by shareholders for Non-Executive Directors is a maximum of \$80,000 per annum.

Non-Executive Directors hold office until such time as they retire, resign or are removed from office under the terms set out in the constitution of the Company.

Non-Executive Directors do not receive any performance based remuneration.

Remuneration Report

Details of remuneration for year ended 30 June 2012

Details of the remuneration for each Director of the Company was as follows:

2012	Salary & Fees	Superannuation Contributions	Other	Total
Victor Gowan Burley	\$ -	\$ -	\$ -	\$ -
Steven Shane Pritchard	-	-	-	-
Daniel Di Stefano	-	-	-	-
Peter Cameron	-	-	-	-

2011	Salary & Fees	Superannuation Contributions	Other	Total
Victor Gowan Burley	\$ -	\$ -	\$ 126,582*	\$ 126,582
Steven Shane Pritchard	-	-	-	-
Daniel Di Stefano	-	-	-	-
Peter Cameron	-	-	-	-

*Fees paid are as per an agreement between Victor Burley and Cameron Stockbrokers Limited. The amount paid is from Cameron Stockbrokers Limited and not Florin Mining Investment Company Limited.

Victor Burley assists Cameron Stockbrokers Limited in the management of Florin Mining Investment Company Limited.

Executives' Remuneration

Executives are officers who are involved in, or concerned with, or who take part in the management of the affairs of the Company.

The Company has only three executives, P Cameron, SS Pritchard and D Di Stefano. As all of the Executives are Directors of the Company, remuneration in respect of those Executive Directors is included in Directors' Remuneration.

FLORIN MINING INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

Shareholdings

Number of Shares Held by Directors

	Balance 30.06.2011	Received as Remuneration	Options Exercised	Net Change Other	Balance 30.06.2012
Victor Gowan Burley	793,235	-	-	1,462	794,697
Steven Shane Pritchard	1,129,354	-	-	56,470	1,185,824
Daniel Di Stefano	1,133,922	-	-	52,498	1,186,420
Peter Cameron	291,370	-	-	8,569	299,939
Total	3,347,881	-	-	118,999	3,465,880

Meetings of Directors

During the financial year, 4 meetings of directors (including committees) were held. Attendances were:

	DIRECTORS MEETINGS		AUDIT COMMITTEE MEETINGS	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
Victor Gowan Burley	4	4	1	1
Steven Shane Pritchard	4	4	1	1
Daniel Di Stefano	4	4	1	0
Peter Cameron	4	4	1	1

FLORIN MINING INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Company.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration is included page 12 of the annual report.

Signed in accordance with a resolution of the Board of Directors.



Steven Shane Pritchard

Director

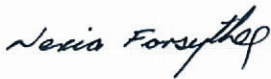
Dated this 13th Day of September 2012

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF
FLORIN MINING INVESTMENT COMPANY LIMITED**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Florin Mining Investment Company Limited.

As lead audit partner for the audit of the Florin Mining Investment Company Limited financial report for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i. the independence requirements of the Corporations Act 2001 in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.



NEXIA FORSYTHES



David Gallery
Partner
Chartered Accountants
Newcastle, 13 September 2012



FLORIN MINING INVESTMENT COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Note	2012 Revenue \$	2012 Capital \$	2012 Total \$	2011 Revenue \$	2011 Capital \$	2011 Total \$
Income from investment portfolio	2	8,828	-	8,828	10,356	-	10,356
(Loss)/Income from trading portfolio	2	(1,143,444)	-	(1,143,444)	1,959,703	-	1,959,703
Income from deposits	2	5,513	-	5,513	8,198	-	8,198
Total income from ordinary activities		(1,129,103)	-	(1,129,103)	1,978,257	-	1,978,257
Administration expenses		(96,273)	-	(96,273)	(137,151)	-	(137,151)
Finance costs		(2,289)	-	(2,289)	(3,472)	-	(3,472)
Management fees		(42,056)	-	(42,056)	(56,853)	-	(56,853)
Performance fees		-	-	-	(634,262)	-	(634,262)
Operating (loss)/profit before income tax	3	(1,269,721)	-	(1,269,721)	1,146,519	-	1,146,519
Income tax benefit/(expense) relating to ordinary activities *	4b	384,358	-	384,358	(340,657)	-	(340,657)
Operating (loss)/profit attributable to members of the company		(885,363)	-	(885,363)	805,862	-	805,862
Other comprehensive income							
Unrealised losses for the period on securities in the portfolio at 30 June		-	(172,593)	(172,593)	-	(122,766)	(122,766)
Tax credit on above *	4	-	51,778	51,778	-	36,830	36,830
Cumulative realised gains for the period on securities		-	51,833	51,833	-	99,247	99,247
Tax expense on above *	4	-	(15,550)	(15,550)	-	(29,774)	(27,774)
Total other comprehensive income		-	(84,532)	(84,532)	-	(16,463)	(16,463)
Total net comprehensive income^		(885,363)	(84,532)	(969,895)	805,862	(16,463)	789,399
				2012			2011
* Total tax benefit / (expense)	4			420,586			(333,601)
Overall Operations							
Basic earnings per share (cents per share)	7			(5.25)			4.74
Diluted earnings per share (cents per share)	7			(5.25)			4.74

FLORIN MINING INVESTMENT COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	Note	2012 \$	2011 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	239,292	138,844
Trading portfolio	9	2,568,273	4,059,509
Other current assets	10	721	430
Current tax assets	11	4,803	-
TOTAL CURRENT ASSETS		2,813,089	4,198,783
NON-CURRENT ASSETS			
Investment portfolio	12	249,441	363,567
Deferred tax assets	13	269,702	42,573
TOTAL NON-CURRENT ASSETS		519,143	406,140
TOTAL ASSETS		3,332,232	4,604,923
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	100,581	56,064
Borrowings	15	20,677	27,618
Tax Provision		-	26,644
TOTAL CURRENT LIABILITIES		121,258	110,326
NON-CURRENT LIABILITIES			
Deferred tax liabilities	16	184,626	377,009
TOTAL NON-CURRENT LIABILITIES		184,626	377,009
TOTAL LIABILITIES		305,884	487,335
NET ASSETS		3,026,348	4,117,588
EQUITY			
Issued capital	17	3,229,597	3,183,837
Reserves	18	321,555	406,087
(Accumulated losses)/retained earnings		(524,804)	527,664
TOTAL EQUITY		3,026,348	4,117,588

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 2012

	Note	Issued Capital	Retained Earnings/ (Accumulated Losses)	Capital Profits Reserve	Investment Revaluation Reserve	Total
		\$	\$	\$	\$	\$
Balance at 1 July 2010 as reported		3,251,699	(108,010)	326,647	95,903	3,566,239
Buy back of shares		(137,240)	-	-	-	(137,240)
Dividends paid and dividend reinvestment plan	17a	69,378	(170,188)	-	-	(100,810)
Total Transactions with the shareholders		(67,862)	(170,188)	-	-	(238,050)
Profit for the year		-	805,862	-	-	805,862
<i>Other comprehensive income for the year (net of tax)</i>						
Net capital profits for the year		-	69,473	-	-	69,473
Revaluation of investment portfolio (net of tax)	18b	-	-	-	(85,936)	(85,936)
Transfers between reserves	18a	-	(69,473)	69,473	-	-
Other comprehensive income for the year		-	-	69,473	(85,936)	(16,463)
Total comprehensive income		-	805,862	69,473	(85,936)	789,399
Balance at 30 June 2011		3,183,837	527,664	396,120	9,967	4,117,588
Balance at 1 July 2011 as reported		3,183,837	527,664	396,120	9,967	4,117,588
Buy back of shares		(18,765)	-	-	-	(18,765)
Dividends paid and dividend reinvestment plan	17a	64,525	(167,105)	-	-	(102,580)
Total Transactions with the shareholders		45,760	(167,105)	-	-	(121,345)
Loss for the year		-	(885,363)	-	-	(885,363)
<i>Other comprehensive income for the year (net of tax)</i>						
Net capital profits for the year		-	36,283	-	-	36,283
Revaluation of investment portfolio (net of tax)	18b	-	-	-	(120,815)	(120,815)
Transfers between reserves	18a	-	(36,283)	36,283	-	-
Other comprehensive income for the year		-	-	36,283	(120,815)	(84,532)
Total comprehensive income		-	(885,363)	36,283	(120,815)	(969,895)
Balance at 30 June 2012		3,229,597	(524,804)	432,403	(110,848)	3,026,348

The accompanying notes form part of these financial statements.

FLORIN MINING INVESTMENT COMPANY LIMITED

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Sales from trading portfolio		1,571,571	2,566,642
Purchases for trading portfolio		(1,172,001)	(1,629,497)
Dividends received		10,156	24,414
Interest received		5,943	7,766
Other receipts		7,367	46,921
		<u>423,036</u>	<u>1,016,246</u>
Administration expenses		(104,726)	(134,199)
Bank charges		(446)	(437)
Finance costs		(2,290)	(2,974)
Management fees		(50,063)	(58,093)
Performance fees		-	(713,622)
Income tax payments		(30,000)	(120,060)
Net cash provided by/(used in) operating activities	20	<u>235,511</u>	<u>(13,139)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Sales from investment portfolio		92,273	218,664
Purchases for investment portfolio		(99,052)	(133,250)
Net cash (used in)/provided by investing activities		<u>(6,779)</u>	<u>85,414</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net proceeds from issue of shares/buyback of shares		(18,765)	(67,862)
Proceeds of borrowing		-	30,000
Repayment of borrowings		(6,939)	(23,362)
Dividends paid		(102,580)	(170,187)
Net cash used in financing activities		<u>(128,284)</u>	<u>(231,411)</u>
Net increase/(decrease) in cash held		100,448	(159,136)
Cash at beginning of financial year		138,844	297,980
Cash and cash equivalents at end of financial year	8	<u>239,292</u>	<u>138,844</u>

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 2012

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 and 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 statements comprise the consolidated financial statements of the Company.

Accounting standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with A-IFRS ensures that the financial statements and notes of the Company comply with International Financial Reporting Standards ('IFRS').

Florin Mining Investment Company Limited has not applied any Australian Accounting Standards or AASB interpretations that have been issued at balance date but are not yet operative for the year ended 30 June 2012 ("the inoperative standards") with the exception of AASB 9, as noted below. The inoperative standards are outlined below.

- AASB 13 *Fair value Measurement* (effective date 1 January 2013).
- AAS 2011-4 *Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements* (effective date 1 July 2013).
- AASB 2011-8 *Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets* (effective date 1 January 2013).
- AASB 2011-9 *Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income* (effective date 1 July 2012).

The adoption of the various Australian Accounting Standards and Interpretations in issue but not yet effective will not impact the Company's accounting policies. However, the pronouncements will result in changes to information currently disclosed in the financial statements. The Company does not intend to adopt any of these pronouncements (with the exception of AASB 9) before their effective dates.

Basis of Preparation

Reporting Basis and Conventions

The financial report has been prepared on the basis of 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. All amounts are presented in Australian dollars, unless otherwise noted.

The financial statements were authorised for issue by the directors on 13 September 2012.

Accounting Policies

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.

a. Investment and Trading Portfolios

(i) Statement of Financial Position 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 'financial assets measured at fair value through other comprehensive income', whilst securities within the trading portfolio are classified as 'assets measured at fair value through the Income Statement' in accordance with AASB 9.

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 recognised as comprehensive income and taken to the Investment Revaluation Reserve.

Where disposal of an investment occurs, any revaluation increment or decrement relating to it is transferred from the Investment Revaluation Reserve to retained earnings. 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 the securities is determined by reference to market prices prevailing at balance date, predominantly the 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 holding 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.

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 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. Initial Public Offer Costs

The costs incurred in the establishment of the Company and its subsequent public offerings have been charged directly against issued capital.

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Cash and Cash Equivalents

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

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 statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are presented in the statement of cash flows 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.

j. Split between Revenue and Capital in Other Comprehensive Income

'Capital' relates to realised or unrealised gains (and the tax thereon) on securities within the Investment portfolio and excludes income in the form of distributions and dividends which are recorded as 'Revenue'. All other items, including expenses, are recorded as Net Operating profit, which is equivalent to 'Revenue'.

k. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Board has been identified as the chief operating decision-maker, as it is responsible for allocating resources and assessing performance of the operating segments.

l. Critical Accounting Estimates and Judgements

The preparation of financial reports in conformity with AIFRS requires the use of certain critical accounting estimates. This requires the Board and management to exercise their judgement in the process of applying the Company's accounting policies.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. In accordance with AASB 112 Income Taxes, deferred tax liabilities have been recognised for Capital Gains Tax (CGT) on the unrealised gain in the Investment Portfolio at current tax rates.

The Company has recognised deferred tax assets in relation to carried forward revenue and capital losses and deductible temporary differences as disclosed in Note 13. The Company recognises these assets only if the Company considers it is probable that future taxable amounts will be available to utilise these temporary differences and losses. The Company intends to not dispose of portfolio assets until there are gains on the investments which the Directors believe will be sufficient to recoup the deferred tax assets.

As the directors do not intend to dispose of the portfolio, this tax liability may not be crystallised at the amount disclosed in Note 16. In addition, the tax liability that arises on disposal of these securities may be impacted by changes in tax legislation relating to treatment of capital gains and the rate of taxation applicable to such gains at the time of disposal.

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	2012 \$	2011 \$
NOTE 2: REVENUE		
a. Income from Investment Portfolio		
— dividends received	8,828	10,356
Total Income from Investment Portfolio	8,828	10,356
b. Income from Trading Portfolio		
— sales revenue	1,572,779	2,566,642
— cost of sales	(2,717,923)	(620,997)
— net income/(losses) from trading portfolio sales	(1,145,144)	1,945,645
— dividends received	1,700	14,058
Total Income from Trading Portfolio	(1,143,444)	1,959,703
c. Income from Deposits		
— interest income	5,513	8,198
Total Income from Deposits	5,513	8,198
Total Revenue	(1,129,103)	1,978,257

NOTE 3: (LOSS)/PROFIT FOR THE YEAR

Operating (loss)/profit before income tax has been determined after:

Expenses

Administration expenses	87,739	128,655
Bank expenses	446	438
Finance costs	2,289	3,034
Listing fees	8,088	8,496
Management fees	42,056	56,853
Performance fees	-	634,262
(Loss)/profit from operating activities before income tax and realised gains on the investment portfolio	(1,269,721)	1,146,519

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	2012	2011
	\$	\$
NOTE 4: INCOME TAX EXPENSE		
a. The components of tax expense comprise:		
Adjustment to 2011 income tax expense	(1,075)	-
(Increase)/decrease in deferred tax assets	(212,457)	29,838
(Decrease)/Increase in deferred tax liabilities	(170,826)	310,819
	(384,358)	340,657
b. The prima facie tax on pre-tax accounting (loss)/profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Operating (loss)/profit before income tax expense and realised gains on investment portfolio	(1,269,721)	1,146,519
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2011: 30%)	(380,916)	343,956
Adjustment to previous year's income tax expense	(1,075)	-
Add:		
Tax effect of:		
— Imputation gross-up on dividends received	1,014	1,414
— Franking credits on dividends received	(3,381)	(4,713)
Income tax expense	(384,358)	340,657
c. Amounts recognised directly in equity		
Decrease in deferred tax liabilities relating to capital gains on the increase in unrealised gains on securities in the investment portfolio	(21,557)	(39,523)
(Increase)/Decrease in deferred tax assets relating to capital losses on the increase in unrealised losses on securities in the investment portfolio	(30,221)	2,693
	(51,778)	(36,830)
d. Amounts recognised directly through other comprehensive income		
Decrease in deferred tax liabilities relating to capital gains tax on the movement in unrealised gains in the investment portfolio	(51,778)	(36,830)
NOTE 5: AUDITOR'S REMUNERATION		
Remuneration of the auditor of the company for:		
Nexia Forsythes (2011: Forsythes Assurance & Risk)		
— auditing or reviewing the financial report	18,711	18,290

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	2012 \$	2011 \$
NOTE 6: DIVIDENDS		
a. Dividends Paid or Declared		
Fully franked ordinary dividend of 1.00 cent per share (2011: 1.00) paid on 15 December 2011	167,105	170,187
Total dividends paid or declared in the financial year	<u>167,105</u>	<u>170,187</u>
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.	<u>9,719</u>	<u>22,385</u>
NOTE 7: EARNINGS PER SHARE		
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	16,879,413	17,014,381
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive earnings per share	16,879,413	17,014,381
a. Basic and diluted earnings per share	\$	\$
Profit attributable to members of the company	(885,363)	805,862
	Cents	Cents
Basic earnings per share including realised gains/(losses) on the investment portfolio	(5.25)	4.74
Diluted earnings per share including realised gains/(losses) on the investment portfolio	(5.25)	4.74
b. Basic and diluted operating earnings per share excluding realised gains/(losses) on the investment portfolio	\$	\$
Operating profit/(loss) before realised gains/(losses) on the investment portfolio	(885,363)	805,862
	Cents	Cents
Basic operating earnings per share excluding realised gains/(losses) on the investment portfolio	(5.25)	4.74
Diluted operating earnings per share excluding realised gains/(losses) on the investment portfolio	<u>(5.25)</u>	<u>4.74</u>

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	2012 \$	2011 \$
NOTE 8: CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	2,139	6,800
Deposits at call	237,153	132,044
	239,292	138,844

The effective interest rate on cash at bank and deposits at call was 3.50% (2011: 4.25%).

The credit risk exposure of the Company in relation to cash and cash equivalents 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 statement of financial position as follows:

Cash and cash equivalents	239,292	138,844
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NOTE 9: TRADING PORTFOLIO

Listed investments, at market value

- Shares	2,565,784	4,053,217
- Options	2,489	6,292
	2,568,273	4,059,509

NOTE 10: OTHER CURRENT ASSETS

Prepayments	721	-
Accrued income	-	430
	721	430

NOTE 11: TAX ASSETS

TFN Withholding	372	-
Provision for tax	4,431	-
	4,803	-

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	2012 \$	2011 \$
NOTE 12: INVESTMENT PORTFOLIO		
Listed investments, at market value		
- Shares	249,441	363,567
	249,441	363,567
The below list are those securities held in the investment portfolio that are valued at fair value through Other Comprehensive Income.		
Independence Group NL	49,566	80,886
King Solomon Mines Limited	4,228	17,179
Kingsgate Consolidated NL	19,400	80,000
Mincor Resources NL	39,345	37,105
Newcrest Mining Limited	45,220	-
Silver Lake Resources Limited	-	20,000
Tasmania Mines Limited	68,583	75,747
Traka Resources Limited	8,889	32,000
Western Areas NL	14,210	20,650
Total Investment Portfolio	249,441	363,567

NOTE 13: DEFERRED TAX ASSETS

The deferred tax asset is made up of the following estimated tax benefits:

- Tax losses	200,383	34,898
- Temporary differences	69,319	7,675
	269,702	42,573

NOTE 14: TRADE AND OTHER PAYABLES

Sundry creditors and accrued expenses	100,581	56,064
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Payables are non-interest bearing and unsecured.

NOTE 15: BORROWINGS

Short-term borrowings - secured	20,677	27,618
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The above short-term borrowings are secured by listed securities held in the company's investment and trading portfolios. Repayment of the facility is done either through the use of cash received from dividends and distributions or the sale of securities. The effective interest rate on short term borrowings – secured was 8.99% (2011: 9.66%). The amount of the facility unused at year end is \$23,586 (2011: \$24,383).

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

		2012 \$	2011 \$
NOTE 16: DEFERRED TAX LIABILITIES			
Provision for deferred income tax attributable to:			
-	Deferred capital gains tax	17,613	39,169
-	Temporary differences	167,013	337,840
		184,626	377,009
NOTE 17: ISSUED CAPITAL			
16,985,769	(2011: 16,760,455) fully paid ordinary shares	17a 3,229,597	3,183,837
a. Ordinary shares			
At the beginning of reporting period		3,183,837	3,251,699
Shares issued during the year			
-	315,430 on 28 February 2011	-	69,378
-	322,686 on 15 December 2011	64,525	-
Shares bought back during the year			
-	57,988 on 21 July 2010	-	(9,380)
-	33,196 on 23 August 2010	-	(5,370)
-	7,333 on 15 March 2011	-	(1,631)
-	72,000 on 18 March 2011	-	(16,014)
-	44,000 on 01 April 2011	-	(9,786)
-	120,000 on 05 April 2011	-	(26,690)
-	10,000 on 03 May 2011	-	(2,224)
-	46,187 on 04 May 2011	-	(10,273)
-	50,000 on 24 May 2011	-	(10,616)
-	69,654 on 30 May 2011	-	(14,084)
-	15,575 on 02 June 2011	-	(3,149)
-	14,771 on 08 June 2011	-	(2,987)
-	49,229 on 09 June 2011	-	(9,954)
-	771 on 14 June 2011	-	(156)
-	50,957 on 15 June 2011	-	(10,304)
-	15,888 on 16 June 2011	-	(3,212)
-	7,333 on 21 June 2011	-	(1,410)
-	37,784 on 05 August 2011	(7,640)	-
-	7,619 on 12 September 2011	(1,541)	-
-	4,597 on 20 October 2011	(929)	-
-	29,773 on 02 March 2012	(5,719)	-
-	17,599 on 02 May 2012	(2,936)	-
At the end of reporting period		3,229,597	3,183,837

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

NOTE 17: ISSUED CAPITAL (continued)

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

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the company does not have a limited amount of authorised capital and does not calculate a par value for issued shares.

		2012 \$	2011 \$
NOTE 18: RESERVES			
Capital profits	18a	432,403	396,120
Investment revaluation	18b	(110,848)	9,967
		321,555	406,087

18a. Capital Profits Reserve

Movements During the Year

Opening balance	396,120	326,647
Transfer from retained earnings	36,283	69,473
Closing Balance	432,403	396,120

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

18b. Investment Revaluation Reserve

Movements During the Year

Opening balance	9,967	95,903
Revaluation of the investment portfolio (net of tax)	(120,815)	(85,936)
Closing Balance	(110,848)	9,967

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

NOTE 19: SEGMENT REPORTING

(a) Description of segments

The Board makes the strategic resource allocations for the Company. The Company has therefore determined the operating segments based on the reports reviewed by the Board, which are used to make strategic decisions. The Board is responsible for the Company's entire portfolio of investments and considers the business to have a single operating segment. The Board's asset allocation decisions are based on a single, integrated investment strategy, and the Company's performance is evaluated on an overall basis. The Company invests in equity securities and other instruments to provide shareholders a high real rate of return, comprising both income and capital growth.

(b) Segment information provided to the Board

The internal reporting provided to the Board for the Company's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards, except that net assets are reviewed both before and after the effects of capital gains tax on investments (as reported in the Company's Net Tangible Asset announcements to the NSX). The Board considers the Company's net operating profit after tax to be a key measure of the Company's performance. This amount excludes the impact of unrealised gains/losses on options and any gains or losses on the Company's investment portfolio and reconciles to the Company's profit before tax as follows:

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

NOTE 19: SEGMENT REPORTING (continued)

	2012	2011
	\$	\$
Net operating (loss)/profit after income tax (benefit)/expense	(885,363)	805,862
Add back income tax (benefit)/expense	(384,358)	340,657
(Loss)/profit before tax	(1,269,721)	1,146,519

In addition, the Board regularly reviews the net asset value per share both before and after provision for deferred tax on the unrealised gains in the Company's long-term investment portfolio. Deferred tax is calculated as set out in notes 1(c) and 1(l). The relevant amounts as at 30 June 2012 and 30 June 2011 were as follows:

Net tangible asset backing per share

Before tax	0.17	0.27
After tax	0.18	0.25

(c) Other segment information

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:

2012	Revenue \$	Unrealised Gains/(losses) \$	Market Value \$	Portfolio %
Australia	10,528	(836,916)	2,669,881	87.34
Canada	-	(116,120)	138,453	4.53
United Kingdom	-	(11,935)	2,526	0.08
United States of America	-	(12,094)	6,854	0.22
Sub Total	10,528	(977,065)	2,817,714	92.17
Cash	5,513	-	239,292	7.83
Total	16,041	(977,065)	3,057,006	100.00

2011

Australia	24,415	1,010,953	4,271,351	93.63
Canada	-	(72,188)	46,614	1.02
United Kingdom	-	(4,600)	9,861	0.22
United States of America	-	12,181	95,250	2.09
Sub Total	24,415	946,346	4,423,076	96.96
Cash	8,198	-	138,844	3.04
Total	32,613	946,346	4,561,920	100.00

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

NOTE 20: CASH FLOW INFORMATION

	2012 \$	2011 \$
a. Reconciliation of Cash Flow from Operations with (loss)/profit after Income Tax		
(Loss)/profit after income tax	(885,363)	805,862
Cash flows excluded from (loss)/profit attributable to operating activities		
(Increase)/decrease in current receivables and other current assets	(663)	(2,660)
Decrease/(increase) in the trading portfolio	1,491,236	(1,029,698)
Increase/(decrease) in current payables	44,659	(7,240)
(Decrease)/increase in income tax balances	(414,358)	220,597
Cash flow from operations	<u>235,511</u>	<u>(13,139)</u>

NOTE 21: RELATED PARTY TRANSACTIONS

Transactions with related parties:

<input type="checkbox"/> Rees Pritchard Pty. Limited for accounting fees.	47,913	63,685
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Steven Pritchard has an interest in the above transactions as a director and a beneficial shareholder of Rees Pritchard Pty. Limited.

<input type="checkbox"/> Cameron Stockbrokers Limited for brokerage fees.	27,667	42,430
<input type="checkbox"/> Cameron Stockbrokers Limited for Investment management fees.	42,056	56,853
Cameron Stockbrokers Limited for Investment performance fees.	-	634,262

Steven Pritchard has an interest in the above transactions as a director of Cameron Stockbrokers Limited and as director and beneficial shareholder of Hamilton Capital Proprietary Limited.

Daniel Di Stefano has an interest in the above transaction as a director and beneficial shareholder of Hamilton Capital Proprietary Limited.

Cameron Stockbrokers Limited is a wholly owned subsidiary of Hamilton Capital Proprietary Limited.

Victor Burley is entitled to 20% of the performance fee received by Cameron Stockbrokers Limited.	-	126,852
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<input type="checkbox"/> Newcastle Capital Markets Registries Pty. Limited for share registry costs.	15,924	19,366
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Steven Pritchard has an interest in the above transaction as a director and beneficial shareholder of Newcastle Capital Markets Registries Pty. Limited

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

NOTE 22: DIRECTORS AND EXECUTIVES DISCLOSURE

In accordance with the Corporations Amendments Regulation 2005 (No.4) the Company has transferred the disclosure required by AASB 124 from the notes to the Financial Statements to the Directors' Report under the heading of Remuneration Report.

NOTE 23: INVESTMENT TRANSACTIONS

The total number of contract notes that were issued for transactions in investments during the year was 155 (2011: 196). Each contract note may involve multiple transactions. The total brokerage paid on these contract notes was \$27,667 (2011: \$42,430).

NOTE 24: COMPANY DETAILS

The registered office of the Company is:

10 Murray Street
HAMILTON NEW SOUTH WALES 2303

The principal place of business is:

10 Spring Street
SYDNEY NEW SOUTH WALES 2000

NOTE 25: FINANCIAL RISK MANAGEMENT

Accounting Standards identify three types of risk associated with financial instruments (i.e. the Company's investments, receivables, payables and borrowings):

a. Credit Risk

The standard defines this as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk is managed as noted in the Notes to the financial statements with respect to cash and trade and other receivables. None of these assets are over-due or considered to be impaired.

b. Liquidity Risk

The standard defines this as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company monitors its cash-flow requirements and ensures that it has either cash or access to short term borrowing facilities sufficient to meet any payments.

The assets of the Company are largely in the form of readily tradeable securities which can be sold on-market if necessary.

c. Market Risk

The standard defines this as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price.

By its nature as the Company invests a substantial proportion of its assets in tradeable securities the Company is always subject to market risk as it invests its capital in securities which are not risk free i.e. the market price of these securities can fluctuate.

A general fall in market prices of 5% and 10%, if spread equally over all assets in the total portfolio would lead to a reduction in the Company's equity of \$98,620 and \$197,240 respectively, assuming a tax rate of 30%.

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

NOTE 25: FINANCIAL RISK MANAGEMENT (Continued)

The Company seeks to minimise market risk by ensuring that it is not in the opinion of the Board, overly exposed to one company or one particular sector of the market. The relative weightings of the individual securities and relevant market sectors are reviewed regularly and risk can be managed by reducing exposure where appropriate. The Company does not have set parameters as to a minimum or maximum amount of the portfolio that can be invested in a single company or sector.

The Company's investment across industry sectors as at 30 June is as below:	2012	2011
	%	%
Capital Goods	0.90	-
Cash & Equivalents	4.89	2.90
Energy	6.94	3.24
Materials	82.27	87.85
Metals & Mining	5.00	2.93
Telecommunications	-	3.08
	100.00	100.00

No securities represented over 5 per cent of the investment portfolio at 30 June 2012

The Company is exposed to currency risk as some of its investments are quoted in currency other than Australian dollars. As noted in Note 19, the extent of those securities listed on the overseas stock exchanges is minimal, which significantly mitigates the Company's currency risk.

d. Interest Rate Risk

The standard defines this as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company monitors its interest rate exposure and the interest bearing liabilities are kept to a minimum.

A rise in interest rates of 1% will result in the company incurring additional finance costs of \$207 (2011: \$276), whilst a fall of 1% will result in interest savings of \$207 (2011: \$276).

e. Capital Management

It is the Board's policy to maintain a strong capital base as to maintain investors and market confidence.

To achieve this, the Board monitors the Company's net tangible assets, its levels of borrowings and its investment performance.

The Company raises additional capital by use of the dividend reinvestment plan.

The capital structure of the Company consists of Issued capital, reserves and retained earnings as disclosed in notes 17 and 18.

The Company is not subject to any externally imposed capital requirements.

f. Fair value measurements

As of 1 July 2009, the group has adopted the amendment to AASB 7 Financial Instruments: Disclosures which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

1. quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
2. inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
3. inputs for the asset or liabilities that are not based on observable market data (unobservable inputs) (level 3).

FLORIN MINING INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

NOTE 25: FINANCIAL RISK MANAGEMENT (Continued)

30 June 2012	Level 1
Financial assets at fair value through other comprehensive income	-
Investment Portfolio (Equities)	249,441
Financial assets/(liabilities) at fair value through profit or loss	-
Trading Portfolio	2,568,273
Total	<u>2,817,714</u>

The fair value of financial instruments traded in active markets (including publicly traded derivatives) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

There were no transfers between Level 1, 2 and 3 in the period.

NOTE 26: SUBSEQUENT EVENTS AFTER 30 JUNE 2012

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of material and unusual nature likely, in the opinion of the directors of the Company to significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity, in future financial years.

FLORIN MINING INVESTMENT COMPANY LIMITED

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 are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements;
- c) 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 Company; and
- d) the directors have been given the declarations required by s.295A of the Corporations Act 2001.

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



Steven Shane Pritchard

Director

Dated this 13th day of September 2012

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FLORIN MINING INVESTMENT COMPANY LIMITED**

We have audited the accompanying financial report of Florin Mining Investment Company Limited, which comprises the statement of financial position as at 30 June 2012, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

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

Auditor's responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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



Auditor's opinion

In our opinion:

- (a) the financial report of Florin Mining Investment Company Limited is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of Florin Mining Investment Company Limited for the year ended 30 June 2012, complies with section 300A of the Corporations Act 2001.



NEXIA FORSYTHES



David Gallery
Partner
Chartered Accountants
Newcastle, 13 September 2011



FLORIN MINING INVESTMENT COMPANY LIMITED

STOCK EXCHANGE INFORMATION

TOP 20 SHAREHOLDERS AS AT 9 AUGUST 2012

Shareholder	No. of Shares	% of Issued
Intercontinental Assets Pty Ltd	1,000,000	5.89
Pritchard Asset Management Proprietary Limited	831,521	4.90
Winpar Holdings Limited	683,838	4.03
HSBC Custody Nominees (Australia) Limited	581,153	3.42
Technica Pty Limited	580,000	3.41
Warrambo Holdings Pty Ltd	550,000	3.24
Wythenshawe Pty Ltd	550,000	3.24
Seven Rob Investments Pty Ltd <RF Cameron Super Fund>	503,000	2.96
Troika Investments Pty Limited	389,173	2.29
Mr George Drysdale	304,061	1.79
Mrs Robyn Johnstone	303,878	1.79
Illuminator Investment Company Limited	270,891	1.59
Oceanridge Limited	267,689	1.58
Mr Adam Nicholas Ball	263,094	1.55
Mr Laurence George Cable	237,763	1.40
Donwood Pty Ltd<John Cox Super Fund A/c>	231,455	1.36
GA & LA Bentley Pty Ltd <Super Fund A/c>	230,000	1.35
Mr Eric Henry Morgan	200,535	1.18
Technica Pty Limited<Technica Super Fund A/c>	184,000	1.08
Mr Ole Nydahl	182,751	1.08

Number of ordinary shares held

Number of Shareholders

1 – 1,000	4
1,001 – 5,000	7
5,001 – 10,000	25
10,001 – 100,000	202
100,000 and over	35
Total	273

Substantial Shareholders

As at 9th August 2012 the names and holdings of substantial shareholders as disclosed in notices received by the Company are as follows:-

Substantial Shareholder	No. of shares	% of total
Intercontinental Assets Pty Ltd	1,000,000	5.89

FLORIN MINING INVESTMENT COMPANY LIMITED

CORPORATE DIRECTORY

Directors	Victor Gowan Burley Peter Cameron Steven Shane Pritchard Daniel Di Stefano
Company Secretary	Daniel Di Stefano Brett Hall
Registered Office	10 Murray Street Hamilton NSW 2303 Telephone 02 4920 2877 Facsimile 02 4920 2878 Email: mail@florin.com.au Web: www.florin.com.au
Manager	Cameron Stockbrokers Limited Level 6 10 Spring Street Sydney NSW 2000 Telephone 02 8223 5100 Facsimile 02 9232 7272
Share Registry	Newcastle Capital Markets Registry Pty Limited 10 Murray Street Hamilton NSW 2303 Telephone 02 4920 2877 Facsimile 02 4920 2878
Auditors	Nexia Forsythes Level 29 264 George Street Sydney NSW 2000 Telephone 02 9251 4600 Facsimile 02 9251 7138
Solicitors	Baker & McKenzie Level 27, AMP Centre 50 Bridge Street Sydney NSW 1223 Telephone 02 9225 0200 Facsimile 02 9225 1595
Bankers	National Australia Bank Limited Hamilton District Commercial Branch 31 Beaumont Street Hamilton NSW 2303