

GSF CORPORATION LIMITED
(formerly Global Seafood Australia Limited)

ABN 98 084 370 669

FINANCIAL REPORT

FOR THE YEAR ENDED

30 JUNE 2007

CONTENTS

Company Directory

Directors' Report

Auditor's Independence Declaration

Income Statement

Balance Sheet

Statement of Changes in Equity

Cash Flow Statement

Notes to the Financial Statements

Directors' Declaration

Independent Audit Report

COMPANY DIRECTORY

DIRECTORS:

Mr Joshua Mann
Mr Aaron Finlay
Mr Lee Boyd

**COMPANY
SECRETARY:**

Mr Lee Boyd

**REGISTERED AND
PRINCIPAL OFFICE:**

Level 12, BGC Centre
28 The Esplanade
Perth WA 6000
Telephone: (08) 9224 6828
Facsimile: (08) 9327 8900

AUDITORS:

Ernst & Young
11 Mounts Bay Road
Perth WA 6000

SOLICITORS:

Steinepreis Paganin
Level 4, Next Building
16 Milligan Street
Perth WA 6000

SHARE REGISTRY:

Link Market Services Limited
Level 12
300 Queen Street
Brisbane QLD 4000
Telephone: (02) 8280 7454

BANKERS:

Westpac Banking Corporation
Level 17
109 St George's Terrace
Perth WA 6000

ABN:

98 084 370 669

**DOMICILE AND COUNTRY
OF INCORPORATION:**

Australia

LEGAL FORM OF ENTITY:

Listed Public Company

DIRECTORS' REPORT

Your directors submit their report together with the financial report of GSF Corporation Limited ("the Company") for the year ended 30 June 2007.

DIRECTORS

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

Mr Joshua Mann

Non-Executive Director

Appointed 15 August 2006

Mr Mann is a Chartered Financial Analyst (CFA) with experience in project finance. Previously he worked for HBOS plc specialising in project evaluation, due diligence and deal structuring with an emphasis on the Australian mining sector. In his current role as an investment analyst with Albion Capital Partners, an Australian based private investment group, Mr Mann has experience in evaluating investment opportunities across a range of industries including the mining, telecommunications, media and biotechnology sectors.

Mr Aaron Finlay

Non-Executive Director

Appointed 1 December 2006

Mr Finlay is a Chartered Accountant with 15 years' experience in the accounting profession.

Mr Finlay joined ASX listed HalcyGen Pharmaceuticals Limited in May 2007 as Chief Financial Officer and Company Secretary. Mr Finlay acts as the Company Secretary of ASX and NASDAQ listed pSivida Limited. His previous role was as INVESCO Australia's Chief Financial Officer where he had responsibility for the operations of finance, as well as the compliance, legal, and human resources functions. Prior to that position, Mr Finlay was head of group tax and treasury for INVESCO's global operations in London. Prior to joining INVESCO, Mr Finlay worked for PricewaterhouseCoopers (then Price Waterhouse) in London and Perth for 7 years.

Mr Edwin Leith (Lee) Boyd

Non-Executive Director

Appointed 12 July 2007

Mr Boyd has considerable directorial, company secretarial and corporate financial experience with a number of listed and unlisted public and private companies in the resources and industrial sectors. These include NuStar Mining Corporation Ltd, St Barbara Mines Ltd, Territory Goldfields NL, Seedcap Resources NL and Cell Aquaculture Ltd. He is currently a director of ASX listed Centralian Minerals Limited and recently listed industrial company, Hydrotech International Limited.

Mr Boyd is a Certified Practising Accountant, a Fellow of Australian Institute of Company Directors and an Affiliate of Chartered Secretaries Australia.

DIRECTORS' REPORT

Mr Ian Hobson

Appointed 15 August 2006

Resigned 12 July 2007

Mr Hobson is a Chartered Accountant with in excess of 20 years' experience working with major accounting firms in Perth, London and Toronto. He has specialised in the reconstruction of public companies and substantial private group entities as well as due diligence, valuations, loss qualifications, independent accountant reports and transactional services. Mr Hobson's experience encompasses various industries including technology, mining, manufacturing, retail, professional services and financial services.

Mr Hugh Warner

Appointed 15 August 2006

Resigned 1 December 2006

Mr Warner was a founding shareholder and previously a director of Ascent Capital. During his time at Ascent Capital, he was instrumental in the recapitalisation of 18 ASX listed companies, the IPO of two ASX companies and the IPO of six companies on AIM in the United Kingdom.

Mr Ian Boot

Appointed 3 September 2004

Resigned 15 August 2006

Mr Efrem Gamba

Appointed 3 September 2004

Resigned 15 August 2006

Mr David Edgar

Appointed 3 September 2004

Resigned 15 August 2006

Directorships of other listed companies

Name	Company	Commenced	Ceased
Mr L Boyd	Centralian Minerals Limited	5 April 2007	-
	Hydrotech International Limited	17 November 2006	-
Mr A Finlay	-	-	-
Mr J Mann	-	-	-

Interests in the shares and options of the Company

As at the date of this report, the interests of the directors in the shares and options of GSF Corporation Limited were:

DIRECTORS' REPORT

Name	Number of ordinary shares	Number of options over ordinary shares
Mr L Boyd	-	-
Mr A Finlay	7,320,000	1,500,000
Mr J Mann	7,000,000	1,500,000

COMPANY SECRETARY

Mr Lee Boyd

Company Secretary
Appointed 12 July 2007

PRINCIPAL ACTIVITY

The principal activities of the Group are investing and seafood wholesaling.

RESULTS AND REVIEW OF OPERATIONS

The Group's net loss attributable to members of the Company for the financial year ended 30 June 2007 was \$3,499,288. The loss included a payment to the deed administrator to settle the deed of company arrangement of \$750,000 and a loss as a result of the terms of the deed of company arrangement of \$2,485,295. The balance of the loss consisted of normal operating expenditure and costs associated with the reconstruction and re-listing of the Company.

As at 30 June 2007 the cash position was \$846,124 and the Company had 301,549,165 shares on issue.

At a meeting of shareholders held on 9 October 2006, shareholders voted to accept the terms of a restructure that saw the Company released from external administration after the payment of prescribed funds and the transfer of certain assets to the trustee for creditors. The deed of company arrangement was wholly effectuated on 9 October 2006. A prospectus dated 12 October 2006 was issued and closed fully subscribed. The Company allotted 280,000,000 shares and 40,000,000 options raising \$1,901,000. The Company was re-admitted to the official list of the ASX on 9 November 2006.

During the course of the voluntary administration / deed of company arrangement, ASIC granted the Company an exception under section 340(1) of the Corporations Act from its financial reporting obligations in section 302 of the Corporations Act for the financial year ended 30 June 2006. Audited financial statements were not prepared for the year ended 30 June 2006. Accordingly, no comparative financial information has been presented in respect of the year ended 30 June 2006.

On 13 June 2007 the Company issued 6,333,333 fully paid ordinary shares on exercise of 6,333,333 options at \$0.01, raising \$63,333.

DIRECTORS' REPORT

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the directors, there were no matters that significantly affected the state of affairs of the Company during the financial period, other than those referred to in the review of operations.

DIVIDENDS

The directors recommend that no amount be paid by way of dividend. No dividend has been paid or declared since the end of the financial period.

UNISSUED SHARES UNDER OPTION

Unissued shares

As at the date of this report there were 32,666,667 unissued ordinary shares under option (33,666,667 at the reporting date). Details of these options are as follows:

Date Options Granted	Expiry Date	Issue price of shares	Number under option
27 October 2006	31 December 2008	\$0.01	32,666,667

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company.

Details of options issued to Directors during the year are included in Note 19 to the financial report.

Shares issued as a result of the exercise of options

During the financial year an option holder exercised options to acquire 6,333,333 fully paid ordinary shares in GSF Corporation Limited at an exercise price of \$0.01 per share. Subsequent to year end a further 1,000,000 options were exercised to acquire 1,000,000 fully paid ordinary shares at an exercise price of \$0.01 per share.

EVENTS SUBSEQUENT TO BALANCE DATE

On 30 August 2007 the Company held a general meeting of shareholders approving the issue of 70,000,000 shares and 230,000,000 options to Starvale Holdings Pty Ltd in accordance with an agreement entered into on 23 July 2007, whereby the Company appointed Starvale to assist with managing and arranging the Company's future financing requirements and corporate advisory services. At the same meeting of shareholders, the directors were authorised to issue 100,000,000 shares on the terms and conditions outlined in the Explanatory Statement.

On 13 September 2007 the Company issued 1,000,000 fully paid ordinary shares on exercise of 1,000,000 options at \$0.01, raising \$10,000.

On 27 September the Company successfully completed the private placement previously announced in the Notice of Meeting on 30 July 2007, issuing 104,666,666 million fully paid ordinary shares at \$0.015 per share to raise a total of \$1.57 million

DIRECTORS' REPORT

before costs. The funds raised increase the working capital available for the Company's current operations and allow the Company to review and identify suitable projects for investment, acquisition or farm-in.

On 27 September 2007 the Company issued 6,333,333 fully paid ordinary shares on exercise of 6,333,333 options at \$0.01, raising \$63,333.

On 27 September 2007 the Company issued 10,000,000 options over ordinary shares exercisable at a price of A\$0.03 per ordinary share in GSF exercisable at anytime before 30 June 2012 to Albion Capital Partners in accordance with a letter of appointment entered into on 4 July 2007.

On 27 September 2007 the Company announced that it had signed a Heads of Agreement with Londoloza Resources Corp ("LRC") to acquire its suite of Zambian mineral projects together with the rights to acquire advanced mining projects secured by LRC within the Kitwe district of Zambia. Importantly GSF has also secured the acquisition rights to future large scale advanced mining projects secured by LRC within the Kitwe district of Zambia. Kitwe forms part of the world renowned Zambian Copperbelt which is estimated to contain a global resource of almost 200 million tonnes of copper metal and hosts two of the world's ten largest copper deposits

The transaction is subject to GSF completing full technical and financial due diligence and all shareholder and regulatory approvals. GSF will pay a non-refundable deposit of US\$200,000 to LRC as part of the transaction. GSF has until 31 January 2008 in which to complete its due diligence and obtain the necessary shareholder and regulatory approvals required to complete the transaction. Final terms of the acquisition are to be documented under a formal sale and purchase agreement which is expected to be completed within the next four weeks.

Under the terms of the agreement, GSF will acquire the initial projects and rights from LRC on the following terms:

- (a) 170,000,000 fully paid ordinary shares in GSF for the acquisition of the initial projects.
- (b) 100,000,000 fully paid ordinary shares in GSF upon LRC securing the right to acquire an advanced mining project within the Kitwe district of Zambia. The shares are to be issued to LRC upon completion of a desktop study (to the sole satisfaction of GSF) to confirm the economic viability of the project. LRC is currently in discussions with parties in relation to the acquisition of such projects.
- (c) 270,000,000 fully paid ordinary shares in GSF upon completion of a Bankable Feasibility Study (to the sole satisfaction of GSF).

In the event that GSF decides to proceed with the transaction for the acquisition of the initial projects following the satisfactory completion of due diligence and issues the 170M shares it may be considered a Chapter 11 event and GSF will need to comply with Chap 1 & 2 of the listing rules and require shareholder approval.

DIRECTORS' REPORT

LIKELY DEVELOPMENTS

Information on likely developments in the operations of the Company and the expected results of operations have not been included in this annual financial report because the directors believe it would be likely to result in unreasonable prejudice to the Company.

REMUNERATION REPORT (audited)

This Remuneration Report outlines the director and executive remuneration arrangements of the company and the group in accordance with the requirements of the *Corporations Act 2001* and its Regulations. It also provides the remuneration disclosures required by paragraphs Aus 25.4 to Aus 25.7.2 of AASB 124 *Related Party Disclosures*, which have been transferred to the Remuneration Report in accordance with Corporations Regulation 2M.6.04. For the purposes of this report Key Management Personnel (KMP) of the group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the company and the group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and includes the five executives in the parent and the group receiving the highest remuneration.

This report outlines the remuneration arrangements in place for directors and executives of GSF Corporation Limited.

Director and executive details

The directors of GSF Corporation Limited during the year were:

- Mr Joshua Mann (appointed 15 August 2006)
- Mr Aaron Finlay (appointed 1 December 2006)
- Mr Ian Hobson (appointed 15 August 2006, resigned 12 July 2007)
- Mr Hugh Warner (appointed 15 August 2006, resigned 1 December 2006)
- Mr Ian Boot (resigned 15 August 2006)
- Mr Efrem Gamba (resigned 15 August 2006)
- Mr David Edgar (resigned 15 August 2006)

There were no Company executives during the year other than the directors of the Company.

Remuneration Policy

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and Executive Officers. The Board will assess the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team. Such officers are paid their base emolument in cash only.

To assist in achieving these objectives, the Board will link the nature and amount of executive Directors' and officers' emoluments to the Company's financial and operational performance.

DIRECTORS' REPORT

Remuneration paid to the Company's directors and executives is also determined with reference to the market level of remuneration for other listed companies in Australia operating in a similar industry. This assessment is undertaken with reference to advice and comment provided by various executive search firms operating in the sector.

Executive Officers are those directly accountable for the operational management and strategic direction of the Company.

Fixed remuneration

Fixed remuneration consists of a base remuneration package, which includes directors' fees (in the case of Directors), salaries, consulting fees and employer contributions to superannuation funds.

Fixed remuneration levels for Directors and executive officers will be reviewed annually by the Board through a process that considers the employee's personal development, achievement of key performance objectives for the year, industry benchmarks wherever possible and CPI data.

Key performance indicators (KPIs) will be individually tailored by the Board for each director and executive officer each year, and reflect an assessment of how that employee can fulfil their particular responsibilities in a way that best contributes to Company performance and shareholder wealth in that year.

Total remuneration for non-executive directors is determined by resolution of shareholders. The Board determines actual payments to directors and reviews their remuneration annually, based on independent external advice, relativities and the duties and accountabilities of the directors. The maximum available aggregate remuneration approved for non-executive directors is \$200,000. Non-executive directors do not receive any other retirement benefits other than a superannuation guarantee contribution required by government regulation, which is currently 9% of their fees.

Non-executive directors may provide specific consulting advice to the Company upon direction from the Board. Remuneration for this work is made at market rates.

Performance-linked remuneration

All employees may receive bonuses and/or share options based on achievement of specific goals related to performance against individual KPIs and to the performance of the Company as a whole as determined by the directors based on a range of factors. These factors include traditional financial considerations such as operating performance, cash consumption, deals concluded, increases in the market capitalisation of the Company and successful capital raisings and also industry-specific factors. There has been no KPIs set during the year.

Elements of director and executive remuneration

Remuneration packages may contain the following key elements:

- a) Short-term benefits – salary / fees, bonuses and other benefits;

DIRECTORS' REPORT

- b) Post-employment benefits – including superannuation; and
- c) Share-based payments – no Employee Share Option Plan is currently in existence, however the Company may choose to remunerate directors and executives by the grant of options in the future, subject to shareholder approval.

The following table discloses the remuneration of the directors and the Company executive during the financial year from the Company:

	Short-term benefits			Post-employment	Share-based payments	Total	Proportion related to performance
	Salary and fees	Bonus	Other benefits	Super-annuation			
	\$	\$	\$	\$	\$	\$	%
<i>Directors</i>							
Mr J Mann	55,000	-	-	-	-	55,000	-
Mr A Finlay	35,000	-	-	-	-	35,000	-
Mr I Hobson	55,000	-	-	-	-	55,000	-
Mr H Warner	20,000	-	-	-	-	20,000	-
Mr I Boot	-	-	-	-	-	-	-
Mr E Gamba	-	-	-	-	-	-	-
Mr D Edgar	-	-	-	-	-	-	-
Total	165,000	-	-	-	-	165,000	-

Value of options issued to directors and executives

No options were granted to directors of the Company as remuneration during the year.

Employment contracts

The Company has entered into standard appointment agreements with directors. These agreements provide for an indefinite period of appointment subject to reappointment requirements at annual general meetings under the terms of the constitution. The employment may be terminated pursuant to the Corporations Act and the Company's Constitution, in certain prescribed circumstances (such as bankruptcy, conviction of an offence, unsound mind). The director may resign by notice in writing at any time.

Company performance

In considering the Company's performance and its effect on shareholder wealth, the Board have regard to a broad range of factors, some of which are financial and others of which are non-financial. The Board also gives consideration to the Company's result and cash consumption for the year. It does not utilise earnings per share as a performance measure or contemplate payment of any dividends in the short to medium term given that all efforts are currently being expended to build the business and establish self-sustaining revenue streams. The Company is of the view that any adverse movement in the Company's share price related to an industry trend or other similar non-

DIRECTORS' REPORT

specific economic condition should not be a punitive factor in assessing the performance of individuals.

DIRECTORS' MEETINGS

The number of directors' meetings held and number of meetings attended by each of the directors of the Company during the financial year were as follows:

	<i>Board of directors</i>	
	<i>Held</i>	<i>Attended</i>
Mr J Mann	9	8
Mr A Finlay	4	4
Mr I Hobson	9	9
Mr H Warner	5	5
Mr I Boot	-	-
Mr E Gamba	-	-
Mr D Edgar	-	-

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company maintained an insurance policy which indemnifies the Directors and Officers of GSF Corporation Limited in respect of any liability incurred in connection with the performance of their duties as Directors or Officers of the Company. The Directors made a personal contribution toward the premium to satisfy Section 199B of the Corporations Act 2001. The Company's insurers have prohibited disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

NON-AUDIT SERVICES

During the year no non-audit services were provided by the Company's auditor, Ernst & Young.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 19 of the financial report.

Dated this 28 day of September 2007.

Signed in accordance with a resolution of the directors.



Edwin Boyd
Director

CORPORATE GOVERNANCE STATEMENT

GSF Corporation's Board and Corporate Governance

The Board of directors of GSF Corporation Limited is responsible for the corporate governance of the Company and is committed to applying the ASX Corporate Governance Council *Corporate Governance Principles and Recommendations* ("ASX Principles") where practicable. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders. It is a requirement of the Board that the Company maintains high standards of ethics and integrity at all times.

The ASX Principles are an important regulatory guide for listed companies reporting on their corporate governance practices. Under ASX Listing Rule 4.10.3, listed companies must disclose the extent to which they have followed the ASX Principles, and if any of the recommendations have not been followed then the Company must explain why not.

The requirements under Listing Rule 4.10.3 apply to GSF Corporation for the year ended 30 June 2007 and this corporate governance statement sets out and explains any departures by the Company from the ASX Principles.

The Role of the Board and the Board Charter

The Board's Duties

As the Board acts on behalf of and is accountable to the shareholders, the Board seeks to identify the expectations of the shareholders, as well as other regulatory and ethical expectations and obligations and strives to meet those expectations. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.

The role of the Board is to oversee and guide the management of GSF Corporation with the aim of protecting and enhancing the interests of its shareholders and taking into account the interests of other stakeholders including employees and the wider community.

The Board has adopted a formal Charter which clearly establishes the relationship between the Board and management and describes their functions and responsibilities.

The Board is responsible for setting the strategic direction of the Company, establishing goals for management and monitoring the achievement of those goals. The Company currently does not have a significant business that warrants delegation of powers to a CEO of the day-to-day management of the Company and its operations, and therefore the Board currently has responsibility for the duties that would normally be carried out by management. The Charter sets out the responsibilities of a Chief Executive Officer is one was so appointed.

Code of Conduct

Directors of the Company are also subject to GSF Corporation's Code of Conduct (see further discussion below). The Code of Conduct is considered by the Board to be an effective way to guide the behaviour of all directors and employees and demonstrates the Company's commitment to ethical and compliant practices.

The Composition of GSF Corporation's Board

The composition of the Board is determined in accordance with the following principles and guidelines:

- the Board should comprise at least 3 directors;
- the Board should comprise directors with an appropriate range of qualifications and expertise; and
- the Board shall meet regularly and follow meeting guidelines set down to ensure all directors are made aware of, and have available all necessary information, to participate in an informed discussion of all agenda items.

As at the date of this report, the Board comprises three independent non-executive directors. Details of the directors are set out in the Directors' Report.

Independence of Directors

The Board has reviewed the position and associations of each of the three directors in office at the date of this report and considers that three of the directors are independent. In considering whether a director is independent, the Board has regard to the independence criteria in ASX Corporate Governance Principle 2 and other facts, information and circumstances that the Board considers relevant. The Board assesses the independence of new directors upon appointment and reviews their independence, and the independence of other directors, as appropriate.

The Board considers that Mr Mann meets the criteria in Principle 2. He has no material business or contractual relationship with the Company, other than as a director and no conflicts of interest which could interfere with the exercise of independent judgement. Accordingly, he is considered to be independent.

The Board considers that Mr Finlay meets the criteria in Principle 2. He has no material business or contractual relationship with the Company, other than as a director, and no conflicts of interest which could interfere with the exercise of independent judgement. Accordingly, he is considered to be independent.

The Board considers that Mr Boyd meets the criteria in Principle 2. He has no material business or contractual relationship with the Company, other than as a director, and no conflicts of interest which could interfere with the exercise of independent judgement. Accordingly, he is considered to be independent.

The directors will continue to monitor the composition of the Board to ensure its structure remains appropriate and consistent with effective management and good governance.

Appointment, Election and Re-Election of Directors

The Constitution of the Company requires one third of the directors, other than the Managing Director, to retire from office at each Annual General Meeting. Directors who have been appointed by the Board are required to retire from office at the next Annual General Meeting and are not taken into account in determining the number of directors

CORPORATE GOVERNANCE STATEMENT

to retire at that Annual General Meeting. Directors cannot hold office for a period in excess of three years or later than the third Annual General Meeting following their appointment without submitting themselves for re-election. Retiring directors are eligible for re-election by shareholders.

Nomination and Appointment of New Directors

Recommendations of candidates for new directors are made by the directors for consideration by the Board as a whole. If it is necessary to appoint a new director to fill a vacancy on the Board or to complement the existing Board, a wide potential base of possible candidates is considered. If a candidate is recommended by a director, the Board assesses that proposed new director against a range of criteria including background, experience, professional skills, personal qualities, the potential for the candidate's skills to augment the existing Board and the candidate's availability to commit to the Board's activities. If these criteria are met and the Board appoints the candidate as a director, that director must retire at the next following General Meeting of Shareholders and will be eligible for election by shareholders at that General Meeting.

GSF Corporation's Board Meetings

The Board met 9 times between 1 July 2006 and 30 June 2007.

The Board meets formally at least ten times each year, and from time to time meetings are convened outside the scheduled dates to consider issues of importance.

Directors' attendance at Board meetings is detailed on page 12 of this annual report.

Performance Review

The Board has not adopted any formal procedures for the review of the performance of the Board, however the Board has committed to an informal assessment process, facilitated in consultation with GSF Corporation's professional advisors, which is currently considered to meet the Board's obligations sufficiently.

The Board aims to ensure that shareholders are informed of all information necessary to assess the performance of the directors. Information is communicated to the shareholders through:

- the annual report which is distributed to all shareholders;
- the half-yearly report;
- the annual general meeting and other meetings to obtain shareholder approval for Board actions as appropriate; and
- continuous disclosure in accordance with ASX Listing Rule 3.1 and the Company's continuous disclosure policy.

Board Members' Rights to Independent Advice

The Board has procedures to allow directors, in the furtherance of their duties as directors or members of a Committee, to seek independent professional advice at the Company's expense, subject to the prior written approval of the Chairman.

Audit Committee

Having regard to the number of members currently comprising the Company's Board and the stage of the Company's development, the Board has not established an audit committee, however meetings are held throughout the year between the Company Secretary and the Company's auditors to discuss the Company's ongoing activities and any proposed changes prior to their implementation and to seek advice in relation thereto. Accordingly the Company was not in compliance with Principle 4 during the financial year.

Nomination Committee

The functions that would be performed by a nomination committee are currently performed by the full Board. Having regard to the number of members currently comprising the Company's Board and the stage of the Company's development, the Board does not consider it appropriate to delegate these responsibilities to a sub-committee. Accordingly the Company was not in compliance with Recommendation 2.4 during the financial year. These arrangements will be reviewed periodically by the Board to ensure that they continue to be appropriate to the Company's circumstances.

Remuneration Committee

The functions that would be performed by a remuneration committee are currently performed by the full Board. Having regard to the number of members currently comprising the Company's Board and the stage of the Company's development, the Board does not consider it appropriate to delegate these responsibilities to a sub-committee. Accordingly the Company was not in compliance with Recommendation 8.1 during the financial year. These arrangements will be reviewed periodically by the Board to ensure that they continue to be appropriate to the Company's circumstances.

Remuneration for directors and executives

A brief discussion on the Company's remuneration policies in respect of directors and executives is set out on pages 9 to 11 of this annual report. Detailed disclosure of the remuneration paid to the Company's directors and executives is set out on pages 38 to 40.

Integrity in Financial Reporting

Consistent with ASX Principle 7.3, the Company's financial report preparation and approval process for the financial year ended 30 June 2007 involved Mr Joshua Mann, Non-Executive Director and Mr Aaron Finlay, Non-Executive Director providing detailed representations to the Board covering:

- compliance with the Company's accounting policies and relevant accounting standards;
- the accuracy of the financial statements and that they provide a true and fair view;
- integrity and objectivity of the financial statements; and

CORPORATE GOVERNANCE STATEMENT

- effectiveness of the system of internal control.

Risk Identification and Management

The Board accepts that taking and managing risk is central to building shareholder value and the Board is responsible for the Company's risk management strategy. Management is responsible for implementing the Board's strategy and for developing policies and procedures to assist the Board to identify, manage and mitigate the risks across GSF Corporation's operations.

The Company retains consultants with the requisite experience and qualifications to enable the Board to manage the risks to the Company. The Board reviews risks to the Company at regular Board meetings.

Securities Trading by Directors and Employees

GSF Corporation adopted a Share Trading Policy on 23 May 2007. The policy summarises the law relating to insider trading and sets out the policy of the Company on directors, officers, employees and consultants dealing in securities of the Company.

This policy is provided to all directors and employees and compliance with it is reviewed on an ongoing basis in accordance with the Company's risk management systems.

Continuous Disclosure

GSF Corporation has established policies and procedures in order to comply with its continuous and periodic disclosure requirements under the *Corporations Act 2001* (Commonwealth) and the ASX Listing Rules. The Board has in place a formal Continuous Disclosure Policy which was adopted on 23 May 2007, and is consistent with the informal policies and practices of the Board that were in place prior to the formal adoption of the Continuous Disclosure Policy document.

The Company Secretary has primary responsibility for the disclosure of material information to ASIC and ASX and maintains a procedural methodology for disclosure, as well as for record keeping.

The Policy also sets out what renders information material. The Board reviews the Company's compliance with this policy on an ongoing basis and will update it from time to time, if necessary.

Shareholder Communications

The Board's formal policy on communicating with shareholders is its Shareholder Communications Policy. The aim of the Shareholder Communications Policy is to make known GSF Corporation's methods for disclosure to shareholders and the general public. The Policy details the steps between disclosure to ASIC and ASX and communication to shareholders.

The Board reviews this policy and compliance with it on an ongoing basis.

CORPORATE GOVERNANCE STATEMENT

To add further value to the Company's communications with shareholders, the external auditor will be requested to attend the Company's AGM and be available to answer shareholders' questions about the conduct of the audit and the preparation and content of the auditor's report.

Conduct and Ethics

The GSF Corporation Code of Conduct was adopted on 23 May 2007. The Code covers a broad range of issues and refers to those practices necessary to maintain confidence in the Company's integrity, including procedures in relation to:

- compliance with the law;
- financial records;
- contributions to political parties, candidates or campaigns;
- occupational health and safety;
- confidential information;
- conflict of interest;
- efficiency;
- equal opportunity;
- corporate bribery; and
- membership to industry and professional associations.

Auditor's Independence Declaration to the Directors of GSF Corporation Limited

In relation to our review of the financial report of GSF Corporation Limited and the consolidated entity for the year ended 30 June 2007, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst & Young

Ernst & Young



G Lotter
Partner
Perth
28 September 2007

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

		Consolidated	Company
		2007	2007
	Notes	\$	\$
Revenues from continuing operations	4	63,466	49,072
Administrative expenses	5	(320,419)	(320,393)
Payment to settle deed of company arrangement		(750,000)	(750,000)
Loss due to deed of company arrangement		(2,485,295)	(2,485,295)
Loss before income tax		(3,492,248)	(3,506,615)
Income tax expense	7	-	-
Loss from continuing operations		(3,492,248)	(3,506,615)
Profit attributable to minority interest		(7,040)	-
Loss attributable to members of the Company		(3,499,288)	(3,506,615)
Basic loss per share (cents)	8	(1.71)	
Diluted loss per share (cents)	8	(1.71)	

This income statement should be read in conjunction with the accompanying notes to the financial statements.

BALANCE SHEET AS AT 30 JUNE 2007

		Consolidated	Company
		2007	2007
	Notes	\$	\$
Current Assets			
Cash and cash equivalents	18(a)	846,124	840,992
Trade and other receivables	9	39,950	30,613
Other current assets	10	6,606	6,606
Total Current Assets		892,679	878,211
Non-Current Assets			
Other financial assets	11	-	51
Total Non-Current Assets		-	51
Total Assets		892,679	878,262
Current Liabilities			
Trade and other payables	12	28,202	28,202
Total Current Liabilities		28,202	28,202
Total Liabilities		28,202	28,202
Net Assets		864,477	850,060
Equity			
Contributed equity	13	18,955,852	18,955,852
Reserves	14	842	842
Accumulated losses	15	(18,099,306)	(18,106,633)
Parent interests		857,388	850,060
Minority interests	16	7,089	-
Total Equity		864,477	850,060

This balance sheet should be read in conjunction with the accompanying notes to the financial statements.

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

	Contributed equity	Reserves	Consolidated Accumulated losses	Minority interest	Total
	\$	\$	\$		\$
Balance at 1 July 2006	17,085,313	-	(14,600,018)	-	2,485,295
Loss attributable to members of the parent entity	-	-	(3,499,288)	7,040	(3,492,248)
Total recognised income and expense	-	-	(3,499,288)	7,040	(3,492,248)
Shares issued, net of issue costs	1,807,047	-	-		1,807,047
Subsidiary shares issued to minority interest	-	-	-	49	49
Share options issued	-	1,000	-	-	1,000
Share options exercised	63,492	(158)	-	-	63,334
Balance at 30 June 2007	18,955,852	842	(18,099,306)	7,089	864,477

	Contributed equity	Reserves	Company Accumulated losses	Minority interest	Total
	\$	\$	\$		\$
Balance at 1 July 2006	17,085,313	-	(14,600,018)	-	2,485,295
Loss attributable to members of the parent entity	-	-	(3,506,615)	-	(3,506,615)
Total recognised income and expense	-	-	(3,506,615)	-	(3,506,615)
Shares issued, net of issue costs	1,807,047	-	-		1,807,047
Share options issued	-	1,000	-	-	1,000
Share options exercised	63,492	(158)	-	-	63,334
Balance at 30 June 2007	18,955,852	842	(18,106,633)	-	850,060

This statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

		Consolidated 2007 \$	Company 2007 \$
	Notes		
Cash flow from operating activities			
Receipts from customers		17,836	12,779
Cash payments to suppliers and employees		(329,436)	(329,409)
Interest received		36,294	36,294
Payment to settle deed of company arrangement		(750,000)	(750,000)
Net cash flows used in operating activities	18(b)	(1,025,306)	(1,030,337)
Cash flows from investing activities			
Acquisition of subsidiary		-	(51)
Minority interest investment in subsidiary		49	-
Net cash flows from / (used in) investing activities		49	(51)
Cash flows from financing activities			
Proceeds from issue of shares		1,963,333	1,963,333
Payment of share issue costs		(92,953)	(92,953)
Proceeds from issue of options		1,000	1,000
Net cash flows from financing activities		1,871,380	1,871,380
Net increase in cash and cash equivalents		846,124	840,992
Cash and cash equivalents at beginning of period		-	-
Cash and cash equivalents at end of period	18(a)	846,124	840,992

This cash flow statement should be read in conjunction with the accompanying notes to the financial statements.

1. CORPORATE INFORMATION

GSF Corporation Limited ("the Company") is a company limited by shares incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange. These financial statements are presented in Australian dollars. The financial report was authorised for issue by the directors on 27 September 2007 in accordance with a resolution of the directors.

The nature of the operations and principal activities of the Company are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The financial report has been prepared on a historical cost basis.

Audited financial statements have not been prepared since the 30 June 2005 annual report. Accordingly, no comparative financial information has been prepared in respect of the year ended 30 June 2006.

As this is the first annual financial report prepared under Australian equivalents to International Financial Reporting Standards (AIFRS), the accounting policies applied are inconsistent with those applied in the 30 June 2005 annual report as that report was presented under previous Australian GAAP (AGAAP). In preparing this report, certain accounting, valuation and consolidation methods applied in the previous AGAAP have been amended to comply with AIFRS. There are no comparative figures to restate to reflect any adjustments. A summary of the significant accounting policies under AIFRS has been included below.

The financial report is presented in Australian dollars.

(b) Statement of compliance

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Company for the annual reporting period ended 30 June 2007. These are outlined in the table below:

AASB Amend- ment	Title	Nature of change to accounting policy	Application date of standard (reporting period commences on or after)	Impact on financial report	Applic- ation date for Company
AASB 2005-10	Amendments to Australian	Amending standard issued as a	1 January 2007	AASB 7 is a disclosure standard so will have no	1 July 2007

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

	Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]	consequence of AASB 7 <i>Financial Instruments: Disclosures</i> .		direct impact on the amounts included in the Group's financial statements. However, the amendments will result in changes to the financial instrument disclosures included in the Group's financial report.	
AASB 2007-1	Amendments to Australian Accounting Standards arising from AASB Interpretation 11 [AASB 2]	Amending standard issued as a consequence of AASB Interpretation 11 <i>AASB 2 – Group and Treasury Share Transactions</i> .	1 March 2007	This is consistent with the Group's existing accounting policies for share-based payments, so the amendments are not expected to have any impact on the Group's financial report.	1 July 2007
AASB 2007-3	Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]	Amending standard issued as a consequence of AASB 8 <i>Operating Segments</i> .	1 January 2009	AASB 8 is a disclosure standard so will have no direct impact on the amounts included in the Group's financial statements. However the amendments may have an impact on the Group's segment disclosures as segment information included in internal management reports is more detailed than is currently reported under AASB 114 <i>Segment Reporting</i> .	1 July 2009
AASB 2007-4	Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments [AASB 1, 2, 3, 4, 5, 6, 7, 102, 107, 108, 110, 112, 114, 116, 117, 118, 119, 120, 121, 127, 128, 129, 130, 131, 132, 133, 134, 136, 137, 138, 139, 141, 1023 & 1038]	Amendments arising as a result of the AASB decision that, in principle, all options that currently exist under IFRSs should be included in the Australian equivalents to IFRSs and additional Australian disclosures should be eliminated, other than those now considered particularly relevant in the Australian reporting environment.	1 July 2007	These amendments are expected to reduce the extent of some disclosures in the Group's financial report.	1 July 2007
AASB 2007-7	Amendments to Australian Accounting Standards [AASB 1, AASB 2, AASB 4, AASB 5, AASB 107 & AASB 128]	Amending standards for wording errors, discrepancies and inconsistencies.	1 July 2007	The amendments are minor and do not affect the recognition, measurement or disclosure requirements of the standards. Therefore the amendments are not expected to have any impact on the Group's financial report.	1 July 2007
AASB 7	<i>Financial</i>	New standard	1 January	Refer to AASB 2005-10	1 July

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

	<i>Instruments: Disclosures</i>	replacing disclosure requirements of AASB 130 <i>Disclosures in the Financial Statements of Banks and Similar Financial Institutions</i> and AASB 132 <i>Financial Instruments: Disclosure and Presentation</i> .	2007	above.	2007
AASB 8	<i>Operating Segments</i>	New standard replacing AASB 114 <i>Segment Reporting</i> , which adopts a management approach to segment reporting.	1 January 2009	Refer to AASB 2007-3 above.	1 July 2009
AASB Interpretation 10	<i>Interim Financial Reporting and Impairment</i>	Addresses an inconsistency between AASB 134 <i>Interim Financial Reporting</i> and the impairment requirements relating to goodwill in AASB 136 <i>Impairment of Assets</i> and equity instruments classified as available for sale in AASB 139 <i>Financial Instruments: Recognition and Measurement</i> .	1 November 2006	The prohibitions on reversing impairment losses in AASB 136 and AASB 139, which are to take precedence over the more general statement in AASB 134, are not expected to have any impact on the Group's financial report.	1 July 2007
AASB Interpretation 11	<i>AASB 2 – Group and Treasury Share Transactions</i>	Addresses whether certain types of share-based payment transactions with employees (or other suppliers of good and services) should be accounted for as equity-settled or as cash-settled transactions under AASB 2 <i>Share-based Payment</i> . It also specifies the accounting in a subsidiary's financial statements for share-based payment arrangements involving equity instruments of the parent.	1 March 2007	Refer to AASB 2007-1 above.	1 July 2007

The following amended standards are not applicable to the Group and therefore have no impact.

- AASB 2007-2 Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]
- AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]
- AASB 123 (amended) *Borrowing Costs*
- AASB Interpretation 12 *Service Concession Arrangements*
- IFRIC Interpretation 13 *Customer Loyalty Programmes*
- IFRIC Interpretation 14 *IAS 19 - The Asset Ceiling: Availability of Economic Benefits and Minimum Funding Requirements*

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS).

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of GSF Corporation Limited and its subsidiary as at 30 June 2007 (the Group).

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a group controls another entity.

The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profits and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The acquisition of subsidiaries is accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition.

Minority interests not held by the Group are allocated their share of net profit after tax in the income statement and are presented within equity in the consolidated balance sheet, separately from parent shareholders' equity.

(d) Foreign currency translation

Functional and presentation currency

Both the functional and presentation currency of GSF Corporation Limited is Australian dollars (\$).

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

(e) Segment reporting

A business segment is a distinguishable component of the entity that is engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is a distinguishable component of the entity that is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different than those of segments operating in other economic environments.

(f) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the balance sheet.

(g) Trade and other receivables

Trade receivables, which generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Company will not be able to collect the debt.

(h) Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Plant and equipment	Over 3 years
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The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or asset and the arrangement conveys a right to use the asset.

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the lease item are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the 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 recognised as an expense in profit or loss.

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. Lease incentives are recognised in the income statement as an integral part of the total lease expense.

(j) Trade and other payables

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Provisions and employee leave benefits

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability.

Employee leave benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(l) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

Interest revenue

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest revenue over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(n) Income tax and other taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the

extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Other taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST recoverable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

(o) Earnings per share

Basic earnings per share is calculated as net profit or loss attributable to members of the parent entity, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares of the Company, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and

- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(p) Comparative information

During the course of the voluntary administration / deed of company arrangement, as detailed in the Directors' Report, ASIC granted the Company an exception under section 340(1) of the Corporations Act from its financial reporting obligations in section 302 of the Corporations Act for the financial year ended 30 June 2006. Audited financial statements were not prepared for the year ended 30 June 2006. Accordingly, no comparative financial information has been presented in this financial report in respect of the year ended 30 June 2006.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments comprise cash and cash equivalents. The Company has other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2.

The Group's exposure to the risk of changes in market interest rates relates primarily to cash and cash equivalents. The management do not consider that this is a significant risk and therefore no specific management of this risk has been considered and the Group trades only with recognised, creditworthy third parties.

4. REVENUE FROM CONTINUING OPERATIONS

	Consolidated	Company
	2007	2007
	\$	\$
Revenues from continuing operations		
Sales income	12,237	-
Fee income	14,048	11,891
Interest	36,294	36,294
Other revenue	888	888
Total revenues from ordinary activities	<u>63,466</u>	<u>49,072</u>

5. EXPENSES

Employee benefits expense

Wages and salaries	165,000	165,000
Other employee benefits expense	-	-
	<u>165,000</u>	<u>165,000</u>

6. AUDITORS' REMUNERATION

Audit Services

Auditors of the Company

- audit and review of financial reports	<u>15,450</u>	<u>15,450</u>
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7. TAXATION

The prima facie tax, using tax rates applicable in the country of operation, on operating loss differs from the income tax provided in the accounts as follows:

Loss from ordinary activities before income tax expense	(3,492,247)	(3,506,615)
Prima facie tax benefit on loss from ordinary activities at 30%	1,047,674	1,051,984
Tax effect of current year losses not able to be claimed in future years	745,588	745,588
Movements in deferred taxes in relation to temporary differences	-	-
Income tax benefit attributable to ordinary activities	<u>302,085</u>	<u>306,396</u>
Tax effect of current year tax losses for which no deferred tax asset has been recognised	<u>(302,085)</u>	<u>(306,396)</u>
Income tax benefit / (expense)	<u>-</u>	<u>-</u>

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.

The Group has tax losses for which no deferred tax asset is recognised on the balance sheet that arose in Australia of \$302,085 and are available indefinitely for offset against future profits subject to continuing to meet the relevant statutory test.

8. EARNINGS PER SHARE

Classification of securities as ordinary shares

The Company has only one category of ordinary shares included in basic earnings per share.

Classification of securities as potential ordinary shares

There are currently no securities to be classified as dilutive potential ordinary shares on issue.

	Consolidated 2007 Number
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share	<u>205,007,613</u>
	\$
Basic loss	<u>(3,499,288)</u>

This calculation does not include instruments that could potentially dilute basic earnings per share in the future as these instruments were anti-dilutive in the period presented. A summary of such instruments is as follows:

Equity securities	Number of securities	Number of potential ordinary shares
Options over ordinary shares	<u>33,666,667</u>	<u>33,666,667</u>

A summary of instruments that could potentially dilute basic earnings per share as at the date of completion of these financial statements is as follows:

Equity securities	Number of securities	Number of potential ordinary shares
Options over ordinary shares	<u>32,666,667</u>	<u>32,666,667</u>

9. TRADE AND OTHER RECEIVABLES

	Consolidated	Company
	2007	2007
	\$	\$
Current		
Other debtors	39,950	30,613

Other debtors include amounts outstanding for goods and services tax (GST). These amounts are non-interest bearing and have repayment terms applicable under the relevant government authority.

10. OTHER ASSETS

Current		
Prepayments	6,606	6,606

11. OTHER FINANCIAL ASSETS

Non-current		
Shares in subsidiary at cost	-	51

Subsidiaries are accounted for in the consolidated accounts as set out in Note 2(c).

	Country of incorporation	Percentage interest	Investment
		2007	2007
		%	\$
Ocean Premium Seafood Pty Ltd	Australia	51	51

12. TRADE AND OTHER PAYABLES

	Consolidated	Company
	2007	2007
	\$	\$
Current		
Trade creditors	19,739	19,739
Other creditors	8,463	8,463
	28,202	28,202

Trade and other creditor amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days or recognition.

13. CONTRIBUTED EQUITY

(a) Issued capital

Ordinary shares, fully paid	18,955,852	18,955,852
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Effective 1 July 1998, the Corporations legislation abolished the concepts of authorised capital and par value shares. Accordingly the Company does not have authorised capital nor par value in respect of its issued capital.

(b) Movements in share capital

	2007 Number	2007 \$
Balance at beginning of year	15,215,832	17,085,313
Issued during the year		
Share placements	280,000,000	1,900,000
Options exercised	6,333,333	63,492
Share issue costs	-	(92,953)
Balance at end of year	301,549,165	18,955,852

(c) Share options

	Exer- cise price	Expiry date	Balance at beginning of year Number	Granted during the year Number	Exercised during the year Number	Expired during the year Number	Balance at end of year Number
2007 year							
Unlisted options	\$0.01	31/12/08	-	40,000,000	(6,333,333)	-	33,666,667

For share options granted during the financial year the fair value of the options granted was determined as the amount paid in consideration of the options.

(d) Terms and conditions of contributed equity

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

14. RESERVES

Option premium reserve

The option premium reserve is used to recognise the value of options issued.

	Consolidated	Company
	2007	2007
	\$	\$
Balance at beginning of year	-	-
Issue of options	1,000	1,000
Exercise of options	(158)	(158)
Balance at end of year	<u>842</u>	<u>842</u>

15. ACCUMULATED LOSSES

Balance at beginning of year	(14,600,018)	(14,600,018)
Net loss attributable to members of the Company	(3,499,288)	(3,506,615)
Balance at end of year	<u>(18,099,306)</u>	<u>(18,106,633)</u>

16. MINORITY INTERESTS

Contributed equity	49	-
Retained profits	7,040	-
	<u>7,089</u>	<u>-</u>

17. SEGMENT REPORTING

The Company operates in one business segment, being the seafood wholesale sector, and one geographical segment, being Australia.

18. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand and in banks and deposits at call, net of outstanding bank overdrafts.

Cash and cash equivalents at the end of the year as shown in the cash flow statement are reconciled to the related item in the balance sheet as follows:

	Consolidated	Company
	2007	2007
	\$	\$
Cash on hand	<u>846,124</u>	<u>840,992</u>

Cash at bank attracts floating interest at current market rates.

(b) Reconciliation of operating loss after income tax to net cash used in operating activities

Operating loss after income tax	(3,499,288)	(3,506,615)
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Adjustments for:

Loss due to deed of company arrangement	2,485,295	2,485,295
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Minority interest share of profit	7,040	-
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Changes in assets and liabilities

(Increase) in receivables	(39,950)	(30,613)
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(Increase) in prepayments	(6,606)	(6,606)
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Increase in creditors	28,202	28,202
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Net cash (used in) operating activities	(1,025,306)	(1,030,337)
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19. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Directors and other key management personnel

The directors of GSF Corporation Limited during the financial year were:

- Mr Joshua Mann (appointed 15 August 2006)
- Mr Aaron Finlay (appointed 1 December 2006)
- Mr Ian Hobson (appointed 15 August 2006, resigned 12 July 2007)
- Mr Hugh Warner (appointed 15 August 2006, resigned 1 December 2006)
- Mr Ian Boot (resigned 15 August 2006)
- Mr Efrem Gamba (resigned 15 August 2006)
- Mr David Edgar (resigned 15 August 2006)

There were no other key management personnel during the financial year.

(b) Compensation of key management personnel

	Consolidated	Company
	2007	2007
	\$	\$
Short-term employee benefits	165,000	165,000
Post-employment benefits	-	-
Share-based payments	-	-
	<u>165,000</u>	<u>165,000</u>

GSF Corporation Limited has applied the option under Corporations Amendments Regulation 2006 to transfer key management personnel remuneration disclosures required by AASB 124 Related Party Disclosures paragraphs Aus 25.4 to Aus 25.7.2 to the Remuneration Report section of the Directors' report. These transferred disclosures have been audited.

(c) Equity instrument disclosures relating to key management personnel

(i) Option holdings

The number of options over ordinary shares in the Company held during the financial year by each director of GSF Corporation Limited, including their personally related parties, are set out below.

2007

Name	Balance at start of year	Granted during year as remun- eration	Exercised during year	Other changes during year	Balance at end of year	Options Vested and exercisable at end of year
	Number	Number	Number	Number	Number	Number
Mr J Mann *	-	-	-	1,500,000	1,500,000	1,500,000
Mr A Finlay *	1,500,000	-	-	-	1,500,000	1,500,000
Mr I Hobson *	-	-	-	1,000,000	1,000,000	1,000,000
Mr H Warner * #	-	-	-	4,750,000	4,750,000	-
Total	1,500,000	-	-	7,250,000	8,750,000	4,000,000

* Balance at date of appointment

Balance at date of resignation

(ii) Share holdings

The number of shares in the Company held during the financial year by each director of GSF Corporation Limited, including their personally related parties, is set out below. There were no shares granted during the reporting year as compensation.

2007

Name	Balance at start of year	Received during year on exercise of options	Other changes during year	Balance at end of year
	Number	Number	Number	Number
Mr J Mann *	-	-	7,000,000	7,000,000
Mr A Finlay *	6,000,000	-	-	6,000,000
Mr I Hobson *	-	-	5,000,000	5,000,000
Mr H Warner * #	-	-	19,000,000	19,000,000
Mr I Boot # ^	13,998,605	-	-	13,998,605
Mr E Gamba # ^	13,998,605	-	-	13,998,605
Mr D Edgar # ^	13,998,605	-	-	13,998,605
Total	19,998,605	-	31,000,000	50,998,605

* Balance at date of appointment

Balance at date of resignation

^ A total of 13,998,605 shares were held in a Company related to Messrs Boot, Gamba and Edgar at the beginning of the year and at the time of their resignation in August 2006

(d) Other transactions with key management personnel

An amount of \$10,000 was paid to Anglo Pacific Ventures Pty Ltd, a company related to Mr Ian Hobson during the year for the lease of office premises.

Amounts owing to directors, director-related parties and other related parties at 30 June 2007 were nil.

20. FINANCIAL INSTRUMENTS

(a) Interest rate risk exposures

The Company is exposed to interest rate risk through primary financial assets and liabilities. The carrying amounts of financial assets and financial liabilities held at balance date approximate their estimated net fair values and are given below. Short term instruments where carrying amounts approximate net fair values, are omitted. The net fair value of a financial asset or a financial liability is the amount at which the asset could be exchanged, or liability settled in a current transaction between willing parties after allowing for transaction costs.

The Company's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

	Notes	Floating interest rate \$	Non- interest bearing \$	Total \$	Weighted rate %
2007					
Consolidated					
Financial assets					
Cash	17(a)	846,124	-	846,124	5.77
Trade and other receivables	8	-	39,950	39,950	-
Financial liabilities					
Trade and other payables	11	-	28,202	28,202	-
Company					
Financial assets					
Cash	17(a)	840,992	-	840,992	5.80
Trade and other receivables	8	-	30,613	30,613	-
Financial liabilities					
Trade and other payables	11	-	28,202	28,202	-

(b) Net fair values of financial assets and liabilities

The net fair values of the financial assets and liabilities at balance date of GSF Corporation Limited approximate the carrying amounts in the financial statements, except where specifically stated.

(c) Credit risk exposure

The Company's maximum exposure to credit risk to each class of recognised financial asset is the carrying amount, net of any provisions for doubtful debts, of those assets as indicated in the balance sheet. As the Company does not currently have any significant debtors, lending or any other credit risk, a formal credit risk management policy is not maintained.

21. COMMITMENTS AND CONTINGENCIES

(a) Commitments

The Company had no commitments for expenditure as at 30 June 2007.

(b) Contingencies

The Company had no contingent liabilities as at 30 June 2007.

22. DIVIDENDS

No dividend has been declared or paid during the current financial year or the prior financial year.

The Company does not have any franking credits available for current or future years as it is not in a tax paying position.

23. SUBSEQUENT EVENTS

On 30 August 2007 the Company held a general meeting of shareholders approving the issue of 70,000,000 shares and 230,000,000 options to Starvale Holdings Pty Ltd in accordance with an agreement entered into on 23 July 2007, whereby the Company appointed Starvale to assist with managing and arranging the Company's future financing requirements and corporate advisory services. At the same meeting of shareholders, the directors were authorised to issue 100,000,000 shares on the terms and conditions outlined in the Explanatory Statement.

On 13 September 2007 the Company issued 1,000,000 fully paid ordinary shares on exercise of 1,000,000 options at \$0.01, raising \$10,000.

On 27 September the Company successfully completed the private placement previously announced in the Notice of Meeting on 30 July 2007, issuing 104,666,666 million fully paid ordinary shares at \$0.015 per share to raise a total of \$1.57 million before costs. The funds raised increase the working capital available for the Company's current operations and allow the Company to review and identify suitable projects for investment, acquisition or farm-in.

On 27 September 2007 the Company issued 6,333,333 fully paid ordinary shares on exercise of 6,333,333 options at \$0.01, raising \$63,333.

On 27 September 2007 the Company issued 10,000,000 options over ordinary shares exercisable at a price of A\$0.03 per ordinary share in GSF exercisable at anytime before 30 June 2012 to Albion Capital Partners in accordance with a letter of appointment entered into on 4 July 2007.

On 27 September 2007 the Company announced that it had signed a Heads of Agreement with Londoloza Resources Corp ("LRC") to acquire its suite of Zambian mineral projects together with the rights to acquire advanced mining projects secured by LRC within the Kitwe district of Zambia. Importantly GSF has also secured the acquisition rights to future large scale advanced mining projects secured by LRC within the Kitwe district of Zambia. Kitwe forms part of the world renowned Zambian Copperbelt which is estimated to contain a global resource of almost 200 million tonnes of copper metal and hosts two of the world's ten largest copper deposits

The transaction is subject to GSF completing full technical and financial due diligence and all shareholder and regulatory approvals. GSF will pay a non-

refundable deposit of US\$200,000 to LRC as part of the transaction. GSF has until 31 January 2008 in which to complete its due diligence and obtain the necessary shareholder and regulatory approvals required to complete the transaction. Final terms of the acquisition are to be documented under a formal sale and purchase agreement which is expected to be completed within the next four weeks.

Under the terms of the agreement, GSF will acquire the initial projects and rights from LRC on the following terms:

- (a) 170,000,000 fully paid ordinary shares in GSF for the acquisition of the initial projects.
- (b) 100,000,000 fully paid ordinary shares in GSF upon LRC securing the right to acquire an advanced mining project within the Kitwe district of Zambia. The shares are to be issued to LRC upon completion of a desktop study (to the sole satisfaction of GSF) to confirm the economic viability of the project. LRC is currently in discussions with parties in relation to the acquisition of such projects.
- (c) 270,000,000 fully paid ordinary shares in GSF upon completion of a Bankable Feasibility Study (to the sole satisfaction of GSF).

In the event that GSF decides to proceed with the transaction for the acquisition of the initial projects following the satisfactory completion of due diligence and issues the 170M shares it may be considered a Chapter 11 event and GSF will need to comply with Chap 1 & 2 of the listing rules and require shareholder approval.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of GSF Corporation Limited, I state that:

1. In the opinion of the directors:
 - (a) except for the effects of the departure from Accounting Standard AASB 101 Presentation of Financial Statement described in the Note 2(p) the financial statements, notes and the additional disclosures included in the directors' report designated as audited, of the Company and of the consolidated entity are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's and the consolidated entity's financial position as at 30 June 2007 and of their performance for the year ended on that date; and
 - (ii) complying with Accounting Standards and Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2007.

On behalf of the Board



Edwin Boyd
Director

Perth, 28 September 2007

Independent auditor's report to the members of GSF Corporation Limited

We have audited the accompanying financial report of GSF Corporation Limited ("the Company"), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

The company has disclosed information as required by paragraphs Aus 25.4 to Aus 25.7.2 of Accounting Standard 124 *Related Party Disclosures* ("remuneration disclosures"), under the heading "Remuneration Report" on pages 15 to 18 of the directors' report, as permitted by Corporations Regulation 2M.6.04.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The Directors are also responsible for the remuneration disclosure contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and that the remuneration disclosures comply with Accounting Standard AASB 124 *Related Party Disclosures*.

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

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

Independence

In conducting our audit we have met the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Basis for Qualified Auditor's Opinion

As disclosed in Note 2, audited financial statements were not prepared for the year ended 30 June 2006. Accordingly, no comparative financial information has been prepared in respect of the year ended 30 June 2006.

Accounting Standard AASB 101 Presentation of Financial Statements requires that comparative financial information be disclosed. The Australian Securities and Investments Commission has made an order relieving the Company from the requirement to comply with Part 2M.3 (Financial Reporting) of the Corporations Act 2001 for the financial year ended 30 June 2006. Accordingly, for this financial report, the Company has not prepared or presented comparative financial information, including an income statement, statement of changes in equity and cash flow statement for the year ended 30 June 2006 or a balance sheet at 30 June 2006. This represents a departure from AASB 101 Presentation of Financial Statements.

As the company has not prepared financial information as at 30 June 2006, we have been unable to determine whether the 1 July 2006 opening balances for the year ended 30 June 2007 are fairly stated. As these opening balances enter into the determination of the income statement, statement of changes in equity and cash flow statement for the year ended 30 June 2007 we are unable to determine whether any adjustment to the statement of income, statement of changes in equity, cash flow statement or related notes may be necessary for the year ended 30 June 2007. This is a limitation on the scope of our audit.

Qualified Auditor's Opinion

Because of the existence of the limitation on the scope of our work, as described in the preceding paragraph, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation not existed, we are unable to and do not express an opinion as to whether the income statement, statement of changes in equity, cash flow statement and the associated disclosures for GSF Corporation Limited for the year ended 30 June 2007 give a true and fair view in accordance with the Corporations Act 2001, Australian Accounting Standards and the Corporations Regulations 2001.

In our opinion, except for the effects of the departure from Accounting Standard AASB 101 Presentation of Financial Statements described in the Basis for Qualified Auditor's Opinion paragraphs:

1. the financial report of GSF Corporation Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of GSF Corporation Limited and the consolidated entity at 30 June 2007; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.in so far as it relates to its financial position as at 30 June 2007.
2. the remuneration disclosures that are contained on pages 15 to 18 of the directors' report comply with Accounting Standard AASB 124 *Related Party Disclosures*.

Ernst & Young

Ernst & Young



G Lotter
Partner
Perth

28 September 2007

**ADDITIONAL STOCK EXCHANGE INFORMATION
AS AT 30 SEPTEMBER 2007**

Number of Shares and Shareholders

448,549,164 fully paid ordinary shares are on issue and are held by 1,133 shareholders.

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Distribution of Shareholders

<i>Range</i>	<i>Total Holders</i>	<i>Total No. of Shares</i>	<i>% of issued capital</i>
1 – 1,000	552	138,509	0.03%
1,001 – 5,000	54	124,092	0.03%
5,001 – 10,000	14	109,463	0.02%
10,001 – 100,000	181	10,477,453	2.34%
100,001 and over	362	437,699,647	97.58%
<hr/>			
Total	1,133	448,549,164	100.000%

The number of shareholdings of less than a marketable parcel is 590 (accounting for a total of 372,064 shares)

Substantial shareholders with a holding equal to or greater than 5%)

No shareholder holds 5% or more.

**ADDITIONAL STOCK EXCHANGE INFORMATION
AS AT 30 SEPTEMBER 2007**

Twenty Largest Shareholders

<i>Shareholder</i>	<i>Number</i>	<i>% of issued capital</i>
Denlin Nominees Pty Ltd	21,400,000	4.77
Donna Joy Loxton <The Loxton Investment A/C>	15,750,000	3.51
Merrill Lynch (Australia) Nominees Pty Limited <Berndale A/C>	15,750,000	3.51
Aymon Pacific Pty Ltd <Jerezos Discretionary A/C>	15,000,000	3.34
Austfish Pty Ltd <Austfish Unit A/C>	13,998,605	3.12
J & J Bandy Nominees Pty Ltd <J & J Bandy Super Fund A/C>	10,250,000	2.29
Fortis Clearing Nominees P/L <Settlement A/C>	9,996,441	2.23
Banskin Pty Ltd <De Nicola Family A/C>	9,000,000	2.01
Celtic Capital Pty Ltd <The Celtic Capital A/C>	8,000,000	1.78
Mr Aaron John Finlay & Mrs Sophie Louise Finlay <Aylesford Finlay Family A/C>	7,320,000	1.63
Mr Peter Macskasy Barnes <Barter Investment A/C>	7,004,950	1.56
Atlantic Ridge Pty Ltd	7,000,000	1.56
Jameker Pty Ltd <AKJ Family A/C>	7,000,000	1.56
Paul Gregory Brown	6,700,000	1.49
Aymon Pacific Pty Ltd <Jerezos Discretionary A/C>	6,666,666	1.49
Tisia Nominees Pty Ltd	6,333,333	1.41
Bampton Nominees Pty Ltd <Moresby Investment A/C>	5,500,000	1.23
Wisepans Investments Pty Ltd <Leon Davies Investment A/C>	5,333,333	1.19
Caughlan Superannuation Fund Pty Ltd <Caughlan Super Fund A/C>	5,000,000	1.11
Grace Capital Corporation	5,000,000	1.11
	<hr/>	<hr/>
	188,002,662	41.91
	<hr/>	<hr/>

Options

There are 26,333,334 options with a 1 cent exercise price and an expiry date of 31 December 2008 issued to 7 optionholders and 75,000,000 options with a 3 cent exercise price and an expiry date of 30 June 2012 issued to 7 of optionholders.

**ADDITIONAL STOCK EXCHANGE INFORMATION
AS AT 30 SEPTEMBER 2007**

Options (cont)

4 optionholders hold 20% or more of each class of options as set out below:

Holder	Number of options	% of class
Options expiring 31 December 2008		
Aymon Pacific Pty Ltd	8,500,000	32.28
Denlin Nominees Pty Ltd	8,500,000	32.28
Options expiring 30 June 2012		
Donna Joy Loxton <The Loxton Investment A/C>	28,900,000	38.53
Millcorp Securities Pty Ltd	28,900,000	38.53

Optionholders do not have any voting rights with respect to the options held by them.

On-Market Buy-Back

There is no current on-market buy-back

Statement Regarding Use of Cash and Assets

GSF has used its cash and assets readily convertible to cash that it had at the time of ASX admission in a way consistent with its business objective set out in the Prospectus dated 12 October 2006.

Stock Exchange Listings

GSF has issued 448,549,164 fully paid ordinary shares, all of which are quoted on the ASX and are held by 1,133 shareholders.

Company Secretary

Lee Boyd

Principal Registered Office

Level 12
28 The Esplanade
Perth WA 6000

Share Registry

Link Market Services