

# **MONUMENT MINING LIMITED**

Three and Six Months Ended December 31, 2011

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
(Expressed in United States dollars)

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying condensed interim consolidated financial statements of Monument Mining Limited have been prepared by management in accordance with International Financial Reporting Standards (IFRS). The financial information contained elsewhere in this report has been reviewed to ensure consistency with the financial statements.

Management maintains systems of internal controls designed to provide reasonable assurance that the assets are safeguarded, all transactions are authorized and duly recorded, and financial records are properly maintained to facilitate the preparation of financial statements in a timely manner. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee of the Board of Directors has reviewed the condensed interim consolidated financial statements with management.

"Robert Baldock"

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Robert Baldock,  
President and Chief Executive Officer

"Cathy Zhai"

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Cathy Zhai,  
Chief Financial Officer

Vancouver, British Columbia  
February 28, 2012

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**MONUMENT MINING LIMITED**

**CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS**

Unaudited

(in United States dollars, except otherwise stated)

	Notes	December 31 2011	June 30, 2011 (Note 21)	July 1, 2010 (Note 21)
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents		\$ 59,480,783	\$ 49,063,026	\$ 3,722,746
Restricted cash	4, 8	4,598,563	103,500	174,400
Gold bullion		-	1,505,490	-
Trade and other receivables		5,133,502	1,924,131	1,843,755
Prepaid expenses and deposits		500,598	492,994	88,585
Inventories	5	18,456,322	15,237,610	4,769,981
		88,169,768	68,326,751	10,599,467
<b>Non-current assets</b>				
Restricted inventories	5, 11 (c)	1,802,386	1,121,400	-
Property, plant and equipment	6	37,406,866	35,012,324	19,928,765
Mineral properties	7	27,839,081	20,065,745	36,412,904
Deferred costs	8	3,096,067	216,287	226,522
		70,144,400	56,415,756	56,568,191
		\$ 158,314,168	\$ 124,742,507	\$ 67,167,658
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities		\$ 7,245,174	\$ 4,903,751	\$ 3,624,057
Finance lease obligations	17 (b)	15,422	15,746	13,882
		7,260,596	4,919,497	3,637,939
<b>Non-current liabilities</b>				
Finance lease obligations	17 (b)	22,899	32,257	44,771
Gold forward contract	10, 11 (b)	2,592,660	2,592,660	-
Convertible notes	10, 11 (a)	5,453,089	5,290,009	-
Unrealized fair value of derivative liabilities	10	6,901,641	21,285,160	-
Asset retirement obligations	13	4,633,134	4,249,810	3,540,057
Deferred tax liabilities		683,688	720,900	672,633
		20,287,111	34,170,796	4,257,461
		27,547,707	39,090,293	7,895,400
<b>Equity</b>				
Share capital	14	68,498,281	63,484,007	57,805,102
Capital reserve – warrants	14	2,612,024	2,612,024	2,612,024
Capital reserve – options	14	6,197,993	5,866,850	5,098,552
Retained earnings (accumulated deficit)		52,865,789	13,689,333	(6,243,420)
		130,174,087	85,652,214	59,272,258
Non-controlling interests	12	592,374	-	-
		130,766,461	85,652,214	59,272,258
		\$ 158,314,168	\$ 124,742,507	\$ 67,167,658
Commitments	17			
Subsequent events	20			

Approved on behalf of the Board:

“Robert Baldock”  
Robert Baldock, Director

“Graham Dickson”  
Graham Dickson, Director

**MONUMENT MINING LIMITED**
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)**

Unaudited

(in United States dollars, except otherwise stated)

	Notes	Three months ended		Six months ended	
		December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
<b>Revenue</b>					
Revenue - gold sale		\$ 21,084,315	\$ 14,119,390	\$ 35,514,613	\$ 20,730,884
Production costs		(3,924,863)	(2,656,989)	(6,405,203)	(3,731,830)
Gross margin from mining operations		17,159,452	11,462,401	29,109,410	16,999,054
Depletion and amortization		(1,203,262)	(379,683)	(2,009,323)	(442,912)
Gain on disposal of scrap material		1,753	-	3,879	-
Accretion of asset retirement obligations	13	257,484	54,779	(56,535)	11,645
		(944,025)	(324,904)	(2,061,979)	(431,267)
Income from mining operations		16,215,427	11,137,497	27,047,431	16,567,787
<b>Expenses</b>					
General and administration		391,374	302,315	784,552	608,335
Share-based payments		112,391	209,384	318,661	627,886
Legal, consulting and audit		418,397	263,234	517,158	341,073
Shareholders communication		208,176	61,434	275,354	113,605
Travel		212,363	173,357	277,896	227,035
Regulatory compliance and filing		15,204	5,671	17,300	16,959
Project investigation		-	-	3,555	-
Amortization		77,971	6,929	148,301	9,476
		1,435,876	1,022,324	2,342,777	1,944,369
Income (loss) before other items		14,779,551	10,115,173	24,704,654	14,623,418
<b>Other income (loss)</b>					
Gain/(loss) due to change in fair value of derivative liabilities	10, 11	12,169,300	(4,992,613)	14,383,519	(8,144,029)
Realized gain on forward gold sale, net		-	-	66,508	-
Foreign currency exchange gain (loss)		355,422	(191,108)	373,278	(385,548)
Interest income		55,692	29,356	91,870	42,542
Accretion interest on convertible note		(221,209)	(366,456)	(442,660)	(423,768)
		12,359,205	(5,520,821)	14,472,515	(8,910,803)
<b>Income before taxes</b>		27,138,756	4,594,352	39,177,169	5,712,615
Income tax expense, net		(713)	-	(713)	-
<b>Net income</b>		\$27,138,043	\$ 4,594,352	\$ 39,176,456	\$ 5,712,615
Attributable to non-controlling interest		\$ -	\$ -	\$ -	\$ -
Attributable to common shareholders		27,138,043	4,594,352	39,176,456	5,712,615
<b>Total comprehensive income</b>		\$ 27,138,043	\$ 4,594,352	\$ 39,176,456	\$ 5,712,615
Attributable to non-controlling interest		-	-	-	-
Attributable to common shareholders		\$ 27,138,043	\$ 4,594,352	\$ 39,176,456	\$ 5,712,615
<b>Earnings per share</b>					
Basic	15	\$ 0.15	\$ 0.03	\$ 0.22	\$ 0.03
Diluted	15	\$ 0.14	\$ 0.02	\$ 0.20	\$ 0.03
<b>Weighted average number of common shares</b>					
Basic	15	183,997,299	171,089,388	181,416,727	164,063,485
Diluted	15	193,614,656	189,458,243	194,898,545	172,828,993

**MONUMENT MINING LIMITED**

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY**

Unaudited

(in United States dollars, except otherwise stated)

	Attributable to owners of the parent				Total	Non-controlling interest	Total equity
	Common shares	Capital reserve - warrants	Capital reserve - options	Retained earnings (deficit)			
<b>Balance, July 1, 2010</b>	\$ 57,805,102	\$ 2,612,024	\$ 5,098,552	\$ (6,243,420)	\$59,272,258	\$ -	\$59,272,258
Common shares issued on acquisition of properties	3,406,900	-	-	-	3,406,900	-	3,406,900
Warrants exercised, including cash	367,949	-	-	-	367,949	-	367,949
Stock options exercised, including cash	351,989	-	(127,547)	-	224,442	-	224,442
Share-based compensation	-	-	650,664	-	650,664	-	650,664
Net income for the period	-	-	-	5,712,615	5,712,615	-	5,712,615
<b>Balance, December 31, 2010</b>	\$ 61,931,940	\$ 2,612,024	\$ 5,621,669	\$ (530,805)	\$ 69,634,828	\$ -	\$ 69,634,828
<b>Balance, July 1, 2011</b>	\$ 63,484,007	\$ 2,612,024	\$ 5,866,850	\$ 13,689,333	\$85,652,214	\$ -	\$85,652,214
Common shares issued on acquisition of properties	843,292	-	-	-	843,292	-	843,292
Warrants exercised, including cash	4,160,738	-	-	-	4,160,738	-	4,160,738
Stock options exercised	10,244	-	(4,444)	-	5,800	-	5,800
Share-based compensation	-	-	339,618	-	339,618	-	339,618
Stock options forfeited	-	-	(4,031)	-	(4,031)	-	(4,031)
Net income for the period	-	-	-	39,176,456	39,176,456	-	39,176,456
Acquisition during the period	-	-	-	-	-	592,374	592,374
<b>Balance, December 31, 2011</b>	\$ 68,498,281	\$ 2,612,024	\$ 6,197,993	\$ 52,865,789	\$130,174,087	\$ 592,374	\$130,766,461

**MONUMENT MINING LIMITED**
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

Unaudited

(in United States dollars, except otherwise stated)

	Notes	Three months ended		Six months ended	
		December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
<b>Operating activities</b>					
Net income for the period		\$ 27,138,043	\$ 4,594,352	\$ 39,176,456	\$ 5,712,615
Adjustments to reconcile net income to net cash provided from operating activities:					
Amortization		1,281,233	364,328	2,157,624	452,388
Accretion expense on asset retirement obligations		(257,484)	(54,779)	56,535	(11,645)
Share-based compensation		112,391	209,384	318,661	627,886
(Gain)/loss on change in fair value of derivative liabilities		(12,587,018)	4,992,613	(14,364,442)	8,144,029
Foreign exchange loss (gain)		(554,215)	(3,379)	8,168	479,771
Change in fair value of forward contract		-	-	(66,508)	-
Accretion interest on convertible notes		658,004	366,456	442,660	423,768
		15,790,954	10,468,975	27,729,154	15,828,812
Change in non-cash working capital items					
Trade and other receivables		(4,952,717)	(757,864)	(3,209,371)	(774,571)
Prepaid expenses and deposits		(84,965)	(276,079)	(7,604)	(393,925)
Inventories		(231,749)	(1,190,619)	(1,573,396)	(2,653,651)
Accounts payable and accrued liabilities		2,223,560	2,127,496	611,367	2,069,740
		(3,045,871)	(97,066)	(4,179,004)	(1,752,407)
Cash provided from operating activities		\$ 12,745,083	\$ 10,371,909	\$ 23,550,150	\$ 14,076,405
<b>Financing activities</b>					
Proceeds from exercise of stock options		5,800	562,000	4,147,461	592,391
Proceeds from convertible notes	11 (a)	-	-	-	7,653,600
Proceeds from gold forward contracts	11 (b)	-	-	1,571,998	4,783,500
Finance cost paid		-	-	-	(1,435,903)
Payment of finance lease obligations		(3,429)	(3,591)	(9,682)	(4,253)
Cash provided from financing activities		\$ 2,371	\$ 558,409	\$ 5,709,777	\$ 11,589,335
<b>Investing activities</b>					
Expenditures on mineral properties, net of recoveries		(4,694,973)	164,300	(6,438,570)	1,442,977
Expenditures on plant and equipment		(1,964,429)	(2,176,332)	(4,664,336)	(3,550,726)
Change in deferred business development costs		(2,476,296)	212,973	(2,716,796)	212,973
Expenditures on asset retirement obligations		-	-	-	(755)
Cash used in investing activities		\$ (9,135,698)	\$ (1,799,059)	\$ (13,819,702)	(1,895,531)
Foreign exchange effect on cash		282,924	316,239	(527,405)	339,506
Increase in cash and cash equivalents		3,894,680	9,447,498	14,912,820	24,109,715
Cash and cash equivalents, beginning of the period		60,184,666	18,559,363	49,166,526	3,897,146
Cash and cash equivalents, end of the period		\$ 64,079,346	\$ 28,006,861	\$ 64,079,346	\$ 28,006,861
Cash and cash equivalents consist of:					
Cash		49,637,132	18,020,987	49,637,132	18,020,987
Cash equivalents		9,843,651	9,888,571	9,843,651	9,888,571
Restricted cash	4, 8	4,598,563	97,303	4,598,563	97,303

## MONUMENT MINING LIMITED

### NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended December 31, 2011

Unaudited

(in United States dollars, except otherwise stated)

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#### 1. Corporate Information and Nature of Operations

Monument Mining Limited ("Monument" or "the Company") is a natural resource company engaged in the acquisition, exploration, development and operation of gold mineral property interests. Its primary activities include open pit mining and operation of a 1,200 tonnes of ore per day ("tpd") gold treatment plant at the 100% owned Selinsing Gold Project ("Selinsing") and exploration on the 100% owned Damar Buffalo Reef, Famehub, and the 49% owned Mersing Project.

The head office, principal address and registered and records office of the Company are located at 688 West Hastings Street, Suite 910, Vancouver, British Columbia, Canada V6B 1P1. Its gold project operations, exploration and development activities are carried out in Malaysia through its wholly owned integrated subsidiaries.

The condensed consolidated interim financial statements of the Company for the three and six months ended December 31, 2011 comprise the Company and its subsidiaries. These condensed interim consolidated financial statements are presented in U.S. dollars and all values are rounded to the nearest dollar except where otherwise indicated.

#### 2. Basis of preparation and first-time adoption of IFRS

These unaudited interim condensed consolidated financial statements ("interim financial statements") have been prepared in accordance with IAS 34 'Interim Financial Reporting' ("IAS 34") and IFRS 1 'First-time adoption of International Financial Reporting Standards' ('IFRS 1').

The Company's first interim consolidated financial statements under IFRS were presented for the first quarter ended September 30, 2011. The accounting policies adopted and presented in the first interim financial statements are consistent with the accounting policies the Company expects to adopt in its IFRS consolidated financial statements for the year ended June 30, 2012, and are based on IFRS as issued by the International Accounting Standards Board ("IASB") that the Company expects to be applicable at that time.

The Company's first annual consolidated financial statements under IFRS will be presented for the year ended June 30, 2012.

Subject to certain transition elections disclosed below, the Company has consistently applied the same accounting policies in its opening IFRS consolidated balance sheet as at July 1, 2010 (the 'transition date') and throughout all periods presented, as if these policies had always been in effect. Note 21 discloses the impact of the transition to IFRS in the Company's reported consolidated balance sheet, net income and comprehensive income and consolidated cash flows, including the nature and effect of significant changes in accounting policies from those used in the Company's audited consolidated financial statements for the year ended June 30, 2011.

These interim consolidated financial statements should be read in conjunction with the Company's Canadian GAAP annual financial statements for the year ended June 30, 2011 and the Company's unaudited first interim condensed consolidated financial statements under IFRS presented for the first quarter ended September 30, 2011, which have disclosed a detailed summary of significant IFRS accounting policies.

#### 3. Summary of significant IFRS accounting policies

The principal accounting policies applied in the preparation of these condensed interim consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### a) Basis of consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries, including special purpose entities). Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.



## MONUMENT MINING LIMITED

### NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended December 31, 2011

Unaudited

(in United States dollars, except otherwise stated)

The condensed interim consolidated financial statements include the financial statements of Monument and the subsidiaries listed in the following table:

Entity	Country of Incorporation	December 31, 2011 Interests holding	June 30, 2011 Interests holding
<b>Subsidiaries (consolidated)</b>			
Polar Potential Sdn. Bhd.	Malaysia	100%	100%
Able Return Sdn. Bhd.	Malaysia	100%	100%
Selinsing Gold Mine Manager Sdn. Bhd.	Malaysia	100%	100%
Damar Consolidated Exploration Sdn. Bhd.	Malaysia	100%	100%
Famehub Venture Sdn. Bhd.	Malaysia	100%	100%
Monument Mengapur Sdn. Bhd.	Malaysia	100%	100%
Star Destiny Sdn. Bhd.	Malaysia	100%	-
Emas Kehidupan Sdn. Bhd.	Malaysia	70%	-
Himpunan Suci Sdn. Bhd.	Malaysia	49%	-

#### b) Foreign Currencies

The Company's interim consolidated financial statements are presented in US dollars. Items included in the financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'), which is also presented in US dollars.

Foreign currency transactions for the Company's subsidiaries are translated into the functional currency using the exchange rate at the dates of the transactions or the average rates prevailing the transaction periods. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of operations and comprehensive income.

The Company's foreign operations are translated from their local currencies into US dollars on consolidation. Revenue, expenses, gains and losses are translated using an average exchange rate for the period. Monetary assets and liabilities on the balance sheet are translated at the closing rate in effect at the end of these periods. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the historical rates. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The exchange differences on translation of the net assets of these operations are recognized in profit or loss as foreign exchange gains or losses.

#### c) Property, plant & equipment

Property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, and the initial estimation of asset retirement obligation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The amortization begins when the asset is available for use. Maintenance costs are expensed as incurred.

Mineral properties in production are amortized on a unit-of-production basis over the economically recoverable reserves of the estimated life of mine. Gold processing plant is amortized on a unit-of-production basis over the total tonnages of mill feed over the estimated life of mine. Amortization of various components of the gold processing plant and other capital assets are calculated on a straight-line basis over the assets' estimated useful lives over the following periods:

Buildings	10 years
Machineries, heavy equipment and components of plant	2 – 20 years
Administrative furniture and equipment	10 years
Computer	2-5 years
Vehicles (including vehicles under finance lease)	5 years

## MONUMENT MINING LIMITED

### NOTES TO CONDENSED INTERIMCONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended December 31, 2011

Unaudited

(in United States dollars, except otherwise stated)

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Amortization expenses from production property and plant are inventoried; amortization from equipment used in exploration and development of mineral property interests are capitalized under mineral properties in development; amortization from administration capital assets are charged against operations.

Equipment used in exploration and development of mineral property interests is amortized, but the amortization charge is deferred with other mineral property interests, exploration and development expenditures. Amortization of equipment not specifically related to the Company's exploration and development activities is included in the consolidated statements of operations.

The Company conducts an annual assessment of the residual balances, useful lives and depreciation methods being used for property, plant and equipment items and any changes arising from the assessment are applied by the Company prospectively.

#### **d) Mineral properties and development costs**

Mineral property and development costs represent capitalized expenditures related to the acquisition, exploration and development of mineral properties and related equipment. Mineral property interest acquisition costs include the cash consideration, the fair value of common shares issued for mineral property interests and the fair value of warrants issued determined using the Black-Scholes option pricing model.

Pre-license costs are expensed in the period in which they are incurred. Once the legal right to explore has been acquired, the Company capitalizes all costs related to investments in mineral property interests on a property-by-property basis. Such costs include mineral property interest acquisition costs and exploration and development expenditures, net of any recoveries. These deferred expenditures will be transferred to mineral properties (property, plant and equipment) and depreciated over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse, abandoned or when impairment in value is determined to have occurred.

During the development of a mine, prior to the commencement of commercial production, costs incurred to remove overburden and other mine waste materials in order to access the ore body at open pit operations ("stripping costs") are capitalized to the related property and depleted over the productive life of the mine using the unit-of-production method. During the production phase of a mine, stripping costs are accounted for as variable production costs and included in the cost of inventory produced during the period except for stripping costs incurred to provide access to sources of reserves that will be produced in future periods and would not otherwise have been accessible, which are capitalized to the cost of mineral property interests and depleted on a unit-of-production method over the reserves that directly benefit from the stripping activity.

Development expenditure is net of proceeds from incidental sale of ore extracted during the development phase. After production starts, all assets included in mines under construction are transferred to producing mines. When a mine construction project moves into the production stage, the capitalization of certain mine costs ceases and costs are either charged to inventory or expensed. Mining costs incurred to stockpile ores for production are charged to inventory.

All capitalized costs are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. Mineral property interests are reviewed at the end of each reporting period or when otherwise appropriate for impairment or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When the carrying value of a property exceeds its net recoverable amount (as estimated by quantifiable evidence of an economic geological resource or reserve or by reference to option or joint venture expenditure commitments) or when, in the Company's assessment, it will be unable to sell the property for an amount greater than the deferred costs, the property is written down for the impairment in value.

#### **e) Leases**

Finance leases which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in profit or loss. A leased asset is depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an operating expense in profit or loss on a straight-line basis over the lease term.

## MONUMENT MINING LIMITED

### NOTES TO CONDENSED INTERIMCONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended December 31, 2011

Unaudited

(in United States dollars, except otherwise stated)

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#### e) Impairment of long-lived assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The Company monitors the recoverability of long-lived assets, including property, plant and equipment, based on factors such as current market value, future asset utilization, business climate and future discounted cash flows expected to result from the use of the related assets. The impairment loss is recorded in the period when it is determined that the carrying amount of the asset may not be recoverable. The amount of impairment loss is measured as the excess of the carrying value of the asset over its fair value less costs to sell, or the discounted present value of the future cash flows associated with the use of the asset.

#### f) Asset retirement obligation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of property, plant and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates is capitalized to the corresponding assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The capitalized rehabilitation cost is depreciated on the same basis as the related asset of plant or mining property.

The Company's estimates are reviewed annually for changes in regulatory requirements, effects of inflation and changes in estimates. The discounted liability is increased for the passage of time and adjusted for changes to the current discount rate, and the amount or timing of the underlying cash flows needed to settle the obligation. The periodic unwinding of the discount is recognized in profit or loss as a finance cost.

Additional disturbances or changes in rehabilitation cost will be recognized as additions or charges to the corresponding assets and rehabilitation liability when they occur. The cost of ongoing current programs to prevent and control pollution is charged against profit and loss as incurred.

#### g) Cash and cash equivalents

Cash and cash equivalents consist of cash at banks and at hand and short-term deposits with an original maturity of three months or less.

#### i) Inventory

Inventory includes supplies, stockpiled ore, work in progress and finished goods. Gold bullion, gold in concentrate, metal in circuit and ore stockpiles are physically measured or estimated and valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs of selling final product. Cost is determined by the weighted average method and comprises direct purchase costs and appropriate portion of fixed and variable overhead costs, including depreciation and amortization, incurred in converting materials into finished goods. Separately identifiable costs of conversion are specifically allocated.

Supplies inventory consists of consumables used in mining and processing operations and are valued at the lower of cost and net realizable value using the first-in-first-out method. Supplies used in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Stockpiled ore represents material that has been extracted from the mine and is ready for further processing. Stockpiled ore is measured by estimating the number of tones added and removed from the stockpile and is verified based on period surveys. Stockpiled ore is valued based on the current mining costs (including depreciation and amortization) incurred up to the point of stockpiling the ore using the average cost method. Costs include direct labour, mine-site overhead, and depreciation and depletion on Selinsing mine equipment and mineral properties.

Work in progress represents gold in the processing circuit that has not completed the production process. Work in progress is recorded at average cost. Costs include direct labour, mine-site overhead, and depreciation and depletion on Selinsing mine equipment and mineral properties.

Finished goods inventory is metal available for sale and is valued at the lower of average production cost and net realizable value.

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#### **j) Financial instruments**

The Company's financial instruments are classified as loans and receivables (cash and cash equivalents, restricted cash, accounts receivable), other financial liabilities (accounts payable, accrued liabilities, liability component of convertible debt) and the financial liabilities at fair value through profit or loss (FVTPL) (forward contracts, foreign currency share purchase warrants).

##### Fair value of financial instruments

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

##### Derivative Instruments – Foreign currency share purchase warrants

The share purchase warrants with an exercise price in Canadian dollars, which is different to the Company's functional currency (US dollars), are considered derivative instruments. The Company re-measures the fair value of foreign currency share purchase warrants at each reporting date using the Black-Scholes option pricing model over the remaining life of the warrants and translates it into US dollar using the exchange rates at the reporting date. Adjustments to the fair value of the foreign currency share purchase warrants as at the balance sheet date are recorded in profit or loss.

##### Derivative Instruments - Compound Instruments

On initial recognition, the Company allocates the proceeds on between the debt and equity components by first allocating the proceeds to the debt components based on their fair value with any residual value being allocated to the equity components. Transaction costs are allocated between the various components on a pro-rata basis.

Subsequent to initial recognition, the Company classifies the debt component as other financial liabilities measured at amortized cost using the effective interest method such that upon maturity, the debt balance recorded will equal the maturity value of the remaining outstanding debt. The corresponding transaction costs are recorded against the debt and are amortized over the term to maturity. The increase in the debt balance and amortization of related financing costs are reflected as interest and accretion expense in profit or loss.

#### **k) Taxes**

##### Deferred income tax

Deferred income tax is recognized, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is utilized or the deferred income tax liability is settled.

#### **h) Share-based payments**

The Company uses the fair value method for accounting for stock-based awards to employees (including directors). Under the fair value method, compensation expenses attributed to the direct award of stock options to employees are measured at the fair value at the grant date for each tranche using an option pricing model and are usually recognized over the vesting period of the award. When the stock options are exercised, the cash proceeds received and the applicable amounts previously recorded in capital reserve - options are credited to share capital.

#### **i) Share capital**

Common shares are classified as equity. Incremental cost directly attributable to the issuance of common shares is recognized as a deduction from equity.

Share purchase warrants that are issued for goods and services are initially accounted for under IFRS 2 as equity instruments (their initial fair value would be recognized as share issuance costs). Subsequent to their issuance, share purchase warrants

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issued for goods and services that can be tracked (are non-transferable) are considered as equity for their entire life. The fair value of such share purchase warrants is not re-measured. When these share purchase warrants are exercised, the cash proceeds received and the applicable amounts of share purchase warrants are credited to share capital. Where share purchase warrants expire or are forfeited then these amounts are credited to share capital - warrants reserve within equity.

#### **j) Earnings/(loss) per share**

Earnings/(loss) per share are calculated based on the weighted average number of common shares issued and outstanding during the year. Diluted earnings/(loss) per common share are calculated using the treasury stock method for outstanding stock options and warrants. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted earnings per share assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and similar instruments that are "in the money" would be used to repurchase common shares of the Company at the average market price during the year. Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

The incremental common shares issuable upon the exercise of stock options and warrants are excluded from the computation if their effect is anti-dilutive.

#### **k) Revenue recognition**

The Company's operations produce gold in dore form, which is refined to pure gold bullion prior to sale primarily in the London spot market or under gold sale contracts. Revenue from the sale of metals is recognized in the financial statements when the following conditions have been satisfied:

- the significant risks and rewards of ownership have been transferred;
- neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold, has been retained;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Insignificant amount of revenue generated from by-product such as silver is credited to the cost of goods sold when its percentage of revenue is less than 5% of total revenue.

#### **l) Related Party Transactions**

Parties are considered related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered a related party transaction when there is a transfer of resources or obligations between related parties.

#### **m) Critical accounting estimates and judgments**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In preparing these interim financial statements, the Company makes estimates and assumptions that affect the amounts reported. Significant estimates and areas where judgment is applied include fair values used to establish: mineral reserve quantities, if any, the valuation of deferred consideration assets, estimated useful lives of property plant and equipment, the assumptions and estimates with respect to determining the fair value of identifiable assets and liabilities in acquisition transactions, impairment of long-lived assets; provision for reclamation and remediation obligations (assets retirement obligations), tax provisions, deferred tax balances and timing of reversals of temporary differences, share purchase warrant liabilities and equity instruments (share purchase warrants and share purchase options). Actual results could differ from the Company's estimates.

#### **o) Accounting standards effective July 1, 2012**

##### **Financial instruments disclosure**

In October 2010, the IASB issued amendments to IFRS 7 - Financial Instruments: Disclosures that enhance the disclosure requirements in relation to transferred financial assets. The amendments are effective for annual periods beginning on or after

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July 1, 2011, with earlier application permitted. The Company does not anticipate these amendments to have a significant impact on its consolidated financial statements.

#### Income taxes

In December 2010, the IASB issued an amendment to IAS 12 - Income Taxes that provide a practical solution to determining the recovery of investment properties as it relates to the accounting for deferred income taxes. This amendment is effective for annual periods beginning on or after January 1, 2012, with earlier application permitted. The Company does not anticipate this amendment to have a significant impact on its consolidated financial statements.

#### p) Standards issued but not yet effective yet

##### Consolidation

In May 2011, the IASB issued IFRS 10 - Consolidated Financial Statements ("IFRS 10"), which supersedes SIC 12 and the requirements relating to consolidated financial statements in IAS 27 - Consolidated and Separate Financial Statements. IFRS 10 is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted under certain circumstances. IFRS 10 establishes control as the basis for an investor to consolidate its investees; and defines control as an investor's power over an investee with exposure, or rights, to variable returns from the investee and the ability to affect the investor's returns through its power over the investee.

The Company is currently evaluating the impact that the above standards are expected to have on its consolidated financial statements.

#### q) Accounting standards anticipated to be effective January 1, 2013

##### Financial instruments

The IASB intends to replace IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39") in its entirety with IFRS 9 - Financial Instruments ("IFRS 9") in three main phases. IFRS 9 will be the new standard for the financial reporting of financial instruments that is principles-based and less complex than IAS 39. IFRS 9 requires that all financial assets be classified as subsequently measured at amortized cost or at fair value based on the Company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are classified as subsequently measured at amortized cost except for financial liabilities classified as at fair value through profit or loss, financial guarantees and certain other exceptions. On August 4, 2011, the IASB published for comments an exposure draft proposing to defer the mandatory effective date of IFRS 9 from annual periods beginning on or after January 1, 2013 (with earlier application permitted) to annual periods beginning on or after January 1, 2015 (with earlier application still permitted). The Company is evaluating the impact the final standard is expected to have on its consolidated financial statements.

#### 4. Restricted Cash

	December 31, 2011	June 30, 2011	July 1, 2010
Bank Guarantee for customs clearance (a)	\$ -	\$ -	\$ 15,394
Letter of Credit and payment guarantee for equipment (b)	98,563	103,500	159,006
Escrow Fund recorded in securing the Mengapur Project (c)	4,500,000	-	-
Total restricted cash	\$ 4,598,563	\$ 103,500	\$ 174,400

- (a) Restricted cash held for equipment customs clearance. The Company fulfilled bank guarantee obligations subsequently in fiscal 2011.
- (b) The restricted cash to guarantee payments on supplies and equipment.
- (c) The amount of \$4,500,000 was set up as an Escrow Fund in securing the Mengapur Project acquisition transaction (note 8, note 20).

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#### 5. Inventories

	December 31, 2011	June 30, 2011	July 1, 2010
Mine operating supplies	\$ 1,292,549	\$ 1,143,226	\$ 424,629
Stockpiled ore	14,320,189	11,281,467	4,105,015
Material discharged from gravity plant for CIL process	1,949,689	1,949,689	-
Work in progress	881,586	863,228	240,337
Finished goods	1,814,695	1,121,400	-
	\$ 20,258,708	\$ 16,359,010	\$ 4,769,981
Less: restricted finished goods	1,802,386	1,121,400	-
Total inventories	\$18,456,322	\$ 15,237,610	\$ 4,769,981

#### 6. Property, Plant and Equipment

	Mineral Properties - Selinsing Gold *	Buildings	Plant and equipment	Construction in progress	Others**	Total
<b>Cost</b>						
As at July 1, 2010	\$ -	\$ 762,533	\$ 6,459,146	\$12,269,634	\$ 837,364	\$ 20,328,677
Transfers from mineral properties	23,108,041	-	-	-	-	23,108,041
Recovery, net	(1,029,170)	-	-	-	-	(1,029,170)
Additions/(transfers)	-	280,941	11,480,949	(10,898,780)	1,176,902	2,040,012
As at June 30, 2011	22,078,871	1,043,474	17,940,095	1,370,854	2,014,266	44,447,560
Additions/transfers	1,059,239	\$58,952	\$368,186	4,964,658	148,995	6,600,030
As at December 31, 2011	\$ 23,138,110	\$ 1,102,426	\$ 18,308,281	\$ 6,335,512	\$ 2,163,261	\$ 51,047,590
<b>Accumulated depreciation</b>						
As at July 1, 2010	\$ -	\$ 23,081	\$ 206,961	\$ -	\$ 169,870	\$ 399,912
Charge for the year	7,054,083	21,256	1,712,047	-	247,938	9,035,324
As at June 30, 2011	7,054,083	44,337	1,919,008	-	417,808	9,435,236
Charge for the period	2,995,756	55,668	1,000,449	-	153,615	4,205,488
As at December 31, 2011	\$ 10,049,839	\$ 100,005	\$ 2,919,457	\$ -	\$ 571,423	\$ 13,640,724
<b>Net book value</b>						
As at July 1, 2010	\$ -	\$ 739,452	\$ 6,252,185	\$ 12,269,634	\$ 667,494	\$ 19,928,765
As at June 30, 2011	\$ 15,024,788	\$ 999,137	\$ 16,021,087	\$ 1,370,854	\$ 1,596,458	\$ 35,012,324
As at December 31, 2011	\$ 13,088,271	\$ 1,002,421	\$ 15,388,824	\$ 6,335,512	\$ 1,591,838	\$ 37,406,866

\* In September 2010, upon the attainment of commercial production at Selinsing Gold mine, the Company reclassified construction in progress costs to their respective categories of property, plant and equipment and reclassified the Selinsing Gold Property from mineral properties to property, plant and equipment. Further, the Company started to depreciate the corresponding assets in accordance with its depreciation policy. The Selinsing Gold Property and Plant are depreciated on the unit-of-production basis over the expected life of the mine.

\*\* Others include vehicles, computers and software, furniture and office equipment, leasehold improvement.

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#### 7. Mineral Properties

	Selinsing Gold Property (Development)	Buffalo Reef (Exploration)	Famehub (Exploration)	Mersing Gold Project (Exploration)	Star Destiny (Exploration)	Total
<b>Cost at July 1, 2010</b>	\$ 23,108,041	\$ 13,304,863	\$ -	\$ -	\$ -	\$ 36,412,904
Acquisition of mineral properties	102,921	35,090	4,971,686	-	-	5,109,697
Cost incurred during the year	1,142,538	505,742	2,905	-	-	1,651,185
Transferred to Property, Plant and Equipment	(23,108,041)	-	-	-	-	(23,108,041)
<b>Cost at June 30, 2011</b>	<b>1,245,459</b>	<b>13,845,695</b>	<b>4,974,591</b>	-	-	<b>20,065,745</b>
Acquisition of mineral properties	-	-	-	2,421,213	3,681,578	6,102,791
Cost incurred during the period	724,599	887,000	58,946	-	-	1,670,545
<b>Cost at December 31, 2011</b>	<b>\$ 1,970,058</b>	<b>\$ 14,732,695</b>	<b>\$ 5,033,537</b>	<b>\$ 2,421,213</b>	<b>\$ 3,681,578</b>	<b>\$ 27,839,081</b>

#### Title to mineral properties

Although the Company has taken steps to verify the title to its mineral properties, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defect. To the best of the Company's knowledge, titles to its properties are in good standing.

#### Realization of assets

The investment in and expenditures on mineral properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Mineral exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

#### Environmental

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

#### a) Selinsing Gold Property

The property is located in Pahang State, Malaysia. The Company acquired a 100% interest in the Selinsing Gold Property in 2007 and since then has developed a producing mine by building a 400,000 tonnes per annum capacity gold treatment plant consisting of a gravity circuit and a Carbon In Leach (CIL) circuit designed to operate simultaneously. As at September 1, 2010, the Company completed the commissioning of the gold treatment plant and commenced commercial production. Accordingly, the accumulated cost was transferred from mineral properties to property, plant and equipment (notes 6, 7) and the Company began depreciating the carrying value on the unit-of-production basis.



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During the year ended June 30, 2011, the Company acquired exploration rights for consideration of \$102,921, covering prospective land that lies adjacent to the Selinsing operating open pit, which allow the further exploration program and mining to be carried to the depth of the current open pit. During the six months ended December 31, 2011, the Company spent \$724,599 on exploration activities, including drilling - \$428,371, geological - \$77,978, site activities - \$191,146, assay and analysis - \$22,516 and \$4,588 on land acquisition.

#### b) Buffalo Reef Prospect

On June 25, 2007, the Company acquired 100% of the common shares of Damar Consolidated Exploration Sdn. Bhd., a wholly-owned subsidiary of Avocet Mining PLC ("Avocet"), incorporated under the laws of Malaysia, thereby effectively acquiring 100% of the Buffalo Reef Tenement property interests, which lie continuously and contiguously along the gold trend upon which the Selinsing Gold Property is located. This property is an exploration and evaluation property.

The Company was obligated to fund a \$400,000 exploration program on the Buffalo Reef Tenement over two years. Avocet is entitled to receive US\$12 per ounce of gold discovered on a notional 49% of the ounces discovered as a result of the \$400,000 two-year post closing exploration program. In fiscal 2009, Avocet terminated the Company's exploration payment obligation for consideration of \$1.

During the year ended June 30, 2011, the Company acquired exploration rights for consideration of \$35,090, covering prospective land that lies adjacent to the Buffalo Reef Prospect. During the six months ended December 31, 2011, the Company spent \$887,000 on exploration activities, including: drilling - \$286,986, geological - \$278,557, properties fees - \$85,490, site activities - \$216,477 and assay and analysis - \$19,490

#### c) Famehub Acquisition

On January 14, 2008, the Company signed a Letter of Intent ("LOI") with Famehub Venture Sdn. Bhd. ("Famehub"), a company incorporated in Malaysia. Pursuant to the LOI, Famehub agreed to sell and the Company agreed to purchase a land package of approximately 32,000 acres of prospective exploration land and associated data base. This land is located to the east of Selinsing Gold Project and Buffalo Reef exploration property.

On August 13, 2010, the parties entered into a formal "Agreement of Purchase and Sale of Shares" under which the Company agreed to purchase the above described assets, through its wholly owned subsidiary Damar Consolidated Exploration Sdn. Bhd, by acquiring 100% of the issued and outstanding Famehub shares for cash of \$1,477,734 (CAD\$1,500,000), of which a US\$51,106 (CAD\$50,000) deposit was paid in 2009, and the issuance of 14,000,000 fully paid shares of the Company (the "Famehub Acquisition"). Although the Company acquired 100% of the issued and outstanding common shares of Famehub, the Famehub Acquisition did not meet the definition of a business; accordingly, the Famehub Acquisition was accounted for as an asset acquisition.

The transaction closed on September 13, 2010, and accordingly, the Company issued 14,000,000 common shares and paid US\$1,426,628 (CAD\$1,450,000) during the year ended June 30, 2011.

The aggregated purchase price for the Famehub Acquisition was \$4,982,115 paid as follows:

Cash	\$ 1,477,734
Common shares	3,406,900
Transaction costs	97,481
<b>Purchase consideration</b>	<b>\$ 4,982,115</b>

The fair value of the Famehub assets acquired and liabilities assumed were as follows:

Cash	\$ 1,815
Property, plant and equipment	48,375
Mineral properties	4,971,686
Accounts payable and accrued liabilities	(39,761)
<b>Net assets acquired</b>	<b>\$ 4,982,115</b>

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During six months of fiscal 2012, \$58,946 was spent on property investigation searching for exploration targets.

#### d) Mersing Gold Project Acquisition

On September 26, 2011 the Company acquired 49% of the Mersing Gold Project through its wholly owned Malaysian subsidiary, Damar Consolidated Exploration Sdn Bhd. The Company signed an Earn-In Agreement with a Malaysian company, Emas Kehidupan Sdn Bhd ("EK") and its 30% joint venture partners, under which Monument has the right to earn up to a 100% interest in the "Mersing Gold Project". Pursuant to the terms of the Earn-In Agreement, Monument has initiated a two-year earn-in period of the Mersing Gold Project by paying CAD \$500,000 cash and issuing 1,500,000 fully paid Monument shares to the vendors in exchange for 70% of the shares in EK. As EK holds a 70% interest in the Mersing Gold Project, the Company's 70% interest in EK gives it a 49% interest in the Mersing Gold Project. During the first two-year earn-in period, the Company is obligated to complete CAD \$2,000,000 in exploration on the Mersing Gold Project.

Although the Company acquired 70% of the issued and outstanding common shares of Emas Kehidupan Sdn. Bhd., the Mersing Gold Project Acquisition transaction did not meet the definition of a business; accordingly, the Mersing Gold Project Acquisition was accounted for as an asset acquisition.

The aggregated purchase price for the Mersing Gold Project Acquisition was \$1,382,205, paid as follows:

Cash	\$	484,650
Common shares		843,292
Transaction costs		54,263
Purchase consideration	\$	1,382,205

The provisional fair values of identifiable assets and liabilities at the date of acquisition were as follows:

	Fair value consideration
Cash	\$ 1,564
Mineral properties	2,440,598
Accounts payable and accrued liabilities	(448,198)
	1,993,964
Share capital	(77,633)
Retained earnings	58,248
Non-controlling interests (Note 12)	(592,374)
Net assets acquired	\$ 1,382,205

The adjustment was made this quarter including reversal of the legal cost of \$47,648 that were accrued in the last quarter but not incurred.

#### e) Star Destiny Sdn Bhd acquisition

On November 21, 2011 the Company acquired 100% interests of Star Destiny Sdn. Bhd. through its wholly owned Malaysian subsidiary, Monument Mengapur Sdn. Bhd. for consideration of \$3,140,000 in cash. Star Destiny Sdn. Bhd. has been granted the permission to enter upon and carry out prospective activities on the land held the SKC(H) No 1/2008 in Pahang State, Malaysia, which is a prospective land near to the Mengapur Polymetallic Project.

Although the Company acquired 100% of the issued and outstanding common shares of Star Destiny Sdn. Bhd., the project acquisition transaction did not meet the definition of a business; accordingly, the acquisition was accounted for as an asset acquisition.

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The aggregated purchase price for the acquisition was \$3,636,590, paid as follows:

	November 24, 2011
Cash	\$ 3,140,000
Transaction costs	496,590
Purchase consideration	\$ 3,636,590

The provisional fair values of identifiable assets and liabilities at the date of acquisition were as follows:

	Fair value consideration
Cash	\$ 3
Mineral properties	3,677,709
Accounts payable and accrued liabilities	(44,991)
	3,632,721
Share capital	(3)
Retained earnings	3,872
Net assets acquired	\$ 3,636,590

The transaction costs include legal costs in amount of \$35,010 and consulting cost in amount of \$461,580 incurred in relation to performing technical due diligence.

#### 8. Deferred costs

In May 2011, the Company, through its wholly owned subsidiary Monument Mengapur Sdn. Bhd. (formerly "Orifer Asia Sdn.Bhd.") in Malaysia, has entered into a binding Memorandum of Understanding (the "MOU") with Malaco Mining Sdn. Bhd ("Malaco") and Malaco's wholly owned subsidiary Cermat Aman Sdn. Bhd. ("CASB"), both incorporated in Malaysia, to acquire 70% interest in Mengapur Polymetallic Project located in Pahang State, Malaysia. The technical due diligence on the Mengapur Project was completed on November 24, 2011 and the Company entered into the Definitive Acquisition Agreement. On December 30, 2011, the acquisition of Mengapur Project was approved at the Annual General and Special Meeting.

Upon signing of the Definitive Acquisition Agreement, a deposit of US\$500,000 was paid to Malaco and \$4,500,000 was set up as Escrow Fund recorded against restricted cash in securing the Mengapur Project. The acquisition of the Mengapur Project is an arm's length transaction.

The aggregated deferred cost incurred as of December 31, 2011 in the amount of \$3,096,067 comprised of the legal and financial cost in amount of \$144,293; technical due diligence cost in amount of \$1,229,259; property development costs in amount of \$1,222,515 and a non-refundable acquisition deposit of \$500,000. The acquisition transaction was completed subsequently to the reporting period, on February 16, 2012 (Note 20).

#### 9. Financial Instruments. Financial and capital risk management

The Company's financial instruments are exposed to market risk, credit risk, and liquidity risk.

##### a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of risk: foreign currency risk, price risk and interest rate risk.

##### Foreign currency risk

The Company is exposed to foreign currency risk to the extent financial instruments held by the Company are not denominated in US dollars.

As at December 31, 2011, June 30, 2011 and July 1, 2010, the Company is exposed to foreign currency risk through the following assets and liabilities denominated in Malaysian ringgit (RM) and Canadian dollar (CAD):

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(in 000's, US dollar equivalent)	Classification	December 31, 2011		June 30, 2011		July 1, 2010	
		RM	CAD	RM	CAD	RM	CAD
<b>Financial instrument – assets</b>							
Cash and cash equivalents	Loans and receivables	272	9,600	614	9,585	383	271
Restricted cash	Loans and receivables	98	-	312	-	565	-
<b>Financial instruments – liabilities</b>							
Accounts receivable	Loans and receivables	17	105	66	10	8	16
Accounts payable and accrued liabilities	Other financial liabilities	(2,925)	(725)	(9,452)	(59)	(10,464)	(220)
Convertible notes	Other financial liabilities	-	(5,453)	-	(5,290)	-	-
Unrealized fair value of derivative warrant liabilities	Fair Value Through Profit and Loss	-	(6,902)	-	(21,285)	-	-

The convertible notes, foreign currency share purchase warrants contain a number of derivative components that would cause exposure to foreign currency risk. The Company has not hedged any of its foreign currency risks. The derivative components associated to foreign currency fluctuation are fair valued at each period and gains or losses are recorded in profit or loss (refer to note 10 and note 11).

Based on the above net exposures as at December 31, 2011 and assuming that all other variables remain constant, a 5% depreciation or appreciation of the RM against the US dollar would result in an increase/decrease of approximately \$120,800 (June 30, 2011 – \$423,000) in the Company's net income, depreciation or appreciation of the CAD against US dollar would result in an increase/decrease of approximately \$160,700 (June 30, 2011 – \$852,000) in net income.

#### Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate risk or foreign currency risk.

The Company values the warrant derivative liabilities at fair value using the Black-Scholes option pricing model and record gains and losses to other income. Based on the above net exposures as at December 31, 2011 and assuming that all other variables remain constant, a 5% increase/decrease in the market price of the Company's shares would result in unrealized fair value loss/income of approximately \$912,000 (June 30, 2011 - \$193,000) in the Company's net income.

#### Interest rate risk

The Company's cash equivalents bear interest at rates of 1.20% to 1.38% as at December 31, 2011 (June 30, 2011 – 1.20% to 1.38%) and mature on February 27, 2012.

However, this risk is limited because of the short-term maturity of these instruments. The Company's interest rate sensitivity analysis suggests they are not exposed to significant interest rate risk.

#### b) Credit risk

The Company's credit risk on the trade receivable is negligible and the balances were collected subsequent to end of reporting period.

The Company is exposed to concentration of credit risk with respect to cash and cash equivalents in amount of approximately \$7,456,400 (June 30, 2011 – \$33,763,000) is held with two Malaysian financial institution. The amount of approximately \$52,122,900 (June 30, 2011 – \$15,403,000) is held with a Canadian financial institution.

#### c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through budgeting and forecasting cash flows to ensure it has sufficient cash to meet its short-term requirements for operations, business development and other contractual obligations. The Company's cash and cash equivalents are highly liquid and immediately available on demand for the Company's use.

The Company's convertible notes are due to be settled in August 2015.

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#### Fair value measurement

The carrying amounts of cash and cash equivalents, restricted cash, trade and other receivables and other financial liabilities – accounts payable and accrued liabilities are considered reasonable approximations of their fair values due to the short-term nature of these instruments. Foreign currency warrant derivative liabilities are classified as Level 2 within fair value hierarchy.

#### 10. Derivative warrant liabilities

The Company has the following outstanding foreign currency warrants, which have been classified as derivative liabilities and re-measured at fair value at balance sheet date:

	December 31, 2011	June 30, 2011	July 1, 2010
Warrants issued during private placement (9 (a))	\$ 1,648,575	\$ 11,291,935	\$ -
Warrants issued in conjunction with convertible notes (11 (a))	4,326,520	8,087,040	-
Warrants issued in conjunction with gold forward sales (11 (b))	926,545	1,906,185	-
<b>Total</b>	<b>\$ 6,901,641</b>	<b>\$ 21,285,160</b>	<b>\$ -</b>

#### a) Derivative warrant liability – private placement

The Company closed a \$28,048,000 private placement on July 21, 2008 by issuing of 70,120,000 units at a price of \$0.41 per unit, each unit being comprised of one common share of the Company and one common share purchase warrant. Each of these warrants entitled the holder to purchase one additional common share of the Company for a price of CAD 0.50 until July 21, 2011. The warrants were initially recognized as an equity instruments and the classification was not revised on July 1, 2010 in accordance with the Company's accounting policy. On February 3, 2011, the TSX Venture Exchange consented for the Company to extend the term of 68,055,000 common share purchase warrants for another 12 months, from an expiry date of July 21, 2011 to an expiry date of July 21, 2012. The Company's Canadian dollar denominated common share purchase warrants were considered derivative instruments and were measured at fair value on date of modification and subsequently at each reporting date, with changes in fair value recognized in profit or loss. The fair value of the extended warrants in amount of \$17,095,542 was estimated using the Black-Scholes option pricing model.

A summary of the changes in the Company's share purchase warrants for the period ended December 31, 2011 and for the year ended June 30, 2011 is set out below:

Derivative warrant liability – Warrants issued during the private placement	Six months ended December 31, 2011		Year ended June 30, 2011	
	Number of warrants	Fair value assigned	Number of warrants	Fair value assigned
Balance, beginning of the period	67,440,000	\$ 11,291,935	-	\$ -
Modification of warrant contract terms	-	-	68,055,000	17,095,542
Exercised during the period	(115,000)	(19,077)	(615,000)	(83,755)
Fair value re-measured during the period	-	(9,624,283)	-	(5,719,852)
<b>Closing balance</b>	<b>67,325,000</b>	<b>\$ 1,648,575</b>	<b>67,440,000</b>	<b>\$ 11,291,935</b>
Exercise price, CAD		CAD 0.50		CAD 0.50
Expiry date		July 21, 2012		July 21, 2012
Fair value assumptions:				
Risk free rate		0.92%		1.24%
Expected dividends		nil		nil
Expected life (years)		0.56		1.06
Volatility		49.75%		58.94%

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#### 11. Convertible Notes and Forward Gold Sale

##### a) Convertible notes

On August 11, 2010, the Company closed a financing for \$7,653,600 (CAD8,000,000) from the issuance of convertible notes (the "Notes"). Net proceeds amounted to \$6,752,821 after subtracting transaction costs totaling \$900,778, of which \$765,360 was for commission and \$135,418 was for legal and regulatory fees.

The Notes have a term of five years and one day from the date of the issuance and are to be repaid by the Company at the end of the term in cash in the amount of \$10,091,796 (CAD 9,733,600), at 121.67% of the principal amount (the "Repayment Amount"). Any early repayments or conversions of the Notes will result in a pro-rata adjustment of the Repayment Amount. The holders of the Notes (the "Noteholders") may, at any time, convert the Notes into units at a price of \$0.38 (CAD 0.40) per unit (the "Conversion Feature") with each unit comprising one common share of the Company and one common share purchase warrant (the "Units"). Each share purchase warrant is exercisable at \$0.48 (CAD 0.50) per share, expiring five years from the date of issuance of the Notes. The conversion feature of the convertible notes meets the definition of a derivative liability given it is subject to an adjustment down to \$0.35 (CAD 0.365) per unit should the Company issue common shares for cash proceeds in an amount below \$0.38 (CAD 0.40) per share during the term of the Notes. Upon conversion, the Company is required to make a cash payment on the converted amount to the holder equal to the difference between the principal converted and the Repayment Amount on the balance at the conversion date.

In addition, as an inducement to enter into the subscription agreement for the Notes, the Company granted to the Noteholders the option to purchase an aggregate of 5,714 ounces of gold at a price of \$1,000 USD or CAD equivalent per ounce and 2,857 ounces of gold at a price of \$1,250 USD or CAD 1,250 per ounce at the discretion of the Noteholders at any time during the term of the Notes commencing 18 months after closing. Given the inducement can be exercised in USD or CAD at the discretion of the holder, the inducement contains a foreign exchange embedded derivative (the "FX Component").

In connection with the issuance of the Notes, the Company entered into gold purchase option agreements with each of the Noteholders (the "Option Agreements") whereby the Noteholder has the option to acquire gold from the Company up to an amount equal to the balance of the Note outstanding at the greater of: (i) \$1,000 per ounce; and (ii) the gold price in U.S. dollars as set by the London PM Fix and converted to Canadian dollars at the noon rate of exchange published by the Bank of Canada on the maturity date of the Notes, less a 5% discount.

Upon initial recognition, the Company allocated the proceeds and transaction costs between the components using the relative fair value method as follows:

Allocation	Proceeds	Transaction costs
Convertible notes	\$ 4,618,438	\$ 543,560
Conversion Feature	2,646,790	311,510
FX component	388,372	45,708
Total	\$ 7,653,600	\$ 900,778

Subsequent to initial recognition, the Notes are carried at amortized cost using the effective interest method based on a five year plus one day period at discount rate of 17%; the Conversion Feature is adjusted to fair value estimated using the Black-Scholes option pricing model, and the FX Component is adjusted to fair value using indicative foreign exchange forward contract spot rate.

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The continuity schedule of the Convertible Notes and associated derivative liabilities was set as follows:

	Notes	Derivative liability – warrants	Derivative liability: FX component	Total
Balance, July 1, 2010				
Issuance of convertible note	\$ 4,074,877	\$ 2,646,790	\$ 388,372	\$ 7,110,039
Accretion expense	841,397	-	-	841,397
Fair value assigned during the period	-	4,808,511	(405,932)	4,402,579
Foreign exchange (gain) loss	373,735	631,739	17,760	1,023,034
Balance, June 30, 2011	5,290,009	8,087,040	-	13,377,049
Accretion expense	442,660	-	-	442,660
Change in fair value over the period	-	(3,760,520)	-	(3,760,520)
Foreign exchange (gain) loss	(279,580)	-	-	(279,580)
Balance, December 31, 2011	\$ 5,453,089	\$ 4,326,520	\$ -	\$ 9,779,609

The Company estimated the fair value of the Conversion feature using the following assumptions:

	December 31, 2011	June 30, 2011
Risk free rate	1.27%	2.33%
Dividend rate	Nil	Nil
Expected life (years)	3.61	4.12
Volatility	83.03%	86.06%

#### b) Forward Gold Sale

On August 11, 2010, the Company entered a forward sale agreement resulting in the advance of \$4,783,500 (CAD 5,000,000) to the Company. Net proceeds amounted to \$4,248,375 after subtracting transaction costs in the amount of \$535,125, of which \$479,335 was for commission and \$55,790 for legal and regulatory fees.

On August 11, 2010, the Company issued 5,000,000 common share purchase warrants in conjunction with the Gold Forward Sale. Each share purchase warrant is exercisable at CAD 0.50 per share, expiring five years from the date of issuance of the Notes. The warrants must be either exercised or otherwise expire on a pro-rata basis within 30 days of the delivery of gold by the Company.

Upon initial recognition, the Company first allocated the proceeds to the liability component based on the estimated fair value with the residual value being allocated to the deferred revenue. Transaction costs were allocated to the various components pro-rata as follows:

Allocation	Proceeds	Transaction costs
Deferred revenue	\$ 2,919,231	\$ 326,571
Warrants	1,864,269	208,554
Total	\$ 4,783,500	\$ 535,125

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A summary of the changes in the Company's share purchase warrants issued in conjunction with gold forward sale for the period ended December 31, 2011 and for the year ended June 30, 2011 is set out below:

Derivative warrant liability – Warrants issued with gold forward contract	Six months ended December 31, 2011		Year ended June 30, 2011	
	Number of warrants	Fair value assigned	Number of warrants	Fair value assigned
Balance, beginning of the period	5,000,000	\$ 1,906,185	-	\$ -
Issued during the period	-	-	5,000,000	1,655,715
Fair value re-measured during the period	-	(979,639)	-	(250,470)
Closing balance	5,000,000	\$ 926,546	5,000,000	\$ 1,906,185
Fair value assumptions used:				
Exercise price, CAD		CAD 0.50		CAD 0.50
Expiry date		August 15, 2015		August 15, 2015
Fair value assumptions:				
Risk free rate		1.39%		2.33%
Expected dividends		nil		nil
Expected life (years)		3.87		4.12
Volatility		77.05%		86.06%

#### c) Security Pledge

The Company's obligations under the Convertible Notes and Forward Gold Sale are secured by designated gold metal accounts. In connection with such security, the Company is required to deposit an aggregate of 397 ounces of gold per month from the end of the first month following the earlier of (i) commencement of commercial production of the gold treatment plant of the Company's Malaysian subsidiary for its gold production operation in Malaysia; and (ii) the date that is three months from the closing, up to a maximum 13,000 ounces of gold. As at December 31, 2011 a total of 6,400 ounces of gold (June 30, 2011 - 4,000 ounces) were transferred to restricted metal accounts and was included in restricted inventory (Note 5).

#### 12. Non-controlling interests

	December 31, 2011
Opening balance	\$ -
Acquisition of Mersing Gold Project during the six months period (Note 7 (d))	592,374
Closing balance	\$ 592,374

#### 13. Asset Retirement Obligation

The Company's asset retirement obligation consists of reclamation and closure costs for mine development and exploration activities. Although the ultimate amount of reclamation costs to be incurred cannot be predicted with certainty, the total undiscounted cash flows required to settle the Company's obligations is estimated to be \$5.4 million and is expected to be settled over the next ten years. This amount has been discounted using a pre-tax rate of 1.96% as at December 31, 2011 (June 30, 2011 – 3.09%). Significant reclamation and closure activities include land rehabilitation, decommissioning of tailing storage facilities, mined waste dump, road bridges, buildings and mine facilities. The following is an analysis of the asset retirement obligation:



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	December 31, 2011	June 30, 2011
Opening balance	\$ 4,249,810	\$ 3,540,057
Additions	193,746	
Accretion expense	56,535	153,437
Reclamation performed	-	(809)
Reassessment of liabilities	335,488	302,371
Foreign exchange gain	(202,445)	254,754
<b>Closing balance, end of the period</b>	<b>\$ 4,633,134</b>	<b>\$ 4,249,810</b>

The reassessment of asset retirement obligations in amount of \$335,488 was caused by the change in discount rate from 3.09% as at June 30, 2011 to 1.96% as at December 31, 2011. The additions in amount of \$193,746 during the period is a result of the revised estimated cash outflows due to additional land disturbance and dismantle activities caused by the plant Phase III and Tailing Storage Facility construction work. The changes in the estimated cash outflows and the change in the discount rate are capitalized and added to the costs of corresponding assets in accordance with company's accounting policy.

#### 14. Share Capital

##### a) Authorized

Unlimited common shares without par value.

##### b) Common shares

Issued and outstanding:

	Number of shares
Balance, July 1, 2010	156,115,028
Issued shares on acquisition of mineral properties (note 7 (c))	14,000,000
Issued for exercised warrants	2,680,000
Issued for exercised stock options	1,451,833
Balance, June 30, 2011	174,246,861
Issued shares on acquisition of mineral properties (note 7 (d))	1,500,000
Issued for exercised warrants	8,240,003
Issued for exercised stock options	15,000
Balance, December 31, 2011	184,001,864

##### c) Share purchase warrants

Due to the Company's functional currency being the US dollar, the issued and outstanding warrants that have an exercise price that is denominated in Canadian dollars are classified as derivative instruments. The warrants have been recognized as a liability in the statement of financial position with the movement in fair value recorded in net earnings at each reporting date.

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The continuity of the number of share purchase warrants being classified as equity instruments is as follows:

Warrants issued in conjunction with:	Private placement (Note 10)	Convertible note (Note 11 (a))	Gold forward contract (Note 11 (b))	Ball mill purchased	Total
Expiry date	July 21, 2011	Aug 11, 2015	Aug 11, 2015	August 12, 2011	
Exercise price	CAD 0.50	CAD 0.50	CAD 0.50	CAD 0.49	
Number of warrants, June 30, 2010	70,120,000	-	-	8,125,003	78,245,003
Issued		20,000,000	5,000,000		25,000,000
Exercised	(2,680,000)	-		-	(2,680,000)
Balance, June 30, 2011	67,440,000	20,000,000	5,000,000	8,125,003	100,565,003
Exercised	(115,000)	-		(8,125,003)	(8,240,003)
Number of share purchase warrants, December 31, 2011	67,325,000	20,000,000	5,000,000	-	92,325,000

#### d) Stock options

A new 10% Rolling Stock Option Plan (the "New Plan") was approved at the 2011 Annual General and Special Meeting to replace the existing Fixed Stock Option Plan with other terms intact. A total of 28,941,000 common shares are reserved under the Fixed Plan. Upon implementation of the New Plan, all existing stock options will forthwith be governed by the New Plan; however any vesting schedule imposed by the Fixed Plan in respect the Existing Options will remain in full force and effect. The New Plan will not be made effective unless and until there is a sufficient number of shares of the Company issued and outstanding such that the number of outstanding options will not exceed 10% of the number of issued and outstanding shares.

Stock option activity is as follows:

	Number of common shares under option plan	Weighted average exercise price, CAD
Balance, June 30, 2010	22,601,000	CAD 0.39
Granted	3,920,000	CAD 0.46
Expired	(270,000)	CAD 0.59
Exercised	(1,451,833)	CAD 0.35
Balance, June 30, 2011	24,799,167	CAD 0.40
Granted	300,000	CAD 0.40
Exercised	(15,000)	CAD 0.39
Forfeited	(15,000)	CAD 0.39
Balance, December 31, 2011	25,069,167	CAD 0.40

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During the six months ended December 31, 2011, 300,000 options were granted to consultants acting in power of employees. The following table summarizes the stock options outstanding at December 31, 2011:

Exercise Price,CAD	Options outstanding			Options exercisable	
	Number of common shares	Expiry date	Weighted average life (years)	Number of common shares	Weighted average exercise price
CAD 0.50	2,900,000	Jul 05, 2012	0.51	2,900,000	CAD 0.50
CAD 0.40	13,160,000	Aug 15, 2013	1.62	13,160,000	CAD 0.40
CAD 0.25	1,459,167	Dec 05, 2013	1.93	1,459,167	CAD 0.25
CAD 0.40	230,000	Dec 05, 2013	1.93	230,000	CAD 0.40
CAD 0.50	400,000	Dec 05, 2013	1.93	400,000	CAD 0.50
CAD 0.25	300,000	Feb 09, 2014	2.11	300,000	CAD 0.25
CAD 0.30	500,000	Jul 29, 2012	0.58	500,000	CAD 0.30
CAD 0.30	1,600,000	Jun 08, 2013	1.44	1,000,000	CAD 0.30
CAD 0.30	500,000	Jun 10, 2015	3.44	250,000	CAD 0.30
CAD 0.42	3,000,000	Sep 29, 2015	3.75	2,000,000	CAD 0.42
CAD 0.60	600,000	Nov 30, 2015	3.92	300,000	CAD 0.60
CAD 0.68	120,000	Jan 27, 2016	4.08	-	-
CAD 0.62	150,000	Jul 28, 2016	4.58	-	-
CAD 0.61	150,000	Aug 29, 2016	4.67	-	-
<b>Total</b>	<b>25,069,167</b>		<b>1.89</b>	<b>22,499,167</b>	<b>CAD 0.40</b>

The general terms of stock options granted under the amended plan include a maximum exercise period of 5 years and a vesting period of 3 years with one-third of the grant vesting on the first anniversary of the grant, one-third vesting on the second anniversary of the grant and one-third vesting on the third anniversary of the grant. The exercise prices of all stock options granted during the period were equal to the closing market prices at the grant date.

Using the Black-Scholes option pricing model the weighted average assumptions noted below were used to estimate fair value of all options recognized during six months ended December 31, 2011 and 2010 as follows:

	For the period ended	
	December 31, 2011	December 31, 2010
Risk-free interest rate	1.65% – 2.15%	2.85%
Expected life	5 years	5 years
Expected volatility	85% - 86%	90%
Expected dividends	nil	nil

The weighted average fair value of options granted during the period ended December 31, 2011 is \$0.62 (2010 – \$0.46).

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

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#### 15. Earnings Per Share

The calculation of basic and diluted earnings per share for the relevant periods is based on the following:

	Three months ended		Six months ended	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Net income for the period	\$ 27,138,043	\$ 4,594,352	\$ 39,176,456	\$ 5,712,615
Basic weighted average number of common shares outstanding	183,997,299	171,089,388	181,416,727	164,063,485
Effect of dilutive securities:				
Warrants	-	7,071,857	2,435,906	-
Options	8,433,486	5,868,426	7,698,712	7,651,222
Convertible note warrants	-	1,714,286	673,600	-
Convertible note shares	1,183,871	3,714,286	2,673,600	1,114,286
Diluted weighted average number of common share outstanding	193,614,656	189,458,243	194,898,545	172,828,993
Basic earnings per share	\$0.15	\$ 0.03	\$ 0.22	\$ 0.03
Diluted earnings per share	\$0.14	\$ 0.02	\$ 0.20	\$ 0.03

All warrants and options are potentially dilutive in the three and six months ended December 31, 2011 and 2010, but excluded from the calculation of diluted earnings per share are those for which the average market prices below the exercise price.

#### 16. Related Party Transactions

a) The following table provides the total amount of transactions which have been entered into with related parties during the period ended December 31, 2011 (FY 2012) and December 31, 2010 (FY 2011) as well as balances with related parties as at December 31, 2010 (FY 2012) and June 30, 2011 (FY 2011):

Related party		Reimbursement of expenses from related party	Purchases from related party	Amounts owed by related parties	Amounts owed to related parties
Entities with common directors					
Yukon Nevada Gold Corp.	FY 2011	\$ 65,133	\$ 37,504	\$ 65,133	\$ -
	FY 2012	\$ 206,321	\$ 250,725	\$ 104,655	\$ 132,672

The sales to and purchases from related party represent the compensation for management, travel and administrative services and are priced on a cost basis.

b) Key management includes directors – executive and non-executive. The compensation paid or payable to key management personnel is following:

	Three months ended		Six months ended	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Salaries and directors' fees	199,450	128,215	\$ 407,882	\$ 249,433
Share-based payments	76,506	142,465	244,071	161,757
Total	275,956	270,680	\$ 651,953	\$ 411,190

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to key management personnel.

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c) George Brazier, a director of the Company, provides general consulting services to the Company. For the period ended December 31, 2011, Mr. Brazier earned \$41,954 (six months ended December 31, 2010 - \$29,229) for such services, of which \$6,883 was outstanding and included in accounts payable at December 31, 2011 (December 31, 2010 - \$5,027).

#### 17. Commitments

##### a) Operating lease commitments

Future minimum rentals payable under operating leases are as follows:

	December 31, 2011	June30, 2011
Amounts payable under operating lease agreements:		
- period ended June 30, 2012	\$ 67,431	\$ 26,758
- year ended June 30, 2013	60,923	13,929
- year ended June 30, 2014	10,955	4,817
- year ended June 30, 2015 and after	16,359	2,915
Total	\$ 155,668	\$ 48,419

##### b) Finance lease commitments

The Company has finance leases for vehicles. Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

	December 31, 2011	June30, 2011
Total minimum lease payments		
- within next 12 months	\$ 17,199	\$ 18,061
- Later than 12 months and no later than 24 months	17,198	18,061
- Later than 24 months	6,681	16,045
	41,078	52,167
Interests	(2,757)	(4,164)
Finance lease obligations	38,321	48,003
Less current portion	(15,422)	(15,746)
	\$ 22,899	\$ 32,257

##### c) Other purchase commitments

At December 31, 2011 the Company had purchase commitments in amount of \$12.6 million (June 30, 2011 - \$6.6 million) in relation to Phase III construction, equipment purchase, other operating consumables for mining operations.

#### 18. Supplemental Cash Flow Information

	Three months ended		Six months ended	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Non cash financing and investing activities:				
Shares issued pursuant to acquisition of mineral properties	-	-	843,292	3,406,900

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#### 19. Segment Disclosures

The Company has two reportable operating segments: mineral property exploration and development, and gold production operations, which occur entirely in Malaysia. The Company's gold production operations segment earns revenues from the sale of gold to external customers. There is no revenue generated by exploration and development segment and there are no intersegment revenues. The costs incurred by mineral property exploration and development operational segment are capitalized into Mineral properties.

The Company's reportable segments operate within two geographic segments – Malaysia and Canada. All revenues and operating costs from mining operations relate to Malaysia. The geographic segments for total assets are as follows:

	December 31, 2011	June 30, 2011	June 30, 2010
Malaysia	105,488,902	107,653,448	\$65,262,039
Canada	52,825,266	17,089,059	1,905,619
Total	158,314,168	124,742,507	\$67,167,658

#### 20. Subsequent Events

##### a) Mengapur Project Acquisition

On February 16, 2012 the Company completed an acquisition of a 70% interest in the Mengapur Polymetallic Project located in Pahang State, Malaysia through its wholly-owned Malaysian subsidiary, Monument Mengapur Sdn. Bhd. ("MMSB"). At closing MMSB acquired a 100% interest in Cermat Aman Sdn. Bhd. ("CASB"), the Company that holds 100% of the Mengapur Project. In exchange, MMSB: (i) arranged for the payment of an aggregate of \$60,000,000 in cash to the vendor of the Mengapur Project, Malaco Mining Sdn. Bhd. ("Malaco") and certain of Malaco's creditors; and (ii) issued 300 MMSB shares (representing a 30% interest in MMSB) to Malaco. As a result, subsequent to December 31, 2011, Monument holds an indirect 70% interest in the Mengapur Polymetallic Project.

##### b) Agreement for sale of gold

On January 12, 2012, The Company entered into an "Agreement for Sale of Gold" with Queenstake Resources USA, Ltd. a wholly-owned subsidiary of Yukon Nevada Gold Corp., a related party, to pay \$5,000,000 in advance to purchase 3,665 troy ounces of gold with the right to receive an amount of \$6,000,000 by the delivery date or alternatively receive the 3,665 ounces of gold delivered at a settlement date of June 12, 2012.

##### c) Share purchase options

Subsequent to the reporting period, 100,000 stock options were forfeited. Also, 1,070,000 stock purchase options were granted to employees and newly elected directors, for a period of five years, exercisable at CAD\$0.42 per share and the vesting conditions are 50% every 12 months from the grant date, brought the total stock purchase options to 26,039,167.

#### 21. Transition to IFRS

These consolidated financial statements present the first interim financial statements of the Company and its subsidiaries in accordance with IFRS as issued by IASB. The Company adopted IFRS in accordance with IFRS 1, "First – Time Adoption of International Financial Reporting Standards" on July 1, 2010. The Company's Canadian GAAP statement of financial position as at July 1, 2010, December 31, 2010 and June 30, 2011 and the comprehensive income for the year ended June 30, 2011 and three and six months ended December 31, 2010, have been reconciled to IFRS, with resulting differences explained below:

##### a) Decommissioning and rehabilitation provision

Under IAS 37 Provision, Contingent Liabilities and Contingent Assets, a change in the current market-based discount rate will result in a change in the measurement of the provision whereas under Canadian GAAP, discount rates are not changed unless there is an increase in the estimated future cash flows in which case the incremental cash flows are discounted at current market based rates. In addition, under Canadian GAAP, a credit-adjusted risk-free discount rate is used whereas under IFRS, the discount rate reflects the current market assessments of the time value of money and the risks specific to the liability. As a result of the

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### NOTES TO CONDENSED INTERIMCONSOLIDATED FINANCIAL STATEMENTS

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provision for assets retirement obligations has been re-measured using the discount rate in effect at the transition date and adjustment has been recorded to corresponding assets.

#### b) Share purchase warrants

On August 11, 2010, the Company issued 5,000,000 common share warrants in conjunction with the Gold Forward Sale. Each share warrant is exercisable at CAD 0.50 per share, expiring 5 years from the date of issuance. These share purchase warrants are considered a derivative instrument under IFRS (IAS 32) and are revalued and retranslated at each reporting date. Changes in fair value each period are recorded in profit or loss. Under Canadian GAAP, these share purchase warrants were considered to be equity instruments.

On February 3, 2011, the TSX Venture Exchange consented to extend the term of 68,055,000 common share purchase warrants for 12 months, from expiry date of July 21, 2011 to an expiry date of July 21, 2012. Under Canadian GAAP, these share purchase warrants were classified as equity instruments and no revision on initial reclassification was made at July 1, 2010 in accordance with the Company's accounting policy.

The modification of the contract terms triggered the reassessment and remeasurement of the instrument. As the Company's functional currency is United States dollars, share purchase warrants with an exercise price in a different currency are considered a derivative instrument under IFRS (IAS 32) and are revalued and retranslated at each reporting date. Changes in fair value each period are recorded in profit or loss.

The Company recorded the following adjustments for IFRS financial reporting:

- In August 2010, the Company assessed the fair value of derivative warrants issued in conjunction with the issuance of gold forward contract; the amount of \$1,655,715 recorded in contributed surplus for Canadian GAAP was reclassified into the derivative liability;
- As at December 31, 2010, the Company re-measured the derivative warrant liabilities issued in conjunction with the issuance of gold forward contract to a fair value of \$1,379,110 which resulted in adjustment to income statement;
- On February 3, 2011 the Company re-classified share purchase warrants previously recorded in Canadian GAAP as equity instruments into financial liabilities upon the re-measurement of the fair value of share purchase warrants due to extension of the terms and recognized a derivative liability in amount of \$17,095,542 and recorded an adjustment to retained earnings;
- As at June 30, 2011, the Company then re-measured the above mentioned derivative warrants liabilities to a fair value of \$13,198,120, which resulted in further adjustment to profit or loss.

#### c) Foreign currency translation

The Company changed its functional currency from Canadian dollars ("CAD") to US dollar effective July 1, 2010, which is also the date of transition into IFRS. For the purpose of comparative disclosures, the Company restated June 30, 2010 amounts in US dollar using the current rate method. Under this method, the retained earnings and shareholder's equity have been translated using the exchange rates prevailing on the transaction dates. Assets and liabilities have been translated using the exchange rate prevailing at the date of the consolidated balance sheets. All resulting exchange differences arising from the translation were included as a separate component of other comprehensive loss in the amount of \$1,326,894 (as at July 1, 2010).

For IFRS reporting, a change in functional currency should be accounted for prospectively from the date of change and management should translate balance sheet items into new currency using the exchange rate at the date of change (IAS 21, Foreign currencies). In accordance with IFRS, because the change was brought about by changed circumstances, it does not present a change in accounting policy and, therefore, a retrospective adjustment under IAS 8, Accounting policies, changes in accounting estimates and correction of errors, is not relevant. As all items are translated using the exchange rate at the date of change, the resulting translated amounts for non-monetary items are treated as their historical cost. There is no additional exchange differences arise on the date of the change under IFRS.

#### d) Income taxes

Under IFRS deferred tax has been recognized in temporary differences arising from differences between the functional currency in which an asset or liability is reported and its tax basis as determined in its local currency, translated at current exchange rates. Under Canadian GAAP, a deferred income tax asset or liability is not recognized for such a temporary difference.

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Under IFRS there is an initial recognition exemption for temporary differences arising from assets or liabilities subject to a transaction that is not a business combination and, at the time of the transaction, do not affect profit and loss for accounting or tax purposes. No such exemption is available under Canadian GAAP. On transition to IFRS, a tax liability associated with an asset acquisition that did not constitute a business combination was reversed with an associated reduction of mineral property.

The re-measurement of the provision for asset retirement obligations and the related asset did not result in changes to temporary differences and the deferred tax liability.

#### e) Gold forward sale

The gold sale under the Forward Sale Contract is in accordance with the Company's expected purchase, sale and usage requirements; therefore the received consideration is deferred until the gold delivery is completed. The accretion expense previously recorded in Canadian GAAP has been reversed for IFRS reporting purposes.

#### f) Transactions with Related Parties

Canadian GAAP contains requirements for measuring related party transactions that is different to IFRS, which does not contain the scope exceptions for related parties.

During the year ended June 30, 2009, the Company purchased a ball mill from Avocet Mining LLP, a previous shareholder of Monument Mining Limited, for consideration of CAD 3,250,001 by issuing Company's common shares. Due to a lack of observable market value, the transaction has been measured at the carrying amount. The Company recorded a cost of the ball mill at the book value of CAD 712,672 provided by its previous owner and included the difference of CAD 2,537,328 in deficit.

Under IFRS, the mill should have been recorded at the fair value of consideration given, which is an equivalent of CAD 3,250,001. An adjustment was required on conversion for the difference of \$2,514,055 to property, plant and equipment and equity accordingly.

#### g) Presentation

The presentation of the cash flow statement in accordance with IFRS differs from the presentation of the cash flow statement in accordance with Canadian GAAP as the changes made to the statements of the financial position and statements of comprehensive income have resulted in reclassifications of various amounts on the statement of cash flows. However, as there have been no changes to the total operating, financing or investing cash flows, no reconciliation have been provided. The classification of certain items with the statement of comprehensive income has been adjusted with no effect to net income.



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	Notes	July 1, 2010		
		Canadian GAAP	Effect of transition to IFRS	IFRS
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents		\$ 3,722,746	\$ -	\$ 3,722,746
Restricted cash		174,400	-	174,400
Trade and other receivables		1,843,755	-	1,843,755
Prepaid expenses and deposits		88,585	-	88,585
Inventories		4,769,981	-	4,769,981
		10,599,467	-	10,599,467
<b>Non-current assets</b>				
Property, plant and equipment	21 (a)	16,982,912	2,945,853	19,928,765
Mineral properties	21 (a)	35,724,585	688,319	36,412,904
Deferred costs		226,522	-	226,522
		52,934,019	3,634,172	56,568,191
<b>TOTAL ASSETS</b>		<b>\$ 63,533,486</b>	<b>\$ 3,634,172</b>	<b>\$ 67,167,658</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities		\$ 3,624,057	\$ -	\$ 3,624,057
Finance lease obligations		13,882	-	13,882
		3,637,939	-	3,637,939
<b>Non-current liabilities</b>				
Finance lease obligations		44,771	-	44,771
Asset retirement obligations	21 (a)	2,419,940	1,120,117	3,540,057
Deferred tax liabilities		672,633	-	672,633
		3,137,344	1,120,117	4,257,461
		6,775,283	1,120,117	7,895,400
<b>Equity</b>				
Share capital	21 (c)	58,923,649	(1,118,547)	57,805,102
Capital reserve - warrants	21 (g)	-	2,612,024	2,612,024
Capital reserve - options	21 (b), (g)	7,625,229	(2,526,677)	5,098,552
Retained earnings (accumulated deficit)		(8,463,781)	2,220,361	(6,243,420)
Translation reserve	21 (c)	(1,326,894)	1,326,894	-
		56,758,203	2,514,055	59,272,258
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 63,533,486</b>	<b>\$ 3,634,172</b>	<b>\$ 67,167,658</b>

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	Notes	December 31, 2010		
		Canadian GAAP	Effect of transition to IFRS	IFRS
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents		\$ 27,909,558	\$ -	\$ 27,909,558
Restricted cash		97,303	-	97,303
Trade and other receivables		2,618,326	-	2,618,326
Prepaid expenses and deposits		482,510	-	482,510
Inventories	21 (a)	10,220,607	(470,185)	9,750,422
		41,328,304	(470,185)	40,858,119
<b>Non-current assets</b>				
Restricted inventories	21 (a)	69,334	251,808	321,142
Property, plant and equipment	21 (a)	34,257,732	3,010,659	37,268,391
Mineral properties	21 (a)	18,978,912	(239,050)	18,739,862
Deferred costs		13,549	-	13,549
		53,319,527	3,023,417	56,342,944
<b>TOTAL ASSETS</b>		<b>\$ 94,647,831</b>	<b>\$ 2,553,232</b>	<b>\$ 97,201,063</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities		\$ 2,835,235	\$ -	\$ 2,835,235
Finance lease obligations		14,992	-	14,992
		2,850,227	-	2,850,227
<b>Non-current liabilities</b>				
Finance lease obligations		39,408	-	39,408
Gold forward contract	21 (e)	2,841,876	(249,216)	2,592,660
Convertible notes		4,719,600	-	4,719,600
Unrealized fair value of derivative liabilities	21 (b)	10,439,958	2,409,934	12,849,892
Asset retirement obligations	21 (a)	2,667,167	1,127,314	3,794,481
Deferred tax liabilities		719,967	-	719,967
		21,427,976	3,228,032	24,716,008
		<b>24,278,203</b>	<b>3,228,032</b>	<b>27,566,235</b>
<b>Equity</b>				
Share capital	21 (c)	63,050,488	(1,118,548)	61,931,940
Capital reserve - warrants	21 (g)	-	2,612,024	2,612,024
Capital reserve - options	21 (b), (g)	9,804,061	(4,182,392)	5,621,669
Retained earnings (accumulated deficit)		(5,075,931)	4,545,126	(530,805)
Translation reserve	21 (c)	2,591,010	(2,591,010)	-
		<b>70,369,628</b>	<b>(734,800)</b>	<b>69,634,828</b>
		<b>\$ 94,647,831</b>	<b>\$ 2,553,232</b>	<b>\$ 97,201,063</b>

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	Notes	June 30, 2011		
		Canadian GAAP	Effect of transition to IFRS	IFRS
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents		\$ 49,063,026	\$ -	\$ 49,063,026
Restricted cash		103,500	-	103,500
Gold bullion		1,505,490	-	1,505,490
Trade and other receivables		1,924,131	-	1,924,131
Prepaid expenses and deposits		492,994	-	492,994
Inventories	21 (a)	15,027,143	210,467	15,237,610
		68,116,284	210,467	68,326,751
<b>Non-current assets</b>				
Restricted inventories	21 (a)	1,109,619	11,781	1,121,400
Property, plant and equipment	21 (a)	31,052,036	3,960,288	35,012,324
Mineral properties		20,065,745	-	20,065,745
Deferred costs		216,287	-	216,287
		52,443,687	3,972,069	56,415,756
<b>TOTAL ASSETS</b>		<b>\$ 120,559,971</b>	<b>\$ 4,182,536</b>	<b>\$ 124,742,507</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Accounts payable and accrued liabilities		\$ 4,903,751	\$ -	\$ 4,903,751
Finance lease obligation		15,746	-	15,746
		4,919,497	-	4,919,497
<b>Non-current liabilities</b>				
Finance lease obligations		32,257	-	32,257
Gold forward contract	21 (e)	2,896,772	(304,112)	2,592,660
Convertible notes		5,290,009	-	5,290,009
Unrealized fair value of derivative liabilities	21 (b)	8,087,040	13,198,120	21,285,160
Asset retirement obligations	21 (a)	2,583,970	1,665,840	4,249,810
Deferred tax liabilities		720,900	-	720,900
		19,610,948	14,559,848	34,170,796
<b>Total liabilities</b>		<b>24,530,445</b>	<b>14,559,848</b>	<b>39,090,293</b>
<b>Equity</b>				
Share capital	21 (c)	64,518,798	(1,034,791)	63,484,007
Capital reserve - warrants	21 (g)	-	2,612,024	2,612,024
Capital reserve - options	21 (b), (g)	13,002,921	(7,135,071)	5,866,850
Retained earnings		19,834,701	(6,145,368)	13,689,333
Translation reserve	21 (c)	(1,326,894)	1,326,894	-
		96,029,526	(10,377,312)	85,652,214
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 120,559,971</b>	<b>\$ 4,182,536</b>	<b>\$ 124,742,507</b>

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#### Reconciliation of total comprehensive income

Reconciliations between the Canadian GAAP and IFRS total comprehensive income for the year ended June 30, 2011 and for the three and six months ended December 31, 2010 are provided below. The Canadian GAAP statement of comprehensive income (loss) has been represented, following adjustments for IFRS, in an IFRS consolidated statements of comprehensive income format.

	Notes	Year ended June 30, 2011		
		Canadian GAAP	Effect of transition to IFRS	IFRS
Revenue - gold sale		\$ 52,379,951	\$ -	\$ 52,379,851
Production costs		(9,134,079)	-	(9,134,079)
Gross margin from mining operations		43,245,772	-	43,245,772
Depletion, depreciation and accretion of assets retirement obligations	21 (a)	(2,528,611)	68,268	(2,460,343)
Gain on disposal of scrap material		14,862	-	14,862
		(2,513,749)	68,268	(2,445,481)
<b>Income from mining operations</b>		<b>40,732,023</b>	<b>68,268</b>	<b>40,800,291</b>
<b>Other operating costs</b>				
General and administration		2,681,055	-	2,681,055
Share-based payments		1,058,329	-	1,058,329
Legal, consulting and audit		627,034	-	627,034
Depreciation		163,091	791	163,882
Shareholders communication		222,500	-	222,500
Travel		343,146	-	343,146
Project investigation		190,104	-	190,104
Regulatory compliance and filing		57,553	-	57,553
		5,342,812	791	5,343,603
<b>Operating income</b>		<b>35,389,211</b>	<b>67,477</b>	<b>35,456,688</b>
<b>Other income (loss)</b>				
Foreign currency exchange gain (loss)	21 (c)	40,426	(62,466)	(22,040)
Accretion interest on convertible note		(1,145,509)	301,742	(843,767)
Change in fair value of forward contract	21 (c), (b), (e)	1,602,306	-	1,602,306
Change in fair value of derivative liabilities	21 (b)	(4,759,797)	5,469,382	709,585
Interest income		104,946	-	104,946
		(4,157,628)	5,708,658	1,551,030
<b>Income before taxes</b>		<b>31,231,583</b>	<b>5,776,135</b>	<b>37,007,718</b>
Income tax recovery, net		20,577	-	20,577
<b>Net income</b>		<b>\$ 31,252,160</b>	<b>\$ 5,776,135</b>	<b>\$ 37,028,295</b>
Attributable to common shareholders		31,252,160	\$ 5,776,135	37,028,295
<b>Total comprehensive income</b>		<b>\$ 31,252,160</b>	<b>\$ 5,776,135</b>	<b>\$ 37,028,295</b>
Attributable to non-controlling interest		-	-	-
Attributable to common shareholders		<b>\$ 31,252,160</b>	<b>\$ 5,776,135</b>	<b>\$ 37,028,295</b>

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Three months ended December 31, 2010				
	Notes	Canadian GAAP	Effect of transition to IFRS	IFRS
Revenue - gold sale		\$ 14,119,390	\$ -	\$ 14,119,390
Production costs	21 (a)	(2,697,775)	40,786	(2,656,989)
Gross margin from mining operations		11,421,615	40,786	11,462,401
Depletion and depreciation	21 (a)	366,363	13,320	379,683
Accretion of asset retirement obligations	21 (a)	62,578	(117,357)	(54,779)
		428,941	(104,037)	324,904
<b>Gross profit</b>		<b>10,992,674</b>	<b>144,823</b>	<b>11,137,497</b>
<b>Other operating costs</b>				
General and administration		302,315	-	302,315
Share-based payments		209,384	-	209,384
Legal, consulting and audit		263,234	-	263,234
Shareholders communication		61,434	-	61,434
Travel		173,357	-	173,357
Regulatory compliance and filing		5,671	-	5,671
Depreciation		6,929	-	6,929
		1,022,324	-	1,022,324
<b>Operating income</b>		<b>9,970,350</b>	<b>144,823</b>	<b>10,115,173</b>
<b>Other income (loss)</b>				
Gain/(loss) due to change in fair value of derivative liabilities	21 (b)	(3,961,789)	(1,030,824)	(4,992,613)
Change in fair value of forward contract	21 (e)	-	-	-
Foreign currency exchange gain (loss)	21 (c)	(115,703)	(75,405)	(191,108)
Accretion interest on convertible note		(453,092)	86,636	(366,456)
Interest income		29,356	-	29,356
		(4,501,228)	1,019,593	(5,520,821)
<b>Income before taxes</b>		<b>5,469,122</b>	<b>(874,770)</b>	<b>4,594,352</b>
<b>Net income after taxes</b>		<b>5,469,122</b>	<b>(874,770)</b>	<b>4,594,352</b>
Attributable to common shareholders		5,469,122	(874,770)	4,594,352
<b>Other comprehensive income, net of tax</b>				
Foreign currency translation	21 (c)	2,591,010	(2,591,010)	-
<b>Total comprehensive income</b>		<b>\$ 8,060,132</b>	<b>\$ (3,465,780)</b>	<b>\$ 4,594,352</b>
Attributable to common shareholders		\$ 8,060,132	\$ (3,465,780)	\$ 4,594,352

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Six months ended December 31, 2010				
Notes	Canadian GAAP	Effect of transition to IFRS		IFRS
Revenue - gold sale	\$ 20,730,884	\$ -	\$ 20,730,884	
Production costs	21 (a) (3,788,720)	56,890	(3,731,830)	
Gross margin from mining operations	16,942,164	56,890	16,999,054	
Depletion and depreciation	21 (a) 428,351	14,561	442,912	
Accretion of asset retirement obligations	21 (a) 83,272	(94,917)	(11,645)	
	511,623	(80,356)	431,267	
<b>Gross profit</b>	<b>16,430,541</b>	<b>137,246</b>	<b>16,567,787</b>	
<b>Other operating costs</b>				
General and administration	608,335	-	608,335	
Share-based payments	627,886	-	627,886	
Legal, consulting and audit	341,073	-	341,073	
Shareholders communication	113,605	-	113,605	
Travel	227,035	-	227,035	
Regulatory compliance and filing	16,959	-	16,959	
Depreciation	9,476	-	9,476	
	1,944,369	-	1,944,369	
<b>Operating income</b>	<b>14,486,172</b>	<b>137,246</b>	<b>14,623,418</b>	
<b>Other income (loss)</b>				
Gain/(loss) due to change in fair value of derivative liabilities	21 (b) (7,389,810)	(754,219)	(8,144,029)	
Change in fair value of forward contract	21 (e) -	-	-	
Foreign currency exchange gain (loss)	21 (c) (422,108)	36,560	(385,548)	
Accretion interest on convertible note	(537,380)	113,612	(423,768)	
Interest income	42,542	-	42,542	
	(8,306,756)	(604,047)	(8,910,803)	
<b>Income before taxes</b>	<b>6,179,416</b>	<b>466,801</b>	<b>5,712,615</b>	
<b>Net income after taxes</b>	<b>6,179,416</b>	<b>466,801</b>	<b>5,712,615</b>	
Attributable to common shareholders	6,179,416	466,801	5,712,615	
<b>Other comprehensive income, net of tax</b>				
Foreign currency translation	21 (c) 2,591,010	(2,591,010)	-	
<b>Total comprehensive income</b>	<b>\$ 8,770,426</b>	<b>\$ (3,057,811)</b>	<b>\$ 5,712,615</b>	
Attributable to common shareholders	\$ 8,770,426	\$ (3,057,811)	\$ 5,712,615	