G-Resources Group Limited
國際資源集團有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1051)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 30 JUNE 2010

CHAIRMAN'S STATEMENT

The past year has been a very busy, and at times challenging, period in our development as a mining company.

During the 12 months ended 30 June 2010, we completed the acquisition and fund raising for the Martabe Project and started construction of the site facilities. We also carried out further exploration work, updated our Resource and Reserve Statement, and made progress towards achieving first gold production in 2011.

We decided to acquire the Martabe Project in April 2009. At that time, the price of gold was about US$900/ounce and the price of silver was about US$13/ounce; today, gold is over US$1,300/ounce and silver is over US$24/ounce. When the acquisition was completed in July 2009, the gold resources and reserves of the Martabe Project were 5.9 Moz and 2.2 Moz respectively. Extensive exploration in the past year has increased the gold resources and reserves of Martabe for the period ending 30 June 2010 to 6.45 Moz and 2.72 Moz. I believe this reflects well on our management and their commitment to the Martabe Project.

It has always been our goal to build a world class mining company, but we also knew there would be many challenges along the way. When we experienced a one-in-twenty-five-year rainstorm that could have caused a landslip at our plant site, we immediately conducted an extensive geotechnical survey. Based on the results of this survey, we made appropriate changes to the design and location of the plant facilities and the tailing storage facilities. Although these changes have come at a cost, we believe they are necessary for a sustainable long term operation and the fulfillment of our goal.

Since then, we have awarded some of the major contracts, including the selection of Leighton Asia as our mining contractor, continued with the engineering activities and ordered additional equipment. We have also made a number of key management appointments, including a project director who has many years of experience in the construction and building of mining facilities.

At the Martabe site, we continued to invest aggressively in exploration activities. As of 30 June 2010, we had five rigs in operation and during the year have drilled 167 holes amounting to 28,175 m of drilling in total. What's more, we began a deep drilling programme targeting a possible porphyry copper-gold deposit beneath the current Martabe deposits. I am confident that our exploration activities will add value to our Martabe Project and further increase our resources and reserves.

We also felt it was important to create value for the local community through a comprehensive programme of community relations, a vital aspect of any modern mining operation. Despite the challenges of constructing the site facilities, we successfully carried out a number of community relations initiatives. During the year, we enhanced local employment opportunities and encouraged members of the community to develop businesses that support our mining operations. We also requested that our contractors provide as many local employment opportunities as possible. Other initiatives included a child nutrition programme for the villages neighbouring the Martabe Project and assistance in building a library for local children.

These activities have been well received, and we are very happy to see continued support from the local community and at all levels of the Indonesian government for our Martabe Project. I believe this forms a strong foundation for the sustainable growth of our business in Indonesia.

I am convinced that we are on the right track with the Martabe Project. I am supported in this by a dedicated management team of highly qualified and experienced professionals, who are 100% committed and focused on bringing Martabe to completion. Since the aforementioned incident on site in the first quarter of 2010, our CEO or Deputy CEO has been on site at all times to oversee the construction activities. Indeed, the entire management team is closely monitoring each milestone towards our first production of gold, which is targeted for December 2011.

To show my own commitment to the Martabe Project, I have proposed to the Board of Directors that payment of my salary be suspended from October 2010 until first gold production in Martabe begins.

As we are still developing the Martabe Project, we are yet to see any revenue from mining. However, we do believe in our vision and the bright prospects of our Martabe Project, and I trust our shareholders will also share our vision and the great potential of Martabe when it goes into production.

On behalf of our board and senior management, I would like to thank all of our shareholders and staff, our partners in Indonesia, and our contractors for their understanding and support during the past year. I would like to make particular mention of our teams operating at Martabe, Jakarta and Hong Kong, whose unwavering commitment and dedication during the past year is greatly appreciated by me and the rest of the G-Resources Board of Directors.

I look forward to reporting back to you again this time next year, which promises to be an even more productive and rewarding stage in our history.

G-Resources Group Limited
Chiu Tao
Chairman

Hong Kong, 15 October 2010

GROUP RESULTS FOR THE YEAR ENDED 30 JUNE 2010

The Board of Directors (the "Board") of the G-Resources Group Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 30 June 2010 together with the comparative figures for the year ended 30 June 2009:

Consolidated Income Statement

For the year ended 30 June 2010

	NOTES	**2010** ***HK$'000***	2009 *HK$'000*
Continuing operations			
Revenue		**5,811**	29,052
Cost of sales		**(4,809)**	(27,662)
Gross profit		**1,002**	1,390
Other income		**4,525**	1,340
Distribution and selling expenses		**(212)**	(190)
Administrative expenses		**(86,161)**	(45,054)
Share-based payment expenses		**(79,928)**	–
Fair value change of held for trading investments		**(172,569)**	(7,009)
Loss on disposal of available-for-sale investment	*8(b)*	**(18,630)**	–
Impairment loss on available-for-sale investment	*8(b)*	**–**	(103,964)
Effective interest expense on convertible notes		**–**	(449)
Gain on disposal of subsidiaries		**–**	626
Loss before taxation	*4*	**(351,973)**	(153,310)
Taxation	*5*	**–**	23
Loss for the year from continuing operations		**(351,973)**	(153,287)
Discontinued operation			
Loss for the year from discontinued operation		**–**	(10,997)
Loss for the year, attributable to owners of the Company		**(351,973)**	(164,284)
Loss per share	*6*		
From continuing and discontinued operations			
– Basic and diluted (*HK cent*)		**(2.5)**	(38.4)
From continuing operations			
– Basic and diluted (*HK cent*)		**(2.5)**	(35.9)

Consolidated Statement of Comprehensive Income
For the year ended 30 June 2010

	2010 *HK$'000*	2009 *HK$'000*
Loss for the year	**(351,973)**	(164,284)
Other comprehensive (expenses)/income:		
Fair value change on available-for-sale investment	**(61,379)**	43,107
Reclassification adjustment upon disposal of available-for-sale investment	**18,630**	–
Exchange difference on translating the foreign operations	**4,186**	–
Exchange reserve released upon disposal of subsidiaries	**–**	(1,110)
Total other comprehensive (expenses)/income for the year	**(38,563)**	41,997
Total comprehensive expenses for the year, attributable to owners of the Company	**(390,536)**	(122,287)

Consolidated Statement of Financial Position
At 30 June 2010

	NOTES	**2010** **HK$'000**	2009 HK$'000
Non-current Assets			
Property, plant and equipment	7	**2,378,017**	2,824
Investment properties		**–**	–
Intangible assets		**–**	–
Available-for-sale investments	8	**93,298**	228,215
		2,471,315	231,039
Current Assets			
Trade and other receivables	9	**102,175**	14,972
Held for trading investments		**78,104**	18,885
Pledged bank deposits		**714**	–
Bank balances and cash		**2,175,860**	236,735
		2,356,853	270,592
Current Liability			
Trade and other payables	10	**130,111**	4,344
Net Current Assets		**2,226,742**	266,248
Total Assets less Current Liabilities		**4,698,057**	497,287
Non-Current Liabilities			
Deferred tax liability		**170**	170
Provision for mine rehabilitation cost	11	**10,824**	-
		10,994	170
		4,687,063	497,117
Capital and Reserves			
Share capital		**140,668**	8,454
Reserves		**4,546,395**	488,663
Total equity		**4,687,063**	497,117

1. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised standards, amendments and interpretations (the "new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") which are or have become effective.

HKAS 1 (Revised 2007)	Presentation of Financial Statements
HKAS 23 (Revised 2007)	Borrowing Costs
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 32 & HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKAS 39 (Amendment)	Eligible Hedged Items
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 3 (Revised)	Business Combinations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 & HKAS39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) – Int 17	Distribution of Non-cash Assets to Owners
HK(IFRIC) – Int 18	Transfer of Assets from Customers
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009, except for those effective for the annual period beginning on or after 1 January 2010

Except as described below, the adoption of the new and revised HKFRSs had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

HKAS 1 (Revised 2007) Presentation of Financial Statements
HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the consolidated financial statements) and changes in the format and content of the consolidated financial statements.

HKFRS 8 Operating Segments
HKFRS 8 is a disclosure standard that has not resulted in a redesignation of the Group's reportable segments (see note 3).

Improving Disclosures about Financial Instruments (Amendments to HKFRS 7 Financial Instruments: Disclosures)
The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The amendments also expand and amend the disclosures required in relation to liquidity risk. The Group has not provided comparative information for the expanded disclosures in accordance with the transitional provision set out in the amendments.

HKFRS 3 (Revised) Business Combinations and HKAS 27 (Revised) Consolidated and Separate Financial Statements

The Group applies HKFRS 3 (Revised) prospectively to business combinations for which the acquisition date is on or after 1 July 2009. The requirements in HKAS 27 (Revised) in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 July 2009.

As there was no transaction during the current year in which HKFRS 3 (Revised) and HKAS 27 (Revised) are applicable, the application of HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to other HKFRSs had no effect on the consolidated financial statements of the Group for the current or prior accounting periods.

Results of the Group in future periods may be affected by future transactions for which HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to the other HKFRSs are applicable.

2. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying the Group's accounting policies

The following are the critical judgments, apart from those involving estimations (see below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Value added tax recoverable (included in other receivables)

Included in other receivables is HK$82,038,000 value added tax ("VAT") paid by an Indonesian subsidiary of the Group in connection with its purchase of goods and services from suppliers. According to relevant tax law and regulations in Indonesia, such VAT payment is refundable upon application by the Group, subject to the approval by the relevant Indonesian tax authority. While the Indonesian subsidiary is in the process of obtaining the relevant approval, the relevant approvals have not yet obtained as at 30 June 2010 and as at the date these consolidated financial statements are authorised for issue. The directors are not aware of any non-compliance with the relevant tax laws and are of the opinion that the approval from relevant tax office will be obtained and VAT will be fully refunded.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Ore reserve and resources estimates

The estimated quantities of economically recoverable reserves and resources are based upon interpretations of geological and geophysical models and require assumptions to be made regarding factors such as estimates of future operating performance, future capital requirements, short and long term commodity prices, and short and long term exchange rates. Changes in reported reserves and resources estimates can impact the carrying value of property, plant and equipment, provisions for rehabilitation obligations, the recognition of deferred tax assets or liabilities, as well as the amount of depreciation and amortisation recognised.

Estimated impairment on mine property and development assets and construction in progress

In determining whether there is an impairment of the mine property and development assets and construction in progress of the Group's gold and silver mine located in the Regency of South Tapanuli, Northern Sumartra, Indonesia (the "Martabe Project"), an estimation of the value-in-use of the cash-generating units (i.e. the Martabe Project) is required. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the Martabe Project, a suitable discount rate and the estimated period of production in order to calculate the present value. The management estimated that the production would commence before the end of 2011. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 30 June 2010, the carrying amount of mine property and development assets and construction in progress are HK$1,564,880,000 and HK$798,753,000, respectively.

Provision for mine rehabilitation cost

Provision for mine rehabilitation cost has been estimated by the directors based on current regulatory requirements and the area affected in the Martabe Project area estimated by the management and is discounted to their present value. Significant changes in the regulatory requirements in relation to such costs will result in changes to the provision amounts from period to period. In addition, the expected timing of cash outflows of such mine rehabilitation cost is estimated based on the expected completion date of the Martabe Project and is subject to any significant changes to the production plan. As at 30 June 2010, the balance of provision for mine rehabilitation cost was HK$10,824,000.

3. SEGMENT INFORMATION

The Group has adopted HKFRS 8 *Operating Segments* with effect from 1 July 2009. HKFRS 8 is a disclosure standard that requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker ("CODM"), representing the executive directors, for the purpose of allocating resources to segments and to assessing their performance. In contrast, the predecessor Standard (HKAS 14 *Segment Reporting*) required an entity to identify two sets of segments (business and geographical) using a risks and returns approach. In the past, the Group's primary reporting format was business segments. The application of HKFRS 8 has not resulted in a redesignation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14. Nor has the adoption of HKFRS 8 changed the basis of measurement of segment profit or loss.

In prior year, segment information reported externally was analysed by organising into four operating divisions, namely provision of financial information services, trading of electronic goods and accessories, provision of credit card security device and digital network authorisation services, and securities trading. The operating division of provision of credit card security device and digital network authorisation services (which carried out all of the Group's provision of credit card security device and digital network authorisation services operation) was classified as discontinued operation in the year ended 30 June 2009 upon the disposal of such business operation, which was completed on 26 March 2009, on which date control of Star Cyber DNA Limited and its subsidiaries passed to the acquirer.

In addition, the Group newly acquired its gold and silver mining business during the year following the completion of the acquisition of assets through acquisition of subsidiaries on 3 July 2009, details of which are set out in note 12. The gold and silver mining business forms a new operating segment during the year ended 30 June 2010.

Accordingly, segment information reported externally in 2010 was analysed on the basis of the four operating divisions, namely mining business, provision of financial information services, trading of electronic goods and accessories, and securities trading.

(a) Segment revenue and results

An analysis of the Group's revenue and results by operating segment is as follows:

For the year ended 30 June 2010

	Continuing operations				
	Provision of financial information services *HK$'000*	Trading of electronic goods and accessories *HK$'000*	Securities trading *HK$'000*	Mining business *HK$'000*	Total *HK$'000*
Segment revenue	4,277	1,534	–	–	5,811
Segment result	(72)	9	(174,748)	(74,297)	(249,108)
Unallocated corporate expenses					(84,388)
Unallocated income					153
Losses on disposal of an available-for-sale investment					(18,630)
Loss before taxation					(351,973)

For the year ended 30 June 2009

	Continuing operations				Discontinued operation	
	Provision of financial information services *HK$'000*	Trading of electronic goods and accessories *HK$'000*	Securities trading *HK$'000*	Total *HK$'000*	Provision of credit card security device and digital network authorisation services *HK$'000*	Consolidated *HK$'000*
Segment revenue	4,086	24,966	–	29,052	2,125	31,177
Segment result	(919)	274	(7,009)	(7,654)	(3,594)	(11,248)
Unallocated corporate expenses				(42,539)	(812)	(43,351)
Unallocated income				1,296	–	1,296
Effective interest expense on convertible notes				(449)	–	(449)
Decrease in fair value of investment properties				–	(6,591)	(6,591)
Impairment losses on an available-for-sale investment				(103,964)	–	(103,964)
Loss before taxation				(153,310)	(10,997)	(164,307)

Segment result represents the profit earned by/loss from each segment without allocation of central administration costs, certain bank interest income, effective interest expense on convertible notes, fair value changes in investment properties, impairment losses on available-for-sale investment and loss on disposal of available-for-sale investment. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

(b) Segment assets and liabilities

At 30 June 2010

	Continuing operations				
	Provision of financial information services *HK$'000*	Trading of electronic goods and accessories *HK$'000*	Securities trading *HK$'000*	Mining business *HK$'000*	Total *HK$'000*
ASSETS					
Segment assets	1,719	-	171,402	4,628,853	4,801,974
Unallocated corporate assets					26,194
Total assets					4,828,168
LIABILITIES					
Segment liabilities	1,743	-	-	132,291	134,034
Unallocated corporate liabilities					7,071
Total liabilities					141,105

At 30 June 2009

	Continuing operations			Discontinued operation	
	Provision of financial information services *HK$'000*	Trading of electronic goods and accessories *HK$'000*	Securities trading *HK$'000*	Provision of credit card security device and digital network authorisation services *HK$'000*	Consolidated *HK$'000*
ASSETS					
Segment assets	1,231	4,156	18,885	-	24,272
Available-for-sale investments					228,215
Unallocated corporate assets					249,144
Total assets					501,631
LIABILITIES					
Segment liabilities	1,725	–	–	-	1,725
Unallocated corporate liabilities					2,789
Total liabilities					4,514

For the purposes of monitoring segment performances and allocating resources between segments, segment assets and liabilities represent assets and liabilities of the subsidiaries carrying out the respective segment activities.

(c) Other segments information

At 30 June 2010

	Continuing operations					
	Provision of financial information services *HK$'000*	Trading of electronic goods and accessories *HK$'000*	Securities trading *HK$'000*	Mining Business *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Amounts included in measure of segment profit or loss or segment assets:						
Additions to non-current assets (*Note*)	-	-	-	588,715	3,943	592,658
Depreciation	268	-	-	-	695	963
Loss on disposal of property, plant and equipment	-	-	-	-	26	26

At 30 June 2009

	Continuing operations				Discontinued operation	
	Provision of financial information services *HK$'000*	Trading of electronic goods and accessories *HK$'000*	Securities trading *HK$'000*	Unallocated *HK$'000*	Provision of credit card security device and digital network authorisation services *HK$'000*	Consolidated *HK$'000*
Amounts included in measure of segment profit or loss or segment assets:						
Additions to non-current assets (*Note*)	559	–	–	219	797	1,575
Depreciation	184	–	–	578	462	1,224
Allowance/(reversal of allowance) for bad and doubtful debts	3	–	–	–	(1,068)	(1,065)
Loss on disposal of property, plant and equipment	–	–	–	1	11	12

Note: Non-current assets excluded available-for-sale investments.

(d) Geographical information

Revenue from the Group's continuing operations of HK$5,811,000 (2009: HK$29,052,000) was derived from Hong Kong, based on the geographical market, irrespective of the origin of the goods/services.

Revenue from the Group's discontinued operation of provision of credit card security device and digital network authorisation services derived from Hong Kong and the People's Republic of China amounted to HK$379,000 and HK$1,746,000, respectively, for the year ended 30 June 2009.

The following is an analysis of the non-current assets by the geographical area in which the assets are located:

	Non-current assets excluding financial instrument	
	2010	2009
	HK$'000	*HK$'000*
Hong Kong	**5,778**	2,824
Indonesia	**2,372,239**	-
	2,378,017	2,824

Note: Non-current assets excluded available-for-sale investments

(e) Information about major customers

The Group's revenue arising from trading of electronic goods and accessories of HK$1,534,000 (2009: HK$24,966,000), which contributes 26% (2009: 86%) of the Group's total revenue from continuing operations, come from only one (2009: one) customer.

4. LOSS BEFORE TAXATION

	Continuing operations		Discontinued operation		Consolidated	
	2010	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Loss before taxation has been arrived at after charging/(crediting):						
Staff costs						
– Directors' emoluments	**89,392**	23,968	**–**	–	**89,392**	23,968
– Other staff costs	**14,458**	6,962	**–**	4,021	**14,458**	10,983
– Contributions to retirement benefits schemes, excluding directors	**298**	138	**–**	190	**298**	328
– Share-based payment expenses, excluding directors	**13,468**	–	**–**	–	**13,468**	–
Total staff costs	**117,616**	31,068	**–**	4,211	**117,616**	35,279
Auditors' remuneration	**1,480**	950	**–**	–	**1,480**	950
Depreciation of property, plant and equipment	**963**	762	**–**	462	**963**	1,224
Cost of inventories recognised as expense	**1,507**	24,525	**–**	–	**1,507**	24,525
Allowance/(reversal of allowance) for bad and doubtful debts	**–**	3	**–**	(1,068)	**–**	(1,065)
Operating lease payments in respect of office premises and warehouse	**2,674**	2,075	**–**	453	**2,674**	2,528
Loss on disposal of property, plant and equipment	**26**	1	**–**	11	**26**	12
Rental income under operating leases	**–**	–	**–**	(768)	**–**	(768)
Less: Direct operating expenses that generated rental income during the year	**–**	–	**–**	75	**–**	75
	–	–	**–**	(693)	**–**	(693)
Dividend income	**–**	(99)	**–**	–	**–**	(99)
Exchange gain, net	**(4,186)**	(4)	**–**	–	**(4,186)**	(4)
Interest income	**(93)**	(1,143)	**–**	(11)	**(93)**	(1,154)

5. TAXATION

	Continuing operations		Discontinued operation		Consolidated	
	2010	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong Profits Tax						
– Overprovision in prior years	**–**	(23)	**–**	–	**–**	(23)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Under the relevant tax law, the tax rate of the Indonesian subsidiary is 28%.

No provision for Hong Kong Profits Tax or taxation in other jurisdictions has been made in the consolidated financial statements for both years as neither the Company nor any of its subsidiaries had any assessable profits in both years.

The taxation for the year can be reconciled to the loss before taxation per the consolidated income statement as follows:

	2010	2009
	HK$'000	*HK$'000*
Loss before taxation		
– Continuing operations	**(351,973)**	(153,310)
– Discontinued operation	**–**	(10,997)
	(351,973)	(164,307)
Tax at Hong Kong Profits Tax rate of 16.5%	**(58,076)**	(27,111)
Tax effect of expenses not deductible for tax purpose	**18,265**	17,534
Tax effect of income not taxable for tax purpose	**(388)**	(250)
Tax effect of tax losses not recognised	**40,328**	9,827
Effect of different tax rates of subsidiaries operating in other jurisdictions	**(129)**	–
Overprovision in respect of prior years	**–**	(23)
Taxation for the year	**–**	(23)

6. LOSS PER SHARE

For continuing and discontinued operations

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	2010	2009
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company, for the purposes of basic and diluted loss per share	**(351,973)**	(164,284)

	Number of shares	
	2010	2009
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	**13,993,839,799**	427,559,296

The weighted average number of ordinary shares for year ended 30 June 2009 has been adjusted for the capital reorganisation of the Company in June 2009.

The computation of diluted loss per share for the year ended 30 June 2010 and 2009 does not include adjustments for the Company's outstanding share options as these options have anti-dilutive effect.

From continuing operations

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	2010	2009
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company	**(351,973)**	(164,284)
Less: Loss for the year from discontinued operation	**–**	(10,997)
Loss for the year attributable to owners of the Company from continuing operations	**(351,973)**	(153,287)

The denominators used are the same as those detailed above for the basic and diluted loss per share.

From discontinued operation

Basic and diluted loss per share for the discontinued operation was HK2.6 cents per share, based on the loss for the year ended 30 June 2009 from the discontinued operation of HK$10,997,000 and the denominators detailed above for the basic and diluted loss per share.

7. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Plant and equipments	Mine property and development assets	Exploration and evaluation assets	Construction in progress	Leasehold improvements	Furniture, fixtures & equipment	Motor vehicles	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
COST									
At 1 July 2008	-	-	-	-	-	835	6,904	3,130	10,869
Additions	-	-	-	-	-	-	1,575	-	1,575
Disposal of subsidiaries	-	-	-	-	-	(446)	(2,157)	(1,281)	(3,884)
Disposals	-	-	-	-	-	-	(136)	-	(136)
At 30 June 2009 and 1 July 2009	-	-	-	-	-	389	6,186	1,849	8,424
Exchange realignments	14	3	3,315	-	1,444	-	9	-	4,785
Additions	-	-	110,918	4,027	473,771	2,176	1,766	-	592,658
Arising from acquisition of assets through acquisition of subsidiaries *(Note 12)*	3,019	828	1,450,647	-	323,538	-	1,867	-	1,779,899
Disposals	-	-	-	-	-	-	(33)	-	(33)
At 30 June 2010	3,033	831	1,564,880	4,027	798,753	2,565	9,795	1,849	2,385,733
ACCUMULATED DEPRECIATION									
At 1 July 2008	-	-	-	-	-	605	4,914	607	6,126
Provided for the year	-	-	-	-	-	56	630	538	1,224
Eliminated on disposal of subsidiaries	-	-	-	-	-	(272)	(790)	(573)	(1,635)
Eliminated on disposals	-	-	-	-	-	-	(115)	-	(115)
At 30 June 2009 and 1 July 2009	-	-	-	-	-	389	4,639	572	5,600
Provided for the year *(Note)*	349	228	-	-	-	104	1,072	370	2,123
Eliminated on disposals	-	-	-	-	-	-	(7)	-	(7)
At 30 June 2010	349	228	-	-	-	493	5,704	942	7,716
CARRYING VALUES									
At 30 June 2010	2,684	603	1,564,880	4,027	798,753	2,072	4,091	907	2,378,017
At 30 June 2009	-	-	-	-	-	-	1,547	1,277	2,824

Construction in progress represents the construction of mine structures and mining site infrastructure for the Martabe Project.

Depreciation on the mine property and development assets is provided using the unit of production method based on the actual production volume over the total estimated proved and probable reserves of the gold and silver mine.

The other items of property, plant and equipment, except for exploration and evaluation assets and construction in progress, are depreciated on a straight-line basis after taking into account their estimated residual value, at the following rates per annum:

Buildings	10%
Plant and equipment	20%
Leasehold improvements	10% to 50% or over the terms of the leases whichever is shorter
Furniture, fixtures and equipment	20%
Motor vehicles	20%

Note: Depreciation expense of building, plant and equipment, and furniture, fixtures equipment of HK$349,000, HK$228,000 and HK$583,000, respectively incurred during the year ended 30 June 2010 by a subsidiary in respect of the development of the gold and silver mine was capitalised as part of mine property and development assets (included in property, plant and equipment).

8. AVAILABLE-FOR-SALE INVESTMENTS

	2010	2009
	HK$'000	*HK$'000*
Unlisted equity securities, at cost less impairment		
W-Phone, Inc. ("W-Phone") (*Note a*)	**–**	–
Listed equity securities, at fair value		
Sino Union Energy Investment Group Limited (previously known as "Sino Union Petroleum & Chemical International Limited") ("SEIG") (*Note b*)	**–**	228,215
Listed debt securities, at fair value		
Senior Note Due 2015 (*Note c*)	**93,298**	–
	93,298	228,215

Notes:

(a) W-Phone is a private entity incorporated in the United States of America. The unlisted investment in W-Phone, whose cost amounted to HK$3,420,000, is measured at cost less accumulated impairment losses at the end of the reporting period. The investment was fully impaired as at 30 June 2010 and 2009.

(b) On 17 April 2008, the Group entered into an agreement with SEIG, whereby, the Company agreed to dispose of its entire 36% equity interest in another available-for-sale investment, Madagascar Petroleum International Limited ("MPIL"). 253,571,428 shares of SEIG, being 4.15% interest in SEIG, was part of the considerations for this acquisition and whose fair value as at that date amounted to HK$289,072,000 based on its published share price of HK$1.14 per share at the date of completion of the acquisition of SEIG. Such investment in SEIG was accounted for as available-for-sale investment during the year ended 30 June 2009.

As at 31 December 2008, an impairment loss in investment in SEIG of HK$103,964,000 was recognised in the consolidated income statement, determined using SEIG's published share price at 31 December 2008. For the six months ended 30 June 2009, a fair value increase of HK$43,107,000 was recognised in reserve determined using SEIG's published share price at 30 June 2009.

In August 2009, the Group disposed of its entire investment in SEIG at net consideration of approximately HK$166,478,000, based on its average published share price of HK$0.66 per share at the date of disposal and resulted in loss on disposal of approximately HK$18,630,000.

(c) During the year, the Group acquired senior notes with principal amount of HK$92,940,000 issued by a company with its shares listed on the Hong Kong Stock Exchange with maturity date of 18 May 2015 (the "Senior Notes Due 2015"). These notes are listed on the Singapore Exchange Securities Trading Limited, carry interest at a fixed rate of 11.75% per annum, payable semi-annually in arrears on 18 May and 18 November of each year, commencing on 18 November 2010 and redeemable by the issuer under certain conditions.

The Senior Notes Due 2015 were initially measured at fair value. The fair value measurements are derived from valuation techniques that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). During the year ended 30 June 2010, an increase in fair value of HK$358,000 was recognised in the investment revaluation reserves.

In the absence of quoted market price in an active market, the fair value of the Senior Notes Due 2015 as at 30 June 2010 is determined using the Hull-White term structure model with the following assumptions:

Effective interest rate:	12.52%
Time to maturity:	4.964 years
Mean Reverting rate:	0.02289
Volatility	0.00720

9. TRADE AND OTHER RECEIVABLES

	2010	2009
	HK$'000	*HK$'000*
Trade receivables *(Note a)*	**132**	2,860
Other receivables *(Note b)*	**102,043**	12,115
Less: allowance for other receivables	**–**	(3)
	102,175	14,972

(a) The Group normally allows an average credit period of 60 days to its trade customers. The following is an ageing analysis of trade receivables at the end of the reporting periods which is determined based on the invoice date:

	2010	2009
	HK$'000	*HK$'000*
0-60 days	**132**	2,860
61-90 days	**–**	–
Over 90 days	**–**	–
	132	2,860

Before accepting any new customer, the Group will assess the potential customer's credit quality and define its credit limit. Credit sales are made to customers with appropriate credit history. Credit limits attributed to customers are reviewed regularly.

At the end of the reporting periods, the directors considered the trade receivables which were neither past due nor impaired were of good credit quality.

(b) Included in other receivables is HK$82,038,000 VAT paid by an Indonesian subsidiary of the Group in connection with its purchase of goods and services from suppliers. The Indonesian subsidiary is in the process of obtaining the approval from the relevant Indonesian tax authority for refund of such VAT paid.

Movement in the allowance for other receivables:

	2010	2009
	HK$'000	*HK$'000*
Balance at beginning of the year	**3**	1,646
Amounts written off	**(3)**	–
Reversal of allowance for other receivables	**–**	(1,065)
Disposal of subsidiaries	**–**	(578)
Balance at the end of the year	**–**	3

At the end of the reporting periods, the Group's receivables were individually determined to be impaired. The individually impaired receivables are recognised based on the credit history of the debtors, such as financial difficulties or default in payments, and current market conditions. The Group does not hold any collateral over these balances.

10. TRADE AND OTHER PAYABLES

As at 30 June 2009, included in trade and other payables were trade creditors of HK$212,000 (2010: Nil) which aged within 30 days as at the end of the reporting period.

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The average credit period on purchases of goods is 30 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

Included in other payables is an amount of HK$114,608,000 relating to payables by an Indonesian subsidiary of the Group to its consultants and contractors in connection with the construction of the mining site of the Martabe Project.

11. PROVISION FOR MINE REHABILITATION COST

In accordance with relevant rules and regulations in Indonesia, the Indonesian subsidiary of the Group accrued for the cost of land rehabilitation and mine closure for the Group's gold and silver mine. The provision for rehabilitation cost has been determined by the directors based on their best estimates in accordance with the Indonesian rules and regulations.

	HK$'000
At 1 July 2008 and 30 June 2009	–
Acquisition of assets through acquisition of subsidiaries *(Note 12)*	5,864
Additions	4,960
At 30 June 2010	10,824

Provision for mine rehabilitation cost incurred for the year of HK$4,960,000 was capitalized as part of mine property and development assets (included in property, plant and equipment) during the year ended 30 June 2010.

12. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES

On 24 April 2009, Acewick Holdings Limited, a wholly-owned subsidiary of the Company ("Acewick"), Polytex Investments Inc. ("Polytex", a direct wholly-owned subsidiary of CST Mining Group Limited, previously known as "China Sci-Tech Holdings Limited" ("CST")), a company with common directors of the Group, the Company and CST entered into an option agreement (the "Option Agreement") pursuant to which Polytex conditionally agreed, among other things, to grant a call option to Acewick at a consideration of HK$1 for a period of six months from the Option Agreement date, whereby Acewick may require Polytex to sell or procure the sale of the entire issued share capital in Maxter Investments Limited ("Maxter") to Acewick (the "Acquisition") at a consideration ranged from HK$1,713 million to HK$1,801 million, which would be satisfied by maximum cash consideration of HK$1,723,600,000 and ordinary shares of the Company of HK$0.01 each issued at HK$0.35 each for the remaining balance.

The Group exercised the option pursuant to the Option Agreement and on 3 July 2009, acquired 100% of the issued share capital of Maxter and its subsidiaries, namely G-Resources Martabe Pty Limited, Agincourt Resources (Singapore) Pte Limited, and PT Agincourt Resources (collectively the "Maxter Group") at total consideration of HK$1,768,795,000, satisfied by cash of HK$1,681,331,000 and 221,428,571 ordinary shares of the Company with par value of HK$0.01 each. The fair value of the newly issued shares of the Company, determined using the closing price of HK$0.395 each quoted on the Stock Exchange on 3 July 2009, amounted to approximately HK$87,464,000.

The principal assets of Maxter Group are the mine property and development assets of a mine for the Martabe Project and related items of property, plant and equipment. At 30 June 2010, the Martabe Project is under development and has not yet commenced mining operation.

The acquisition has been accounted for as an acquisition of assets and liabilities as the companies acquired are not business. The net asset acquired through the acquisition are summarised as follow:

	HK$'000
Net assets acquired:	
Property, plant and equipment	1,779,899
Other receivables	52,943
Bank balances and cash	1,046
Trade and other payables	(21,531)
Provision for mine rehabilitation cost	(5,864)
	1,806,493
Total consideration satisfied by:	
Cash	1,681,331
Directly attributable costs	37,698
Issue of shares for acquisition of assets and liabilities	87,464
	1,806,493
Net cash outflow arising on the acquisition:	
Cash consideration paid	1,681,331
Cash paid for directly attributable costs	37,698
Less: bank balances and cash acquired	(1,046)
	1,717,983

13. CAPITAL COMMITMENTS

At the end of the reporting periods, the Group had the following capital commitments:

	2010	2009
	HK$'000	*HK$'000*
Capital expenditure contracted for but not provided for in the consolidated financial statements in respect of acquisition of property, plant and equipment	**365,706**	–
Capital expenditure authorised but not contracted for in respect of acquisition of property, plant and equipment	**2,206,798**	–

DIVIDENDS

The Board has resolved not to declare any final dividend for the year ended 30 June 2010.

MANAGEMENT DISCUSSION AND ANALYSIS

Key Financial Information

			For indicative purpose only	
	2010	2009	*2010*	*2009*
	HK$'M	HK$'M	*USD'M*	*USD'M*
Financial Position				
Current Asset				
Bank balances and cash	2,176	237	*279*	*30*
Others	181	34	*23*	*4*
Non-current Assets	2,471	231	*317*	*30*
Total Assets	4,828	502	*619*	*64*
Total Debts	-	-	-	-
Other liabilities	(141)	(5)	*(18)*	-
Net Assets	4,687	497	*601*	*64*
Income Statement				
Turnover	6	29	*1*	*4*
Gross profit	1	1	-	-
EBITDA	(351)	(153)	*(45)*	*(20)*
Loss before taxation	(352)	(153)	*(45)*	*(20)*
Taxation	-	-	-	-
Loss for the year	(352)	(153)	*(45)*	*(20)*

Business Review

On 3 July 2009, the Group raised HK$4,550 million through the placement of 13 billion fully paid ordinary shares of the Company to fund the purchase and construction of the Martabe Project in Indonesia. The Group acquired the Martabe Project through the purchase of all the issued shares capital of Maxter Investments Limited. The purchase was satisfied by cash payment of HK$1,681 million and the issue of 221,428,571 ordinary shares of the Company, at a fair value of HK$0.395 each (approximately HK$87 million).

Expenditure on exploration, development and mining activities
During the year, the Martabe Project of the Company was under development and construction. The Company invested a total of HK$584 million on the exploration and development activities and which is summarised in the following key categories:

	Mine Property & Development* *HK$'M*	Regional Exploration & Evaluation *HK$'M*	Construction in Progress *HK$'M*
Land holding fee	2	-	-
Assets and equipment	4	-	324
Earthworks & access	-	-	89
Drilling & assays expense	30	-	5
Consultancy and advisory	-	1	20
Staff cost	39	2	3
Transportation cost	4	-	25
Others	27	1	8
Sub-total	106	4	474
Total			584

* *includes costs incurred on near mine exploration and evaluation.*

Results
The Martabe Project of the Company is still under construction and is not generating any revenue for the Company. For the year ended 30 June 2010, the Group's turnover amounted to approximately HK$5.8 million, comparing to approximately HK$29.1 million reported for the financial year of 2009. The decrease in turnover was in line with our decision to cease the business of trading of electronics goods and accessories following the acquisition of the Martabe Project.

The Group's financial information services (WINFCS) recorded a turnover of approximately HK$4.3 million (2009: approximately HK$4.1 million) which accounted for 74% of the total turnover of the Group for the year under review. The Group's business in trading of electronics goods and accessories contributed a turnover of approximately HK$1.5 million, which accounted for approximately 26% of the total turnover of the Group for the year ended 30 June 2010.

Loss attributable to owners of the Company from the continuing operations for the current year was approximately HK$352.0 million, compared to loss of approximately HK$153.3 million in the corresponding year of 2009, representing an increase of 130%. The increase in loss was mainly due to (i) the recognition of share-based payment expense of approximately HK$79.9 million (2009: nil) in respect of share options granted to senior staff and management of the Group's newly acquired gold mining business; (ii) adverse fair value change of held for trading investments which amounted to HK$172.6 million (of which a fair value change of HK$148.5 million had already been recorded as at 31 December 2009) as a result of the combined effect of the increased investment portfolio during the year and the continue unfavourable market fluctuation on our enlarged investment portfolio after 31 December 2009; and (iii) additional operating expenses incurred for business expansion during the year including professional and consultancy fees for business development purposes and staff cost for senior staff and management of the Group's newly acquired gold mining business.

Net Asset Value

As at 30 June 2010, the Group's total net asset amounted to approximately HK$4,687 million, represented an increase of HK$4,190 million as compared to approximately HK$497 million as at 30 June 2009. The significant increment in net assets was mainly due to the fund raising of HK$4,550 million in July 2009 through placement of share of the Company, of which approximately HK$1,719 million was applied for the acquisition of the Martabe Project. Based on the total number of 14,066,831,950 shares issued as at 30 June 2010, net asset value per share was HK$0.33 (2009: HK$0.59).

Liquidity and Financial Resources

The Group recorded a net cash inflow of approximately HK$1,940 million during the year ended 30 June 2010. At 30 June 2010, cash and bank balances of the Group amounted to approximately HK$2,176 million (2009: approximately HK$237 million). Bank deposit of approximately HK$714,000 was pledged to a bank to secure cutting tree permit granted to a subsidiary of the Group as at 30 June 2010 (2009: nil).

As at 30 June 2010, a fixed charge on the entire share interest of Agincourt Resources (Singapore) Pte Limited and a floating charge over all the assets of G-Resources Martabe Pty Limited, both being wholly-owned subsidiary of the Company, were granted to an independent third party to secure its contractual obligations to pay royalty to this independent third party.

The Group's gearing ratio, expressed as the percentage of the Group's total borrowings over shareholders' equity, was nil at 30 June 2010 (2009: nil) as the Group did not have any borrowings as at 30 June 2010 and 2009.

Material Acquisitions and Disposals of Subsidiaries and Associated Companies

Save as disclosed under the section headed "Business Review" above, there was no material acquisitions or disposals of subsidiaries and associated companies during the year.

Exposure to fluctuations in exchange rates and related hedge

The Group conducted most of its business in United States dollars ("USD"), Australian dollars ("AUD"), Indonesian Rupiah ("IDR") and Hong Kong dollars ("HKD"). The foreign currency exposure to USD is minimal as HKD is pegged to USD. The Group exposes to foreign currency risk that are denominated in AUD and IDR. The Group currently does not have hedging policy against AUD and IDR. However, management monitors the Group's foreign currency exposure and will consider hedging significant foreign exchange rate exposure should the need arise.

Business Outlook
In the upcoming year, G-Resources will continue to develop the Martabe Project in accordance with its **GREAT** Core Values: **G**rowth in value for all of our stakeholders; **R**espect for our people, our communities and all stakeholders; **E**xcellence in everything we do; **A**ction to deliver on our commitments; and **T**ransparency, openness, honesty and good governance.

This will be achieved by working with key stakeholders, especially the local community; achieving excellence in all areas, particularly those involving the safety of employees, the environment and the community; pursuing quality in all of its activities; and ensuring that stakeholders are kept fully informed about the progress of the Martabe Project.

The Company has every confidence that it will remain on target for starting first gold production before the end of 2011. In the year ahead, G-Resources will complete the construction of the site facilities, award the remaining contracts and hire additional staff in preparation for the opening of the mine.

Regarding exploration and development, the Company will continue exploration activities aiming to add to its resources and reserves in and around the existing ore bodies and on Martabe's highly prospective 1,639 sq km tenement area. G-Resources will also investigate the investment potential of countries outside Indonesia. Although the immediate focus will be on the Asia-Pacific mineral belts, this will not preclude looking further afield on other continents.

Finally, and of equal importance, G-Resources will fulfil its social obligations by continuing to provide programmes that meet the needs of the local community.

Human Resources
As at 30 June 2010, the Group had 22 employees in Hong Kong, 218 employees in Indonesia and 2 employees in Australia, respectively. Employees are remunerated at a competitive level and are rewarded according to their performance. Our Group's remuneration packages include a medical scheme, group insurance, mandatory provident fund, performance bonus and options for senior staff.

According to the share option scheme adopted by the Company on 30 July 2004, share options may be granted to directors and eligible employees of the Group to subscribe for shares in the Company in accordance with the terms and conditions stipulated therein.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company has not redeemed any of its securities during the year ended 30 June 2010. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's securities during the year.

COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the year ended 30 June 2010, and they all confirmed that they had fully complied with the required standard set out in the Model Code.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES OF THE LISTING RULES

Throughout the year ended 30 June 2010, the Company has applied the principles of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules and complied with all the applicable code provisions of the Code, except that the existing non-executive directors and independent non-executive directors of the Company were not appointed for a specific term as required under the Code Provision A.4.1 but are subject to retirement by rotation and re-election at each annual general meeting in accordance with the Bye-laws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company has good corporate governance practices.

AUDIT COMMITTEE

As at the date of this announcement, the audit committee of the Company comprises of Mr. Or Ching Fai, Ms. Ma Yin Fan and Mr. Leung Hoi Ying. All of them are independent non-executive directors. The audited consolidated financial statements of the Group for the year ended 30 June 2010 have been reviewed by the audit committee.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my appreciation to the continuous support of our shareholders and dedication of all our staff over the past year.

By Order of the Board
G-Resources Group Limited
Chiu Tao
Chairman

Hong Kong, 15 October 2010

As at the date of this announcement, the Board comprises (i) Mr. Chiu Tao, Mr. Owen L Hegarty, Mr. Peter Geoffrey Albert, Mr. Ma Xiao, Mr. Wah Wang Kei, Jackie, Mr. Hui Richard Rui and Mr. Kwan Kam Hung, Jimmy as executive directors of the Company; (ii) Mr. Tsui Ching Hung as non-executive director of the Company; and (iii) Mr. Or Ching Fai, Ms. Ma Yin Fan and Mr. Leung Hoi Ying as independent non-executive directors of the Company.

* *For identification purpose only*