RIFT VALLEY RESOURCES LIMITED

Annual Report
for the financial year ended 30 June 2013

Rift Valley Resources Limited
and Controlled Entities

ABN 86 121 985 395

Corporate directory

Directors	Geoffrey Gilmour, Managing Director Warren Gilmour, Executive Chairman Keith McKay, Non-Executive Director
Company Secretary	Mrs Lyn Tomlinson
Registered Office	Level 2 23 Barrack Street Perth WA 6000 www.riftvalleyresources.com.au info@riftvalleyresources.com.au
Share Registry	Boardroom Pty Ltd Level 7 207 Kent Street SYDNEY NSW 2000
Auditors	Ernst & Young 11 Mounts Bay Road PERTH WA 6000
Lawyers	Johnson Winter & Slattery Level 4, Westralia Plaza 167 St Georges Terrace Perth WA 6000
ASX Code	RVY

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Corporate Governance Statement

This statement outlines the main corporate governance practices in place throughout the period ended 30 June 2013, which comply with the ASX Corporate Governance Council recommendations, unless otherwise stated.

The Company is committed to implementing the best standards of corporate governance appropriate for the Company's size and scale. In determining what those standards should involve, the Company has turned to the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Best Practice Recommendations*. The ASX Corporate Governance Council ("the Council") issued the second edition of the Corporate Governance Principles and Recommendations with 2010 Amendments in June 2010.

To illustrate where the Company has addressed each of the Council's revised recommendations, the following summary cross-references to each revised recommendation. Details of all of the revised recommendations can be found on the ASX Corporate Governance Council's website.

Introduction

Rift Valley Resources Limited has adopted systems of control and accountability as the basis for the administration of corporate governance. Some of these policies and procedures are summarised below.

The following additional information about the Company's corporate governance practices is set out on the Company's website at www. riftvalleyresources.com.au:

- Code of Conduct;
- Securities Trading Policy;
- Health, Safety and Environment Policy;
- Shareholder Communications and Continuous Disclosure Strategy;
- Risk Management Policy;
- Board Performance and Evaluation Policy;
- Board Charter;
- Remuneration Committee Charter; and
- Diversity Policy.

Principles of Best Practice Recommendations

In accordance with ASX Listing Rules, the Company hereby discloses the extent to which each of the Principles of Best Practice Recommendations have been followed during the financial year. Where a departure from the recommendation has been identified, an explanation for this departure has been provided below. Further details can be found on the Company's website at www.riftvalleyresources.com.au .

1.LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Council Principle 1: ***Companies should establish and disclose the respective roles and responsibilities of board and management.***
Council Recommendation 1.1: *Establish the functions reserved to the board and those delegated to senior executives and disclose those functions.*
The Company complies with this recommendation. The board has set out the responsibilities of the Board in the Board Charter which can be accessed on the company website. Any functions not reserved for the Board and not expressly reserved by the Resources Act and ASX Listing Rules are reserved for senior executives.
Council Recommendation 1.2: *Disclose the process for evaluating the performance of senior executives.*
The Company complies with this recommendation. Arrangements put in place by the Board to monitor the performance of the Group's executives include: • a review by the Board of the achievement of performance targets set based on the organisation's objectives in accordance with its strategy;

• comparison of executive remuneration levels to industry benchmarks; and • annual performance appraisal meetings incorporating analysis of key performance indicators with each individual to ensure that the level of reward is aligned with respective responsibilities and individual contributions made to the success of the Company.
Council Recommendation 1.3: *Companies should provide the information indicated in the Guide to reporting on Principle 1*
The Company complies with this recommendation. The evaluation process was not undertaken in accordance with this process due to the major changes to the Company's executive and Board during the financial year.

2. STRUCTURE THE BOARD TO ADD VALUE

Council Principle 2: ***Companies should have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties***
Council Recommendation 2.1: *A majority of the Board should be independent directors.*
The Board of Rift Valley Resources had three independent directors, Mr McKay, Mr Murcia, and Mr Kagaruki and two non-independent directors, Mr McKevitt and Mr Gilmour, for the majority of the financial year. Significant Board restructuring resulted in the resignation of Mr Kagaruki on 4 April 2013, the resignation of Mr Murcia on 4 June 2013 and the appointment of Mr Warren Gilmour on 4 June 2013 as an Executive Chairman. Accordingly, from 4 April 2013 the Board no longer consisted of a majority of independent directors. The Board believes that it is able to exercise independence and judgement and does possess the necessary skills, expertise and experience required to effectively discharge their duties. The focus has been on the ability of the Board to add value by effectively exercising independence and discharging their duties, rather than on meeting the independence test in the guidelines. The Company complied with Recommendation 2.1 from 1 July 2012 to 4 April 2013.
Council Recommendation 2.2: *The chair should be an independent director.*
The Company's previous Chairman, Mr Didier Murcia, was considered by the Board to be independent, however Mr Murcia resigned on 4 June 2013. Mr Warren Gilmour, who is not considered to be independent, was appointment as Executive Chairman on 4 June 2013. The Board believes that Warren Gilmour's extensive experience enables him to effectively exercise independence in his role as Executive Chairman. Mr Gilmour is also a substantial shareholder of the Company. The Company complied with Recommendation 2.2 from 1 July 2012 until 4 June 2013.
Council Recommendation 2.3: *The roles of chair and chief executive officer should not be exercised by the same individual.*
The roles of chairman and chief executive officer are not exercised by the same individual.
Council Recommendation 2.4: *The Board should establish a nomination committee*.
The board has not established a nomination committee. Given the composition of the Board and the size of the Company, it is felt that a nomination committee is not yet warranted. The full Board will review such items.
Council Recommendation 2.5: *Disclose the process for evaluating the performance of the board, its committees and individual directors.*
The Company complies with this recommendation. The Chairman will undertake an annual review in relation to the performance of each Director of the Company. The Board will also meet to discuss its performance as a whole.

Council Recommendation 2.6:

Companies should provide the information indicated in the Guide to reporting on Principle 2.

The Company complies with this recommendation and provides the following disclosures.

The skills, experience and expertise relevant to the position held by each director are disclosed in the Directors Report.

The Board has determined that individual Directors have the right in connection with their duties and responsibilities as Directors, to seek independent professional advice at the Company's expense. The engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably. If appropriate, any advice so received will be made available to all Board members.

Period of Office Held by each director in office at the date of the Directors Report:

Warren Gilmour – appointed 4 June 2013, tenure 4 months

Geoff Gilmour – appointed 30 November 2009, tenure 46 months

Keith McKay – appointed 20 June 2012, tenure 15 months

The performance evaluation was not undertaken in accordance with the developed process as the Company's Board was substantially changed as part of Board restructuring towards the latter part of the financial year.

3. PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING

Council Principle 3:

Companies should actively promote ethical and responsible decision-making.

Council Recommendation 3.1:

Establish a code of conduct and disclose the code or a summary of the code as to:
- *the practices necessary to maintain confidence in the Company's integrity;*
- *the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders;*
- *the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.*

The Company complies with this recommendation.

The Company has adopted a Code of Conduct for Directors which can be accessed on the website.

Council Recommendation 3.2:

Companies should establish a policy concerning diversity, and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them

The Company partly complies with this recommendation.

A diversity policy was adopted on 14 August 2012 and a copy of the Company's Diversity policy is available on the website. The policy does not contain measurable objectives as the Company is not of a sufficient size or scale to justify application of such objectives.

Council Recommendation 3.3:

Companies should disclose in each annual report the measurable objectives for achieving gender diversity.

The Company does not comply with this recommendation as it has not implemented a policy containing measurable objectives.

Council Recommendation 3.4:

Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.

The Company complies with this recommendation. The Company currently employs 33% women, one of whom is an officer of the company. There are no women on the board of Directors.

Council Recommendation 3.5:

Provide the information indicated in the Guide to reporting on Principle 3.

The Company complies with this recommendation.

4. SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

Council Principle 4: ***Companies should have a structure to independently verify and safeguard the integrity of their financial reporting***
Council Recommendation 4.1: *The Board should establish an audit committee.*
An audit committee has not been established. Given the composition of the Board and the size of the Company, it is felt that an audit committee is not yet warranted, however it is expected that as the Company's operations expand that an audit committee will be established. The Company does not comply with this Recommendation.
Council Recommendation 4.2: *The audit committee should be structured so that it:* • *consists only of non-executive directors;* • *consists of a majority of independent directors;* • *is chaired by an independent chair, who is not chair of the board;* • *has at least three members.*
Not applicable
Council Recommendation 4.3 *The audit committee should have a formal charter.*
Not applicable
Council Recommendation 4.4: *Provide the information indicated in the Guide to reporting on Principle 4.*
The Company complies with this recommendation and provides the following disclosure. The current policy of the external auditor is to rotate the engagement partner every five years.

5. MAKE TIMELY AND BALANCED DISCLOSURE

Council Principle 5: ***Companies should promote timely and balanced disclosure of all material matters concerning the Company***
Council Recommendation 5.1: *Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.*
The Company complies with this recommendation. The Company has adopted a Continuous Disclosure Policy which is available on its website.
Council Recommendation 5.2: *Provide the information indicated in the Guide to reporting on Principle 5.*
The Company complies with this recommendation.

6. RESPECT THE RIGHTS OF SHAREHOLDERS

Council Principle 6:   ***Companies should respect the rights of shareholders and facilitate the effective exercise of those rights***
Council Recommendation 6.1:   *Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose that policy or a summary of that policy.*
The Company complies with this recommendation.   The Company has adopted a Shareholder Communication Policy which is available on its website.
Council Recommendation 6.2:   *Provide the information indicated in the Guide to reporting on Principle 6.*
The Company complies with this recommendation.

7. RECOGNISE AND MANAGE RISK

Council Principle 7:   ***Companies should establish a sound system of risk oversight and management and internal control***
Council Recommendation 7.1:   *Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.*
The Company complies with this recommendation.   The Company has a Risk Management Policy which is available on the website.
Council Recommendation 7.2   *The board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.*
The Managing Director and the Chief Financial Officer reviewed the risk management and internal control systems. They intend to report annually to the Board in respect of the company’s key business risks and how they are being managed.
Council Recommendation 7.3   *The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.*
The Company complies with this recommendation.   The Board receives assurance from the managing director and the chief financial officer in the form of a declaration, prior to approving the financial statements.
Council Recommendation 7.4:   *Provide the information indicated in the Guide to reporting on Principle 7.*
The Company complies with this recommendation and provides the following disclosure;   The board has received assurance from the managing director and the chief financial officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

8. REMUNERATE FAIRLY AND RESPONSIBLY

Council Principle 8:

Companies should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.

Council Recommendation 8.1

The Board should establish a remuneration committee.

The Company does not comply with this Recommendation.

The Company developed a remuneration committee charter on 14 August 2012, however owing to the size and scale of the Company, it was agreed that a separate committee would not increase efficiency or effectiveness and that remuneration matters are of such significance that they should be considered by the full Board.

The remuneration charter is available on the website.

Council Recommendation 8.2

The remuneration committee should be structured so that it;

- *Consists of a majority of independent directors;*
- *Is chaired by an independent chair*
- *Has at least three members*

Not applicable.

Council Recommendation 8.3

Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.

The Company complies with this recommendation.

The broad remuneration policy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities, and that the remuneration is competitive. The Board believes that the best way to achieve this objective is to provide Executive Directors and Executives with a remuneration package that may consist of;

(i) fixed components that reflect the person's responsibilities, duties and personal performance; and

(ii) share based payments in the form of options as an incentive for performance that achieves medium term or longer term goals.

The remuneration of Non-Executive Directors is determined by the Board as a whole having regard to the level of fees paid to Non-Executive Directors by other companies of similar size in the industry.

The aggregate amount payable to the Company's Non-Executive Directors in respect of non-executive director fees must not exceed the maximum annual amount approved by the Company's shareholders, which is currently set at $400,000 per annum.

Council Recommendation 8.4:

Provide the information indicated in the Guide to reporting on Principle 8.

The Company complies with this recommendation and provides the following disclosures;

- Meetings of the remuneration committee – not applicable.
- The Company currently has no schemes for retirement benefits, other than superannuation for directors.
- The Company does not have any unvested entitlements under any equity-based remuneration scheme

Directors' Report

The Directors of Rift Valley Resources Limited ("the Company") submit herewith the annual financial report of Rift Valley Resources Limited and its controlled entities ("Consolidated Entity") for the year ended 30 June 2013. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

Directors and Directors' Details

The names and particulars of the Directors of the Company during or since the end of the financial year are:

Geoffrey Gilmour **Executive Director** **Appointed: 30 November 2009** **Age: 49 years**	Geoff Gilmour has over 20 years corporate experience in the junior resource market and was instrumental in the creation of Andean Resources Ltd. Mr Gilmour was previously Managing Director of Amex Resources Ltd and Bright Star Resources Ltd, and he is currently a director of Willowood Corporate Pty Ltd. Mr Gilmour, became Managing Director of the Company again on 15 March 2013.
Warren Gilmour - CPA **Executive Chairman** **Appointed: 4 June 2013** **Age: 76 years**	Warren Gilmour was Chairman of Brightstar Resources Ltd prior to Brightstar merging with Rift Valley Resources Ltd in June 2012. He was previously executive founding Chairman of gold company Andean Resources Ltd, where over an 8 year period, the capitalisation of the company increased from less than $1 million to an eventual sale of over $3.5 billion. Warren is a Certified Practising Accountant and a life member of CPA Australia. He has had considerable work experience in project management, financing and listed company management. His other Directorships include Tanner Investments Pty Ltd.
Keith McKay - B.Sc (Hons) **Non-Executive Director** **Appointed 20 June 2012** **Age: 67 years**	Keith McKay is a Geologist with 40 years technical and corporate experience in the mining industry as a senior executive, director and chairman. Corporate roles formerly held by Mr McKay include Chairman of Gindalbie Metals Ltd, Managing Director of Gallery Gold Ltd, Australian Managing Director of Battle Mountain Gold Company, Director of Centaurus Metals Ltd and Director of Niugini Mining Ltd. As Managing Director of Gallery Gold, Keith McKay had extensive African experience, particularly in Botswana and Tanzania. Under his management, Gallery Gold discovered and developed the Mupane gold mine in Botswana and prior to this Battle Mountain discovered the Pajingo and Vera Nancy gold deposits in Queensland. Keith McKay also served as a director of Rift Valley Resources (Africa) P/L (formerly Rift Valley Resources Ltd) (ASX: RFV) which was a listed entity prior to the merger with the Company.
Didier Murcia - B.Juris, LLB **Non-Executive Chairman** **Appointed: 20 June 2012** **Resigned: 4 June 2013** **Age: 50 years**	Mr Murcia holds a Bachelor of Jurisprudence and a Bachelor of Law degree from the University of Western Australia, and has over 20 years experience in corporate, commercial and resource law. Mr Murcia is the Honorary Consul for the United Republic of Tanzania in Australia. He is currently Non-Executive Chairman of Centaurus Metals Ltd and Alicanto Minerals Ltd and a Non-Executive Director of Gryphon Minerals Ltd, of which are all listed on the Australian Stock Exchange. He is also Chairman of Perth law firm Murcia Pestell Hillard. Didier Murcia has also served as a director of Rift Valley Resources (Africa) Pty Ltd (formerly Rift Valley Resources Limited) (ASX: RFV) which was a listed entity prior to the merger with the Company.
Michael McKevitt – B.Sc Geology (Hons) **Managing Director** **Appointed: 20 June 2012** **Resigned: 15 March 2013** **Age: 50 years**	Mr McKevitt has over 25 years experience in mining and resources. As a geologist he has worked and lead teams in Africa (Ghana, Burkina Faso, Zambia, and Tanzania), Indonesia, and the Philippines. His experience covers exploration and near-mine exploration, mine geology, and mine operations support. He has worked in gold, iron-ore, nickel, copper, bauxite, zinc, and uranium in various mining styles. Mr McKevitt is a corporate member of the Australasian Institute of Mining and Metallurgy and is a competent person for reporting Exploration Results and Mineral Resources in accordance with the JORC Code (2004). Michael McKevitt has also served as a director of Rift Valley Resources (Africa) Pty Ltd (formerly Rift Valley Resources Limited) (ASX: RFV) which was a listed entity prior to the merger with the Company.
Gosbert Kagaruki – M.Sc **Non-Executive Director** **Appointed: 20 June 2012** **Resigned: 4 April 2013** **Age: 50 years**	Mr Kagaruki has over 18 years experience in the resource industry as a geologist and GIS expert. Having commenced his career with the Mineral Databank – Dodoma Geological Survey in Tanzania, Mr Kagaruki subsequently worked for Rio Tinto. He held senior roles in Southern and Eastern African Mineral Centre and Barrick (Tanzania), before setting up his own geological consulting company, Interactive Earth Imaging Ltd. Mr Kagaruki was also a director of Rift Valley Resources (Africa) Pty Ltd (formerly Rift Valley Resources Limited) (ASX: RFV) which was a listed entity prior to the merger with the Company.

Company Secretary - Lyn Tomlinson - B.Comm, CA
Mrs Lyn Tomlinson has had significant public company experience in the resources sector having previously worked for Nkwe Platinum Ltd, Warwick Resources Ltd and Portman Ltd. Prior to commencing in the resource industry, Mrs Tomlinson was employed with PricewaterhouseCoopers in their Assurance division. Lyn has been a Chartered Accountant for 10 years.

Principal Activities
The principal activity of the Company is exploration for gold and other minerals in Africa and Australia.

Operating and Financial Review
The Board was strengthened by the re-appointment of Warren Gilmour on 4 June 2013 as Executive Chairman of the Company. Michael McKevitt, Didier Murcia and Gosbert Kagaruki stepped down from the Board as part of Board restructuring. Further information can be found in the Director's Details above.

In May 2013, the Company satisfied a significant earn-in milestone under the terms of the Miyabi Joint Venture Agreement ("Miyabi JV") to the satisfaction of the Joint Venture Partner. Accordingly, Rift Valley now has 50% ownership of the Miyabi Gold Project. Under the terms of the Miyabi JV, the Company may increase ownership to 75%.

During the financial year, the Company divested its shareholding in Tasman Goldfields NSW Pty Ltd, which held Mt Adrah tenement assets in New South Wales. The transaction resulted in the Company receiving $62,500 cash and 625,000 fully paid ordinary shares in ASX-listed Sovereign Gold Company Limited ("SOC"). On 20 June 2013, the Company entered into an Option Agreement for the sale of the Miclere Project located in Queensland. The Option is for 180 days with a non-refundable deposit having been received upon execution of the Agreement. The balance of the purchase price of $395,000 is payable upon exercise of the Option. Refer to Note 10 for additional information.

The net loss from continuing operations of the Consolidated Entity for the year ended 30 June 2013 was $4,271,472 (2012: $1,749,094).

Significant Changes in the State of Affairs
Owing to fluctuations and uncertainty in financial and commodity markets, the Company took measures to implement cost control initiatives. This included a significant decrease in staffing, Board restructuring, the relinquishment of non-core tenements and the divestment of non-core projects.

Other than the above there was no significant change in the state of affairs of the Consolidated Entity during the financial year.

Subsequent Events
There have been no significant events occurring subsequent to 30 June 2013.

Future Developments
The Directors intend to review existing and potential new projects that they believe will create shareholder value.

Health and Safety Policy
The Company is committed to developing a culture which supports the health and safety of all employees, contractors, customers and communities associated with its business and operations.

Environmental Regulations
Australia
The Company is subject to significant environmental regulation under Commonwealth, State and Territory legislation in relation to the discharge of hazardous waste and materials arising from mining activities and development conducted by the Company on any of its tenements. At the date of this report there have been no known breaches of any environmental obligations.
Tanzania
The Company's exploration and evaluation activities on its tenements are subject to Tanzanian laws and regulations regarding environmental matters and the discharge of hazardous waste and materials. As with all exploration, these projects would be expected to have a variety of environmental impacts should development proceed. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. Areas disturbed by the Company's activities will be rehabilitated as required by Tanzanian laws and regulations.

Dividends
No dividends have been paid or proposed since the start of the financial year, and the Directors do not recommend the payment of a dividend in respect of the financial year.

Shares Under Option or Issued on Exercise of Options

Details of unissued shares or interests under option as at the date of this report are:

Issuing entity	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
Rift Valley Resources Limited	8,000,000	Ordinary Shares	10 cents	22 March 2014
Rift Valley Resources Limited	12,000,000	Ordinary Shares	10 cents	4 October 2014
Rift Valley Resources Limited	5,000,000	Ordinary Shares	27 cents	18 March 2015
Rift Valley Resources Limited	2,500,000	Ordinary Shares	27 cents	31 May 2015
Rift Valley Resources Limited	7,343,750	Ordinary Shares	20 cents	15 February 2014
Rift Valley Resources Limited	7,343,750	Ordinary Shares	25 cents	15 February 2014

The holders of these options do not have the right, by virtue of the option, to participate in any share issue. Each option is unlisted and convertible to one ordinary share. 55,556 options were exercised during the financial year at an exercise price of $0.10 each.

Indemnification of Directors and Officers

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company, the Company Secretary and all executive officers of the Company and any related body corporate against a liability incurred by such a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred by an officer or auditor.

Directors' Meetings

The following table sets out the number of Directors' meetings and committee meetings held during the financial year and the number of meetings attended by each Director while they were a Director:

Directors	Board meetings	
	Held	Attended
G Gilmour (appointed 30 November 2009)	7	7
W Gilmour (appointed 4 June 2013)	1	1
K McKay (appointed 20 June 2012)	7	7
D Murcia (resigned 4 June 2013)	6	6
M McKevitt (resigned 15 March 2013)	6	6
G Kagaruki (resigned 4 April 2013)	5	5

Directors' Interests in the Company

The following table sets out each Director's relevant interest in fully paid ordinary shares and options in the Company at the date of this report.

Directors	Fully paid ordinary shares Number	Share options Number
G Gilmour	7,793,192	5,000,000
W Gilmour	17,805,857	8,000,000
K McKay	1,250,000	1,250,000

Remuneration Report (Audited)

The 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. For the purposes of this report, key management personnel (KMPs) of the Group are identified as those persons having the authority and responsibility for planning, directing and controlling major activities of the Company and the Group, directly or indirectly. A non-executive chairman would not be a KMP unless they fall within the above definition. The prescribed details for each person covered by this remuneration report are detailed below under the following headings:

A. Key management personnel and relevant Group executives' details
B. Remuneration policy for key management personnel
C. Relationship between remuneration policy and Company performance
D. Remuneration of the key management personnel and relevant Group executives
E. Key terms of employment contracts

A. Key Management Personnel and Relevant Group Executives' Details

The following persons have been identified as acting as key management personnel and/or relevant Group executives of the Company and the Consolidated Entity during the financial year:

- W Gilmour (Executive Chairman) appointed 4 June 2013;
- G Gilmour (Executive Director) appointed 30 November 2009;
- K McKay (Non-Executive Director) appointed 20 June 2012;
- M McKevitt (Managing Director) appointed 20 June 2012, resigned 15 March 2013;
- G Kagaruki (Non-Executive Director) appointed 20 June 2012, resigned 4 April 2013; and
- L Tomlinson (Company Secretary) appointed 10 December 2012.

B. Remuneration Policy for Key Management Personnel

The Board is responsible for determining and reviewing compensation arrangements for key management personnel. The Company may issue options subject to shareholder approval, where required, as determined by the Board.

Executive Remuneration
To achieve its objectives of discovery of economic resources in a cost effective manner, the Company aims to attract and retain a senior management team focused upon contributing to that objective. The Board has established a principle of offering competitive remuneration packages. There are no guaranteed pay increases included in the senior executives' contracts and the executives are not entitled to any retirement benefits other than those provided under the superannuation guarantee legislation.

Non-Executive Directors
Non-Executive Directors' fees are reviewed on a regular basis against industry benchmarks. Other than compulsory payments made under the superannuation guarantee legislation or salary sacrifice agreements, there are no retirement benefits provided to Non-Executive Directors. Directors fees are currently set at $50,000 per annum inclusive of superannuation. The approved aggregate limit of fees that may be paid to Non-Executive Directors is $400,000 per annum.

C. Relationship Between Remuneration Policy and Company Performance

The Key Management Personnel and relevant Group executives' remuneration do not comprise of elements that are related to performance. The performance of the Company in the mining industry will be dependent upon the Company meeting the following corporate objectives:

- conducting successful exploration;
- seeking long term cash flow profitability through production or sale; and
- actively pursuing acquisition opportunities to enhance the Company's exploration discovery capacity.

The table below sets out summary information about the Consolidated Entity's earnings and movements in shareholders wealth for the five years to 30 June 2013:

Description	30 June 2013	30 June 2012	30 June 2011	30 June 2010	30 June 2009
Revenue	$185,897	$128,678	$128,076	$53,964	$98,057
Net loss before tax	$4,271,472	$1,749,094	$2,340,589	$2,775,542	$6,812,078
Net loss after tax	$4,271,472	$1,749,094	$2,340,589	$2,775,542	$6,812,078
Share price at start of year	10 cents	14 cents	8 cents	2.8 cents	12 cents
Share price at end of year	2.2 cents	10 cents	14 cents	8 cents	2.8 cents
Market capitalisation	$6.3m	$28.7m	$25.5m	$9.8m	$2.1m
Interim dividend	-	-	-	-	-
Final dividend	-	-	-	-	-
Return of capital	-	-	-	-	-
Basic loss per share	1.76 cents per share	0.96 cents per share	1.49 cents per share	2.89 cents per share	10.01 cents per share
Diluted loss per share	1.76 cents per share	0.96 cents per share	1.49 cents per share	2.89 cents per share	10.01 cents per share

D. Remuneration of the Key Management Personnel and Relevant Group Executives

The following tables provide information about the remuneration of the Consolidated Entity's key management personnel and relevant Group executives for the current and previous financial years:

	Short-term employee benefits				Post-employment benefits	Other long-term employee benefits	Share-based payment		% of remuneration performance related
	Salary & fees	Bonus	Non-monetary	Other (v)	Super-annuation		Options & rights	Total	
2013	$	$	$	$	$	$	$	$	%
Non-Executive Directors									
K McKay	34,404	-	-	81,984	22,975	-	-	139,363	-
G Kagaruki (i)	-	-	-	37,500	-	-	-	37,500	-
Executive Directors									
W Gilmour (ii)	4,167	-	-	25,000	-	-	-	29,167	-
G Gilmour	45,872	-	-	180,000	4,128	-	-	230,000	-
M McKevitt (iii)	265,870	-	-	-	16,157	-	-	282,027	-
Company Secretary									
L Tomlinson (iv)	113,844	-	-	-	9,654	-	-	123,498	-

(i) appointed 20 June 2012; resigned 4 April 2013.
(ii) appointed 4 June 2013.
(iii) appointed 20 June 2012; resigned 15 March 2013; includes an employment termination payment of $45,833.
(iv) appointed 10 December 2012.
(v) other benefits relate to consulting and other services provided.

	Short-term employee benefits				Post-employment benefits	Other long-term employee benefits	Share-based payment		% of remuneration performance related
	Salary & fees	Bonus	Non-monetary	Other (v)	Super-annuation		Options & rights	Total	
2012	$	$	$	$	$	$	$	$	%
Non-Executive Directors									
K McKay (i)	-	-	-	-	-	-	-	-	-
G Clatworthy (ii)	54,000	-	-	-	4,860	-	-	58,860	-
B Bolitho (iii)	24,526	-	-	-	-	-	168,877	193,403	87.32
G Kagaruki (iv)	-	-	-	-	-	-	-	-	-
Executive Directors									
M McKevitt (i)	-	-	-	-	-	-	-	-	-
G Gilmour	54,000	-	-	238,500	4,860	-	-	297,360	-
W Gilmour (ii)	72,000	-	-	244,000	6,480	-	-	322,480	-
P Payne (ii)	247,010	-	-	-	22,231	-	250,632	519,873	48.21

(i) appointed 20 June 2012.
(ii) resigned 20 June 2012. $192,000 related to executive fees for the period 1 December 2010 to 30 November 2011.
(iii) appointed 4 April 2011, resigned 8 December 2011.
(iv) appointed 20 June 2012.
(v) other benefits relate to consulting and other services provided.

Share-based Payments

<u>2013</u>

During the 2013 financial year there were no options issued as share based payments to directors and key management personnel. During the current financial year, the following 2,850,000 options lapsed:

Director	Share options Number	Exercise Price	Grant date	Expiry date	Vesting date	Grant date fair value
J Park	600,000	30c	24 May 2007	24 Sep 2012	Vested at date of grant	$0.096
G Checketts	600,000	30c	24 May 2007	24 Sep 2012	Vested at date of grant	$0.096
A Gates	600,000	30c	24 May 2007	24 Sep 2012	Vested at date of grant	$0.096
R Skrzecynski	600,000	30c	24 May 2007	24 Sep 2012	Vested at date of grant	$0.096

KMP	Share options Number	Exercise Price	Grant date	Expiry date	Vesting date	Grant date fair value
G Gill	150,000	30c	24 May 2007	24 Sep 2012	Vested at date of grant	$0.096
P Nicolson	300,000	30c	24 May 2007	24 Sep 2012	24 May 2008	$0.107

<u>2012</u>

During the 2012 financial year there were no options issued as share based payments to directors and key management personnel. No options granted to key management personnel were exercised or lapsed.

Details of existing Options issued to Directors and Key Management Personnel

As part of the merger with Rift Valley Resources (Africa) Pty Ltd (formerly Rift Valley Resources Ltd, ASX: RFV) the following options were issued to directors, key management personnel and consultants as part of the Scheme of Arrangement:

Name	Share options Number (20c)	Share options Number (25c)	Grant date	Expiry date	Vesting date
K McKay – Director	625,000	625,000	28 Jun 2012	15 Feb 2014	Vested at date of grant
D Murcia – Director	2,187,500	2,187,500	28 Jun 2012	15 Feb 2014	Vested at date of grant
M McKevitt – Director	1,250,000	1,250,000	28 Jun 2012	15 Feb 2014	Vested at date of grant
G Kagaruki – Director	937,500	937,500	28 Jun 2012	15 Feb 2014	Vested at date of grant
R Caren – Consultant	468,750	468,750	28 Jun 2012	15 Feb 2014	Vested at date of grant
Other – Consultants	1,875,000	1,875,000	28 Jun 2012	15 Feb 2014	Vested at date of grant

There is no further service or performance criteria that need to be met in relation to these options as they were part of the Scheme of Arrangement.

At 30 June 2012 the following compensation options have been granted to current and previous Directors and other key management personnel:

Director	Share options Number	Exercise Price	Grant date	Expiry date	Vesting date	Grant date fair value
W Gilmour	8,000,000	10c	23 Mar 2010	22 Mar 2014	Vested at date of grant	$0.0497
G Gilmour	5,000,000	10c	4 Oct 2010	4 Oct 2014	Vested at date of grant	$0.0657
G Clatworthy	5,000,000	10c	4 Oct 2010	4 Oct 2014	Vested at date of grant	$0.0657
P Payne	5,000,000	27c	18 Mar 2011	18 Mar 2015	18 Mar 2012	$0.0701
B Bolitho	2,500,000	27c	31 May 2011	31 May 2015	31 May 2012	$0.0736

There are no further service or performance criteria that need to be met in relation to these options.

Value of Compensation Options Issued to Directors and Executives

Current financial year

During the current financial year no compensation options were granted to Directors, key management personnel and consultants. The following table summarises various information in relation to all compensation options granted to Directors and Executives:

Option Series	2011 Value of options granted at the grant date $	2012 Value of options granted at the date of grant $	2013 Value of options granted at the date of grant $	Value of options exercised at the exercise date $	Value of options lapsed at the date of lapse $
W Gilmour - Director	-	-	-	-	-
G Gilmour - Director	328,500	-	-	-	-
G Clatworthy - Director	328,500	-	-	-	-
P Payne - Director	99,868	250,632	-	-	-
B Bolitho - Director	15,123	168,877	-	-	-

The fair value of options granted is recognised in compensation over the vesting period of the grant, in accordance with Australian accounting standards.

Previous financial year

During the previous financial year, no compensation options were granted to Directors, key management personnel and consultants. The following table summarises various information in relation to all compensation options granted to Directors and Executives:

Option Series	2010 Value of options granted at the grant date $	2011 Value of options granted at the grant date $	2012 Value of options granted at the date of grant $	Value of options exercised at the exercise date $	Value of options lapsed at the date of lapse $
W Gilmour - Director	397,600	-	-	-	-
G Gilmour - Director	-	328,500	-	-	-
G Clatworthy - Director	-	328,500	-	-	-
P Payne - Director	-	99,868	250,632	-	-
B Bolitho - Director	-	15,123	168,877	-	-

The fair value of options granted is recognised in compensation over the vesting period of the grant, in accordance with Australian accounting standards.

E. Key Terms of Employment Contracts

Contracts for services of key management personnel and relevant executives

Remuneration and other terms of employment for the Directors and other key management personnel are formalised in service agreements. The contractual arrangements contain certain provisions typically found in contracts of this nature.

Non-Executive Directors

The Company's Constitution provides that the Directors may be paid out of Company funds, as remuneration for their services, a sum determined from time to time by the Company's Shareholders in general meeting, with that sum to be divided amongst the Directors in such manner as they agree.

Directors' remuneration for their services as Directors is by a fixed sum and not a commission on a percentage of profits or operating revenue. The sum of Directors' remuneration may not be increased except at a general meeting in which particulars of the proposed increase have been provided in the notice convening the meeting to shareholders. There is provision for Directors who devote special attention to the business of the Company or who perform services which are regarded as being outside the scope of their ordinary duties as directors, or who at the request of the Board engage in any journey on Company business, to be paid extra remuneration determined by the Board. Directors are also entitled to their reasonable travel, accommodation and other expenses incurred in attending Company or Board meetings, or meetings of any committee engaged in the Company's business.

A Director is disallowed from voting on any contract or arrangement in which he or she has directly or indirectly any material interest, if it will be contrary to the *Corporations Act 2001*. If such a Director does vote, his or her vote will not be counted, nor will his or her attendance be counted in the quorum present at the meeting. Either or both of these prohibitions may be relaxed or suspended to any extent by ordinary resolution passed at a general meeting if permitted by the *Corporations Act 2001*.

Executive Directors and Other Key Management Personnel

Warren Gilmour
Executive Chairman – from 4 June 2013

The Company entered into a consultancy agreement with Tanner Investments Pty Ltd ("Tanner") to provide the services of Mr Warren Gilmour to the Company. The key terms of the agreement are:

- Monthly fee of $5,000 (excluding GST) commencing from 1 February 2013;
- Reimbursements for costs necessarily incurred, such items would include travel and accommodation; and
- The agreement will terminate upon Mr Warren Gilmour's resignation or removal as Chairman of the company.

Warren Gilmour also receives $50,000 per annum as director fees.

Geoffrey Gilmour
Executive Director – 1 July 2012 to 15 March 2013; Managing Director – from 15 March 2013;

The Company entered into a consultancy agreement with Willowood Corporate Pty Ltd ("Willowood") to provide the services of Geoffrey Gilmour to the Company. The key terms of the agreement are as follows:

- Monthly fee of $15,000 (excluding GST) for 24 months from 1 February 2012;
- Travel fee of $1,500 (excluding GST), up to a maximum of $45,000 per annum; and
- The Company may terminate the agreement by giving 3 months written notice and by paying Willowood the amount payable on the unexpired balance of the contract. The Company may also terminate the agreement if Willowood becomes insolvent or if Willowood or Mr Gilmour are dishonest or fraudulent. In such case Willowood is only entitled to be paid up to the date of termination.

Geoff Gilmour also receives $50,000 per annum, inclusive of statutory superannuation, as director fees.

Michael McKevitt
Managing Director – 1 July 2012 to 15 March 2013

Mr McKevitt, was employed under contract from 1 July 2012 until 15 March 2013. The main terms of the contract were:

- Remuneration of $275,000 per annum inclusive of superannuation;
- Mr McKevitt was entitled to terminate the agreement with 6 months notice or shorter if agreed by the Company;
- The Company could terminate Mr McKevitt's employment (for reasons other than serious misconduct or similar offences) by providing 12 months notice or payment in lieu of this notice period;
- Short term incentives up to 25% of fixed remuneration upon achievement of Key Performance Indicators (KPI's) within 12 months and long term incentives up to 50% of fixed remuneration upon achievement of 3 year KPI's.

The main terms of the termination deed were as follows:

- Termination date being 15 March 2013;
- Total payment of $183,333 to be dispersed in lieu of notice. Tranche 1, being $45,833, due on 15 March 2013. Tranche 2, being $137,500, due on 1 July 2013, subsequent to the finalisation of all handover matters; and
- All accrued entitlements to be paid to Mr Mckevitt.

Non-audit services

During the year the following non-audit services were provided by the Company's auditor. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Services	Amount	
	2013	2012
Taxation	$5,275	Nil

Auditor's independence declaration

The auditor's independence declaration is included on page 18 of the Annual Report.

Signed in accordance with a resolution of Directors made pursuant to s.298 (2) of the *Corporations Act 2001*.

On behalf of the Directors,

Mr Geoffrey Gilmour
Managing Director
Perth, 23 September 2013

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Auditor's Independence Declaration to the Directors of Rift Valley Resources Limited

In relation to our audit of the financial report of Rift Valley Resources Limited for the year ended 30 June 2013, 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

R J Curtin
Partner
23 September 2013

RC:DR:RIFT VALLEY:008

Building a better
working world

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Independent audit report to members of Rift Valley Resources Limited

Report on the financial report

We have audited the accompanying financial report of Rift Valley Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, 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.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 3, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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, the auditor considers 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 complied with 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.

RC:DR:RIFT VALLEY:007

Opinion

In our opinion:

a. The financial report of Rift Valley Resources Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. The financial report also complies with *International Financial Reporting Standards* as disclosed in Note 3.

Report on the remuneration report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Rift Valley Resources Limited for the year ended 30 June 2013, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

R J Curtin
Partner
Perth
23 September 2013

Directors' declaration

In accordance with a resolution of the directors of Rift Valley Resources Ltd, I state that:

1. In the opinion of the directors:

(a) the financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

ii. complying with Accounting Standards and Corporations Regulations 2001; and

(b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 3; and

(c) 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 2013.

On behalf of the Directors,

Mr Geoffrey Gilmour
Managing Director
Perth, 23 September 2013

Consolidated Statement of Comprehensive Income for the year ended 30 June 2013

	Note	Year ended 30 Jun 2013 A$	Year ended 30 Jun 2012 A$
Interest revenue		185,897	128,678
Exploration expenses		(639,715)	(346,190)
Administration expenses		(714,656)	(575,862)
Corporate expenses		(588,479)	(839,390)
Impairment loss on exploration tenements	13	(3,133,831)	(43,238)
Marketing expenses		(90,962)	(37,799)
Loss on disposal of assets	12	(111,488)	-
Foreign currency exchange gain (loss)		821,762	(35,293)
Loss from operations before finance costs		**(4,271,472)**	**(1,749,094)**
Finance costs		-	-
Loss before income tax		**(4,271,472)**	**(1,749,094)**
Income tax benefit		-	-
Total loss for the period		**(4,271,472)**	**(1,749,094)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		-	4,554
Net loss on available-for-sale assets	10 (c)	(775,062)	-
Total comprehensive loss for the period		**(5,046,534)**	**(1,744,540)**
Net loss for the period is attributable to:			
Owners of Rift Valley Resources Limited		**(5,046,534)**	**(1,744,540)**
Total comprehensive loss is attributable to:			
Owners of Rift Valley Resources Limited		**(5,046,534)**	**(1,744,540)**
Loss per share attributable to owners of Rift Valley Resources Ltd:			
Basic (cents per share)		(1.76)	(0.96)
Diluted (cents per share)		(1.76)	(0.96)

Notes to the financial statements are included on pages 26 to 52.

Consolidated Statement of Financial Position as at 30 June 2013

	Note	30 Jun 2013 A$	30 Jun 2012 A$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	3,507,063	9,172,370
Trade and other receivables	9	425,420	253,901
Prepayments		38,763	42,746
		3,971,246	9,469,017
Current assets classified as held for sale			
Available-for-sale financial assets	10 (a)	93,281	-
Exploration and evaluation expenditure	10 (b)	395,000	-
	10	488,281	-
TOTAL CURRENT ASSETS		4,459,527	9,469,017
NON-CURRENT ASSETS			
Receivables	9	-	90,748
Property, plant and equipment	12	228,604	225,886
Exploration and evaluation expenditure	13	6,822,379	8,620,552
TOTAL NON-CURRENT ASSETS		7,050,983	8,937,186
TOTAL ASSETS		**11,510,510**	**18,406,203**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	195,918	1,201,809
Provisions	15	21,789	78,620
TOTAL CURRENT LIABILITIES		217,707	1,280,429
TOTAL LIABILITIES		**217,707**	**1,280,429**
NET ASSETS		**11,292,803**	**17,125,774**
EQUITY			
Issued capital	16	29,729,387	29,711,148
Reserves	17	1,656,674	2,461,350
Accumulated losses	18	(20,093,258)	(15,046,724)
TOTAL EQUITY		**11,292,803**	**17,125,774**

Notes to the financial statements are included on pages 26 to 52.

Consolidated Statement of Changes in Equity for the financial year ended 30 June 2013

	Fully paid ordinary shares	Accumulated Losses	Foreign Currency Reserve	Share Option Reserve	Total
	A$	A$	A$	A$	A$
Balance at 1 July 2011	18,730,878	(13,297,630)	-	1,765,568	7,198,816
Loss for the year	-	(1,749,094)	-	-	(1,749,094)
Other comprehensive income/(loss)	-	-	4,554	-	4,554
Total comprehensive income for the year	-	(1,749,094)	4,554	-	(1,744,540)
Transactions with owners in their capacity as owners					
Issue of shares	11,003,200	-	-	-	11,003,200
Share issue costs	(22,930)	-	-	-	(22,930)
Share based payments	-	-	-	691,229	691,229
Balance at 30 June 2012	**29,711,148**	**(15,046,724)**	**4,554**	**2,456,797**	**17,125,775**
Balance at 1 July 2012	29,711,148	(15,046,724)	4,554	2,456,797	17,125,775
Loss for the year	-	(4,271,472)	-	-	(4,271,472)
Other comprehensive income/(loss)	-	(775,062)	(804,677)	-	(1,579,739)
Total comprehensive income for the year	-	(5,046,534)	(800,123)	-	(5,846,657)
Transactions with owners in their capacity as owners					
Issue of shares	5,556	-	-	-	5,556
Share issue costs	6,422	-	-	-	6,422
Share based payments	6,261	-	-	-	6,261
Balance at 30 June 2013	**29,729,387**	**(20,093,258)**	**(800,123)**	**2,456,797**	**11,292,803**

Notes to the financial statements are included on pages 26 to 52.

Consolidated Statement of Cash Flows for the financial year ended 30 June 2013

	Note	Year ended 30 Jun 2013 A$	Year ended 30 Jun 2012 A$
Cash flows from operating activities			
Payments to suppliers and employees	25	(2,716,558)	(1,348,561)
Net cash used in operating activities		**(2,716,558)**	**(1,348,561)**
Cash flows from investing activities			
Interest received		185,897	128,678
Payments for property, plant and equipment		(97,614)	(9,365)
Proceeds from available-for-sale investments		27,258	-
Payments for exploration expenditure		(3,170,865)	(1,863,317)
Net cash used in investing activities		**(3,055,324)**	**(1,744,004)**
Cash flows from financing activities			
Proceeds from issues of equity securities		5,556	-
Share issue costs		(1,500)	(22,930)
Cash inflow on merger		-	8,613,520
Proceeds from disposal of subsidiary		-	1,000,000
Net cash provided by financing activities		**4,056**	**9,590,590**
Net increase/(decrease) in cash and cash equivalents		**(5,767,826)**	**6,498,025**
Cash and cash equivalents at the beginning of the period		9,172,370	2,709,639
Effects of exchange rate changes on the balance of cash held in foreign currencies		102,519	(35,294)
Cash and cash equivalents at the end of the period	25	**3,507,063**	**9,172,370**

Notes to the financial statements are included on pages 26 to 52.

Notes to the Consolidated Financial Statements for the year ended 30 June 2013

1. General information

Rift Valley Resources Limited (the Company) (formerly "Bright Star Resources Ltd") is a public Company listed on the Australian Securities Exchange (trading under the code: RVY), incorporated in Australia and operating from Perth. The Company's registered office and principal place of business is at Level 2, 23 Barrack Street, Perth WA 6000.

Rift Valley Resources Ltd is a gold and mineral exploration company operating in Africa and Australia.

2. New accounting standards and interpretations

(a) Changes in accounting policies and disclosures

Accounting policies adopted are consistent with those of the previous financial year except as follows:

Reference	Title/Summary	Application Date	Applicatio n date for Group
AASB 2011-9	Amendments to Australian Accounting Standards - Presentation of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] This standard requires entities to group items presented in other comprehensive income on the basis of whether they might be reclassified subsequently to profit or loss and those that will not.	1 Jul 2012	1 Jul 2012

(b) Accounting standards and interpretations issued but not yet effective:

At the date of authorisation of the financial report, a number of Standards and Interpretations were in issue but not yet effective. The company has not assessed the impact of these standards on its financial statements for the future years.

Reference	Title	Summary	Application date of standard	Application date for Group
AASB 10	Consolidated Financial Statements	AASB 10 establishes a new control model that applies to all entities. It replaces parts of AASB 127 Consolidated and Separate Financial Statements dealing with the accounting for consolidated financial statements and UIG-112 Consolidation – Special Purpose Entities. The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights and when holding less than a majority voting rights may give control. Consequential amendments were also made to this and other standards via AASB 2011-7 and AASB 2012-10.	1 January 2013	1 July 2013

AASB 11	Joint Arrangements	AASB 11 replaces AASB 131 Interests in Joint Ventures and UIG-113 Jointly-controlled Entities – Non-monetary Contributions by Ventures. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition it removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves is accounted for by recognising the share of those assets and obligations. Joint ventures that give the venturers a right to the net assets is accounted for using the equity method. Consequential amendments were also made to this and other standards via AASB 2011-7, AASB 2010-10 and amendments to AASB 128.	1 January 2013	1 July 2013
AASB 12	Disclosure of Interests in Other Entities	AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. New disclosures have been introduced about the judgments made by management to determine whether control exists, and to require summarised information about joint arrangements, associates and structured entities and subsidiaries with non-controlling interests.	1 January 2013	1 July 2013
AASB 13	Fair Value Measurement	AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted. Application of this definition may result in different fair values being determined for the relevant assets. AASB 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined. Consequential amendments were also made to other standards via AASB 2011-8.	1 January 2013	1 July 2013
AASB 119	Employee Benefits	The main change introduced by this standard is to revise the accounting for defined benefit plans. The amendment removes the options for accounting for the liability, and requires that the liabilities arising from such plans is recognised in full with actuarial gains and losses being recognised in other comprehensive income. It also revised the method of calculating the return on plan assets. The revised standard changes the definition of short-term employee benefits. The distinction between short-term and other long-term employee benefits is now based on whether the benefits are expected to be settled wholly within 12 months after the reporting date. Consequential amendments were also made to other standards via AASB 2011-10.	1 January 2013	1 July 2013
Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	This interpretation applies to stripping costs incurred during the production phase of a surface mine. Production stripping costs are to be capitalised as part of an asset, if an entity can demonstrate that it is probable future economic benefits will be realised, the costs can be reliably measured and the entity can identify the component of an ore body for which access has been improved. This asset is to be called the "stripping activity asset". The stripping activity asset shall be depreciated or amortised on a systematic basis, over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity. The units of production method shall be applied unless another method is more appropriate. Consequential amendments were also made to other standards via AASB 2011-12.	1 January 2013	1 July 2013

AASB 2012-2	Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Liabilities	AASB 2012-2 principally amends AASB 7 Financial Instruments: Disclosures to require disclosure of the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position, when all the offsetting criteria of AASB 132 are not met.	1 January 2013	1 July 2013
AASB 2012-5	Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle	AASB 2012-5 makes amendments resulting from the 2009-2011 Annual Improvements Cycle. The standard addresses a range of improvements, including the following: • Repeat application of AASB 1 is permitted (AASB • Clarification of the comparative information requirements when an entity provides a third balance sheet (AASB 101 Presentation of Financial Statements).	1 January 2013	1 July 2013
AASB 2012-9	Amendment to AASB 1048 arising from the withdrawal of Australian Interpretation 1039	AASB 2012-9 amends AASB 1048 Interpretation of Standards to evidence the withdrawal of Australian Interpretation 1039 Substantive Enactment of Major Tax Bills in Australia.	1 January 2013	1 July 2013
AASB 2011-4	Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	This Amendment deletes from AASB 124 individual key management personnel disclosure requirements for disclosing entities that are not companies. It also removes the individual KMP disclosure requirements for all disclosing entities in relation to equity holdings, loans and other related party transactions.	1 July 2013	1 July 2013
AASB 1053	Application of Tiers of Australian Accounting Standards	This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements: (a) Tier 1: Australian Accounting Standards (b) Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements. Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements. The following entities apply Tier 1 requirements in preparing general purpose financial statements: (a) For-profit entities in the private sector that have public accountability (as defined in this standard) (b) The Australian Government and State, Territory and Local Governments The following entities apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements: (a) For-profit private sector entities that do not have public accountability (b) All not-for-profit private sector entities (c) Public sector entities other than the Australian Government and State, Territory and Local Governments. Consequential amendments to other standards to implement the regime were introduced by AASB 2010-2, 2011-2, 2011-6, 2011-11, 2012-1, 2012-7 and 2012-11.	1 July 2013	1 July 2013

AASB 2012-3	Amendments to Australian Accounting Standards – Offsetting Financial Assets and Liabilities	AASB 2012-3 adds application guidance to AASB 132 Financial Instruments: Presentation to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1 January 2014	1 July 2015
Interpretation 21	Levies	This Interpretation confirms that a liability to pay a levy is only recognised when the activity that triggers the payment occurs. Applying the going concern assumption does not create a constructive obligation.	1 January 2014	1 July 2014
AASB 9	Financial Instruments	AASB 9 includes requirements for the classification and measurement of financial assets. It was further amended by AASB 2010-7 to reflect amendments to the accounting for financial liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are described below. (a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows. (b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. (c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. (d) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: • The change attributable to changes in credit risk are presented in other comprehensive income (OCI) • The remaining change is presented in profit or loss If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. Further amendments were made by AASB 2012-6 which amends the mandatory effective date to annual reporting periods beginning on or after 1 January 2015. AASB 2012-6 also modifies the relief from restating prior periods by amending AASB 7 to require additional disclosures on transition to AASB 9 in some circumstances. Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7 and 2010-10.	1 January 2015	1 July 2015

3. Significant accounting policies and Going Concern

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and Interpretations, and complies with other requirements of the law. The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The financial statements were authorised for issue by the Directors on 23 September 2013.

Basis of preparation and Going Concern

The financial report has been prepared on an historical cost basis, except for available-for-sale financial assets that have been measured at fair value. Cost is based on the fair value of the consideration given in exchange for assets.

All amounts are presented in Australian dollars, unless otherwise noted.

The financial statements have been prepared on the basis that the Consolidated Entity is a going concern, which considers the realisation of assets and the settlement of liabilities in the normal course of business activities.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

a) Principles of Consolidation

The consolidated financial information comprises the financial statements of Rift Valley Resources Ltd and its subsidiaries as at 30 June 2013.

Subsidiaries are all those entities controlled by the Company. Control exists where the parent entity has the capacity to govern the financial and operating policies of the subsidiary so as to obtain benefits from their activities. A list of controlled entities is shown at note 24.

All intercompany balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation. The financial information of the subsidiaries are prepared for the same reporting period as Rift Valley Resources Ltd and using consistent accounting policies. 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.

b) Business Combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination shall be measured at fair value, which shall be calculated as the sum of the acquisition date fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer to former owners of the acquiree and the equity issued by the acquirer, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred, and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with AASB 139 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

c) Segment Information

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers, being the executive management team.

d) Foreign Currency Translation

Functional and presentation currency
The functional currency of each of the Group's operations is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars, which is the functional currency of the Company and its Australian subsidiaries and presentation currency.

Transaction and balances
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary assets and liabilities are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive income.

The financial results and position of foreign subsidiaries whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of comprehensive income in the period in which the operation is disposed.

e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of less than three months, and bank overdrafts.

f) Investment and Other Financial Assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the market place.

Financial assets at fair value through profit and loss
A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139 Financial Instruments: Recognition and Measurement. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the profit and loss in the period in which they arise.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments
Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has a positive intention to hold these investments to maturity. Investments intended to be held for an undefined period are not included in this classification. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation cost using the effective interest rate method. This calculation includes all fees and points paid or other premiums or discounts. For investments carried at amortised cost, gains or losses are recognised when the investments are derecognised or impaired, as well as through the amortisation process.

Available-for-sale financial assets
Available-for-sale financial assets that are non-derivative that are designated available-for-sale or are not included in the above categories. After initial recognition available-for-sale investments are recognised at fair value, with gains or losses recognised in profit and loss being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

g) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure
Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific connection with a particular area of interest.

Exploration and evaluation costs in relation to separate areas of interest for which rights of tenure are current are brought to account in the year in which they are incurred and carried forward provided that:

- such costs are expected to be recouped through successful development and exploitation of the area, or alternatively through its sale; or
- exploration and/or evaluation activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Once a development decision has been taken, all past evaluation expenditure in respect of the area of interest is reclassified as capitalised costs of development. Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

Impairment
The Group assesses at each reporting date whether there is an indication that an asset has been impaired and for exploration and evaluation costs whether the above carry forward criteria are met. The recoverable amount of exploration and evaluation assets is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Any impairment losses are recognised in profit or loss.

Accumulated costs in respect of areas of interest are written off or a provision made in the statement of comprehensive income when the above criteria do not apply or when the Directors assess that the carrying value may exceed the recoverable amount. The costs of productive areas are amortised over the life of the area of interest to which such costs relate on the production output basis. Provisions are made where farm-in partners are sought and there is a possibility that carried forward expenditures may have to be written off in the future if a farm-in partner is not found. In the event that farm-in agreements are reached or the Group undertakes further exploration in its own right on those properties, the provisions would be reviewed and if appropriate, written back.

Development expenditure
Development expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest in which economically recoverable reserves have been identified to the satisfaction of the directors. Such expenditure comprises net direct costs and, in the same manner as for exploration and evaluation expenditure, an appropriate portion of related overhead expenditure having a specific connection with the development property. All expenditure incurred prior to the commencement of commercial levels of production from each development property is carried forward to the extent to which recoupment out of revenue to be derived from the sale of production from the relevant development property, or from the sale of that property, is reasonably assured.

No amortisation is provided in respect of development properties until a decision has been made to commence mining. After this decision, the costs are amortised over the life of the area of interest to which such costs relate on a production output basis.

Restoration
Provisions for restoration costs are recognised when the Group 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. If the effect of the time value of money is material, provisions are determined by discounting the expected cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Remaining mine life
In estimating the remaining life of the mine at each mine property for the purpose of amortisation and depreciation calculations, due regard is given not only to the volume of remaining economically recoverable reserves but also to limitations which could arise from the potential for changes in technology, demand, product substitution and other issues that are inherently difficult to estimate over a lengthy time frame.

Farm-in Arrangements
Expenditure incurred under a farm-in arrangement is accounted for in the same way as directly incurred exploration and evaluation expenditure.

h) Property, Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. The carrying value of the plant and equipment also includes costs eligible for capitalisation. Other costs relating to plant and equipment are expensed when incurred.

Land and buildings are measured at cost, less accumulated depreciation on buildings.

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

	Depreciation Rate
Motor Vehicles	25%
Plant and equipment	5% - 40%

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

Disposal
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

i) Impairment of Non Financial Assets

Non financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

j) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Group prior to the end of the period that are unpaid and arise when the Group becomes obligated to make future payments in respect of the purchase of goods and services. The amounts are unsecured and are usually paid within 30 days of recognition. Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

k) Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the balance date. Employee benefits expected to be settled within one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows.

l) Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising fair value of the original debt less principal payments and amortisation. The fair value of original debt is measured by discounting the balance due at the Company's estimated weighted average cost of capital.

m) Share Based Payment Transactions

Equity Settled Transactions
The Company provides benefits to certain key management personnel in the form of share-based payments and/or options. The Group currently has an Employee Option Plan (EOP), which may be used to provide benefits to directors and senior executives.

The cost of such equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by reference to relevant market rates for the time, commitment and responsibilities for the work performed. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, at the date of the granting of the shares and options.

n) 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.

o) Revenue Recognition

Interest income
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 income 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 asset.

p) Income Tax

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 reporting date.

Deferred income tax is provided on all 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 liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting 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 reporting 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 reporting 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.

q) Goods & Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

GST receivable from or payable to, the Australian Taxation Office has been accounted for and included as part of receivables or payables in the statement of financial position.

Cash flows are presented in the cash flow statement on a gross basis except for the GST component of investing activities, which are disclosed as operating cash flow.

r) Loss per Share (EPS)

Basic loss per share
Basic loss per share is calculated by dividing the loss attributable to equity holders of the Group, excluding any costs of servicing equity other than shares, by the weighted average number of shares outstanding during the financial year, adjusted for any bonus elements in shares issued during the year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential shares.

s) Provisions

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

A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of exploration and development activities undertaken, it is probable that an outflow of benefits will be required to settle the obligation and the provision can be measured reliably. The estimated future obligations include the costs of restoring the affected exploration and evaluation areas contained in the Group's tenements.

The provision for future restoration is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date. Future restoration costs will be reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date. The initial estimate of restoration and rehabilitation relating to exploration and evaluation assets is capitalised into the cost of the related asset and is amortised on the same basis as the related asset. Changes in the estimate of the provision for restoration and rehabilitation are treated in the same way, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

t) Interests in a Jointly Controlled Asset

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. A jointly controlled asset involves use of assets and other resources of the venturers rather than establishment of a separate entity. The Group recognises its interest in the jointly controlled asset by recognising its interest in the assets and the liabilities of the joint venture. The Group also recognises the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the jointly controlled asset.

4. Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

(i) Significant accounting judgements

Impairment of assets and exploration and evaluation expenditure
The Company determines whether non-current assets should be assessed for impairment based on identified impairment triggers. At each reporting date management assesses the impairment triggers based on their knowledge and judgement. Where an impairment trigger is identified, an estimate of future cash flows or fair value is required.

During the financial year the Consolidated Group made an assessment of the carrying value of its exploration assets. As a result of the assessment of the economic recoverability and the planned relinquishment of tenements, the Consolidated Group made a provision for impairment of $3,133,831 (2012: $43,238) against the carrying value of its exploration and evaluation expenditure.

Impairment of Plant Property and Equipment

During the year the Consolidated Group made an assessment of the carrying value of property, plant and equipment owned by Group companies. As a result of this assessment the Consolidated Group made a provision for impairment of $Nil (2012: Nil) against the carrying value of property, plant and equipment.

Recoverability of Deferred Tax Assets
Deferred tax assets are not recognised for deductible temporary differences as Directors consider that it is not probable that future taxable profits will be available to utilise those temporary differences.

(ii) Significant accounting estimates and assumptions

Contingent Liabilities and Contingent Assets
The Company assesses contingent liabilities and contingent assets at each reporting date and will account for them only if:

a) they can be reliably measured;
b) the probability that an asset or liability will eventually be recognised is greater than remote; and
c) the items are considered material.

Estimate of Useful lives of assets
The estimation of the useful lives of assets has been based on historical experience. In addition the condition of the assets is assessed at least once per year and considered against the remaining useful life.

Share-based payment transactions
The Group measures the cost of equity-settled transactions with directors and others by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Binomial model.

5. Operating Segments

Description of segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources. The executive management team reviews exploration expenditure in each segment to assess its performance and make operating decisions. All other expense and revenue items are not allocated to operating segments as they are not considered part of the core operations of the segment. The Group operates in mineral exploration in Africa and Australia. The accounting policies used by the Group in reporting segments internally are the same as those contained in note 3.

Segment information provided to the Board – continuing operations

	Australia		PNG		Africa		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	$	$	$	$	$	$	$	$
Total segment revenue	-	-	-	-	-	-	-	-
Segment expenses	-	(9,412)	-	-	(639,715)	(293,540)	(639,715)	(302,952)
Impairment expense	-	(12,243)	-	(30,995)	(3,133,831)	(43,238)	(3,133,831)	(86,476)
Total segment loss	-	(21,655)	-	(30,995)	(3,773,546)	(336,778)	(3,773,546)	(389,428)
Total segment assets	395,000	1,080,217	-	-	6,822,379	4,406,504	7,217,379	5,486,721
Total segment liabilities	-		-	-	-	-	-	-

	2013	2012
Other Segment Information		
Segment expense	(639,715)	(302,952)
Impairment expense	(3,133,831)	(86,476)
Administration expenses	(714,656)	(575,862)
Corporate expenses	(588,479)	(839,390)
Marketing expenses	(90,962)	(37,799)
Loss on disposal of assets	(111,488)	-
Foreign currency exchange loss	-	(35,293)
Total expenses	(5,279,131)	(1,877,772)
Segment assets reconcile to total assets as follows:		
Segment assets	7,217,379	5,486,721
Current assets	3,971,246	9,469,017
Property, plant and equipment	228,604	225,886
Corporate Assets	93,281	3,133,831
Receivables	-	90,748
Total assets	11,510,510	18,406,203
Segment liabilities reconcile to total liabilities as follows:		
Segment liabilities	-	-
Current liabilities	(217,707)	(1,280,429)
Total liabilities	(217,707)	(1,280,429)
Segment loss reconcile to loss before tax as follows:		
Segment loss	(3,773,546)	(389,428)
Interest revenue	185,897	128,678
Administration expenses	(714,656)	(575,862)
Corporate expenses	(588,479)	(839,390)
Marketing expenses	(90,962)	(37,799)
Loss on disposal of assets	(111,488)	-
Foreign currency exchange	821,762	(35,293)
Loss before income tax	(4,271,472)	(1,749,094)

6. Other Expenses

Loss for the year includes the following expenses:

	2013 $	2012 $
Operating lease rental expenses:		
Lease payments	124,901	31,141
Depreciation on non-current assets:		
Property, plant and equipment	104,088	19,808
Employee Benefits		
Charged to statement of comprehensive income		
Options granted to directors, officers and employees	-	419,509
Directors fees, superannuation and salaries & wages	788,669	310,271
	788,669	729,780
Capitalised to exploration and evaluation costs		
Salaries & wages and superannuation	925,855	181,164

Key management personnel remuneration disclosed in Note 27 includes amounts in “Employee benefits” disclosed above.

7. Income Taxes

	2013 $	2012 $
Tax expense/(benefit) comprises:		
Current tax expense/(benefit)	-	-
Total tax expense/(benefit)	-	-

The tax rate used in the reconciliation below is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period. The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

	2013 $	2012 $
Loss from continuing operations	(4,271,472)	(1,749,094)
Income tax benefit calculated at 30%	(1,281,442)	(524,728)
Tax effects of amounts which are not deductible in calculating taxable income	942,028	207,368
Tax assets not brought to account	399,414	317,360
Total tax expense/(benefit)	-	-

	2013 $	2012 $
The following deferred tax assets/liabilities have not been brought to account:		
Share issue costs	31,871	33,797
Unused tax losses (a)	3,234,398	2,645,508
Deferred tax assets not recognised by foreign subsidiaries	-	-
Accruals	38,299	10,575
Provision for restoration and rehabilitation	-	-
Exploration and evaluation expenditure	(759,345)	(568,370)

(a)Tax loss information is an estimate of available losses.

The taxation benefits of tax losses and temporary differences not brought to account will only be obtained if:
(i) assessable income is derived of a nature and of an amount sufficient to enable the benefit from the deductions to be realised;
(ii) conditions for deductibility imposed by the law are complied with; and
(iii) no changes in tax legislation adversely affect the realisation of the benefit from the deductions.

No deferred tax asset has been recognised as it is not considered probable that there will be sufficient future taxable profits available against which the unused tax losses can be utilised in the foreseeable future. Unrecognised tax losses as at 30 June 2013 aggregate $10,781,327 (2012: $8,818,359).

8. Cash and Cash Equivalents

	2013 $	2012 $
Cash at bank and on hand	3,507,063	9,172,370
	3,507,063	9,172,370

9. Trade and Other Receivables

	2013 $	2012 $
<u>Current</u>		
Trust deposit (i)	137,500	-
Other debtors	287,920	253,901
	425,420	253,901
<u>Non-Current</u>		
Security deposits – bank guarantee (ii)	-	90,748
	-	90,748

(i) This amount was held on trust pending the finalisation of all handover matters under the termination deed with former Managing Director Mr Michael McKevitt. The funds were disbursed subsequent to the end of the financial year.

(ii) The Group previously arranged a bank guarantee in favour of the Queensland Department of Employment, Economic Development and Innovation against the Group meeting its obligations in relation to certain mining tenements. The guarantees are covered by cash balances held with the ANZ Banking Group Ltd. During the year, this deposit was reclassified as part of an asset held-for-sale, refer to Note 10 for further details.

10. Assets Held for Sale

(a) Available for sale financial assets

During the financial year, the Company divested its shareholding in Tasman Goldfields NSW Pty Ltd, which held Mt Adrah tenement assets in New South Wales. The transaction resulted in the Company receiving $62,500 cash and 625,000 fully paid ordinary shares in ASX-listed Sovereign Gold Company Ltd ("Sovereign").

	2013 $	2012 $
Opening balance	-	-
Fair value of shares received during the year	103,125	-
Revaluation of asset	(9,375)	-
Net revaluation of shares	93,750	-
Costs to sell	(469)	-
Listed shares classified as current assets held for sale	93,281	-

(b) Exploration and evaluation expenditure (current assets held for sale)

On 20 June 2013, the Company entered into an Option Agreement for the sale of the Miclere Project ("Miclere") located in Queensland. The Option is for 180 days with a non-refundable deposit having been received upon execution of the Agreement. The balance of the purchase price of $395,000 is payable upon exercise of the Option.

	2013 $	2012 $
Opening balance	-	-
Transfer of exploration and evaluation assets and security deposit at written down value	1,288,692	-
Revaluation of asset to fair value	(893,692)	-
Exploration asset classified as current asset held for sale	395,000	-

(c) Net loss on available-for-sale assets

	Sovereign		Miclere		Total	
	2013 $	2012 $	2013 $	2012 $	2013 $	2012 $
Fair value adjustment	93,281	-	(893,692)	-	(800,411)	-
Add: cash consideration	62,500	-	20,000	-	82,500	-
Less: expenses incurred	(50,085)	-	(7,066)	-	(57,151)	-
Total gain/(loss) for the year	105,696	-	(880,758)	-	(775,062)	-

11. Parent Entity Disclosure

The following details information related to the parent entity, Rift Valley Resources Ltd as at 30 June 2013. The information presented has been prepared using consistent accounting policies as presented in Note 3.

	2013 $	2012 $
Current assets	3,678,717	634,746
Non-current assets	6,845,528	5,897,199
Total assets	10,524,245	6,531,945
Current liabilities	147,920	324,854
Non-current liabilities – intercompany loan	6,225,397	-
Total liabilities	6,373,317	324,854
Contributed equity	18,749,117	18,730,878
Accumulated losses	(17,054,985)	(14,980,583)
Reserves	2,456,796	2,456,796
Total equity	4,150,928	6,207,091
Loss for the year	(1,299,340)	(1,652,386)
Total comprehensive loss for the year	(2,074,402)	(1,652,386)

No guarantees have been entered into by the parent entity on behalf of subsidiaries during the period. The Company has arranged bank guarantees totalling $93,201 (2012: $90,748) in favour of the Queensland Department of Employment, Economic Development and Innovation against the Group meeting its obligations in relation to mining tenements. The guarantees are covered by cash balances held with the ANZ Banking Group Ltd.

12. Property, Plant and Equipment

	Motor Vehicles $	Plant and equipment at cost $	Total $
Balance at 1 July 2012	208,331	147,929	356,260
Additions	73,948	24,195	98,143
Disposals	-	(38,562)	(38,562)
Balance at 30 June 2013	282,279	133,562	415,841
Accumulated depreciation			
Balance at 1 July 2012	(45,839)	(84,536)	(130,375)
Transfers	-	21,814	21,814
Disposals	-	25,726	25,726
Depreciation expense	(76,359)	(27,729)	(104,088)
Exchange differences	(192)	(122)	(314)
Balance at 30 June 2013	(122,390)	(64,847)	(187,237)
Net book value as at 30 June 2013	159,889	68,715	228,604

	Motor Vehicles $	Plant and equipment at cost $	Total $
Balance at 1 July 2011	-	19,955	19,955
Transfers	208,331	118,610	326,942
Additions	-	9,364	9,364
Disposals	-	-	-
Balance at 30 June 2012	208,331	147,929	356,261
Accumulated depreciation			
Balance at 1 July 2011	-	(2,187)	(2,187)
Transfers	(44,162)	(64,218)	(108,380)
Disposals	-	-	-
Depreciation expense	(1,677)	(18,131)	(19,808)
Balance at 30 June 2012	(45,839)	(84,536)	(130,375)
Net book value as at 30 June 2012	162,492	63,393	225,886

12. Property, Plant and Equipment cont.

Aggregate depreciation allocated, whether recognised as an expense or capitalised as part of the carrying amount of other assets during the year:

	2013 $	2012 $
Plant and equipment	27,729	18,131
Motor vehicles	76,359	1,677
Total depreciation	104,088	19,808

13. Exploration and Evaluation Expenditure

	2013 $	2012 $
Gross carrying value:		
Balance at beginning of period	10,084,315	5,099,155
Additions	2,531,150	1,894,567
Additions as a result of merger	-	3,133,831
Reclassification as a held-for-sale asset (iii)	(2,659,255)	-
Disposals (i)	(3,133,831)	(43,238)
Balance at end of financial year	6,822,379	10,084,315
Accumulated depreciation/amortisation and impairment		
Balance at beginning of period	(1,463,763)	(1,463,763)
Impairment expense	-	(43,238)
Reclassification as a held-for-sale asset (iii)	1,463,763	-
Disposals	-	43,238
Balance at end of financial year	-	(1,463,763)
At the end of the financial year book value net of accumulated amortisation and impairment (ii)	6,822,379	8,620,552

(i) During the financial year, the Consolidated Group made an assessment of the carrying value of its exploration assets. As a result of the assessment of economic recoverability and from the relinquishment of non-core tenement holdings, the Consolidated Group has recorded an impairment loss on exploration tenements of $3,133,831 (2012: $43,238) against the carrying value of its exploration and evaluation assets.

(ii) The above amounts represent capitalised costs of exploration carried forward as an asset in accordance with the accounting policy set out in note 3 (g). The ultimate recoupment of the exploration and evaluation expenditure in respect to the areas of interest carried forward is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or alternatively the sale of the underlying areas of interest for at least their carrying value. Amortisation, in respect to each relevant area of interest is not charged to the statement of comprehensive income until a mining operation is commenced or when tenements are relinquished.

(iii) As the Company entered into an Option Agreement for the sale of the Miclere Project during the year, the Miclere assets have been reclassified from an exploration asset to a held-for-sale asset. Refer to Note 10 for further details regarding assets classified as held-for-sale.

14. Trade and Other Payables

	2013 $	2012 $
Trade, other payables and accrued expenses (i)	195,918	1,201,809
	195,918	1,201,809

(i) There has been no interest charged on the trade payables.

As at 30 June 2012, $582,127 in creditors related to the merger with Rift Valley Resources (Africa) Pty Ltd.

15. Provisions

	2013 $	2012 $
Current		
Provision for annual leave	21,789	78,620
Non-current		
Provision for rehabilitation expenditure (i)	-	-
	-	-
	21,789	78,620

(i) the non-current provision for rehabilitation expenditure represents the present value of the Director's best estimates of the future sacrifice of economic benefits required to meet environmental liabilities on the Group's tenements.

16. Issued Capital

	Consolidated 2013 $	Consolidated 2012 $
287,080,110 fully paid ordinary shares (2012: 286,887,554)	29,729,387	29,711,148
	29,729,387	29,711,148

Company/Consolidated	2013 No.	2013 $	2012 No.	2012 $
Fully paid ordinary shares				
Balance at beginning of the period	286,887,554	29,711,148	182,095,171	18,730,878
Shares issued at $0.105 each on 28 Jun 2012 upon the merger with Rift Valley Resources (Africa) Pty Ltd	-	-	104,792,383	11,003,200
Options exercised at $0.10 each on 5 Oct 2012	55,556	5,556	-	-
Shares issued at $0.0457 each on 25 Jan 2013 to Tanzanian employees in lieu of cash	137,000	6,261	-	-
Share issue costs refunds/(expenses)	-	6,422	-	(22,930)
Balance at end of financial year	287,080,110	29,729,387	286,887,554	29,711,148

Ordinary shares participate in dividends and proceeds on winding up of the Company in proportion to the number of shares held. At shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands. Management controls the capital of the Group in order to fund its operations and continue as a going concern. The Consolidated Entity does not have any externally imposed capital requirements.

Share options on issue

Details of unissued shares or interests under option as at 30 June 2013 are as follows:

Issuing entity	Shares under option (no.)	Class of shares	Exercise price	Expiry	Listed / Unlisted
Rift Valley Resources Limited	8,000,000	Ordinary Shares	10 cents	22 March 2014	Unlisted
Rift Valley Resources Limited	12,000,000	Ordinary Shares	10 cents	4 October 2014	Unlisted
Rift Valley Resources Limited	5,000,000	Ordinary Shares	27 cents	18 March 2015	Unlisted
Rift Valley Resources Limited	2,500,000	Ordinary Shares	27 cents	31 May 2015	Unlisted
Rift Valley Resources Limited	7,343,750	Ordinary Shares	20 cents	15 Feb 2014	Unlisted
Rift Valley Resources Limited	7,343,750	Ordinary Shares	25 cents	15 Feb 2014	Unlisted

Details of unissued shares or interests under option as at 30 June 2012 are as follows:

Issuing entity	Shares under option (no.)	Class of shares	Exercise price	Expiry	Listed / Unlisted
Rift Valley Resources Limited	2,850,000	Ordinary Shares	30 cents	24 September 2012	Unlisted
Rift Valley Resources Limited	8,000,000	Ordinary Shares	10 cents	22 March 2014	Unlisted
Rift Valley Resources Limited	12,000,000	Ordinary Shares	10 cents	4 October 2014	Unlisted
Rift Valley Resources Limited	21,700,000	Ordinary Shares	10 cents	7 October 2012	Listed
Rift Valley Resources Limited	5,000,000	Ordinary Shares	27 cents	18 March 2015	Unlisted
Rift Valley Resources Limited	2,500,000	Ordinary Shares	27 cents	31 May 2015	Unlisted
Rift Valley Resources Limited	7,343,750	Ordinary Shares	20 cents	15 Feb 2014	Unlisted
Rift Valley Resources Limited	7,343,750	Ordinary Shares	25 cents	15 Feb 2014	Unlisted
Rift Valley Resources Limited	14,375,000	Ordinary Shares	0.01 cents	3 Nov 2017	Unlisted

17. Reserves

	Consolidated 2013 $	Consolidated 2012 $
Share option reserve	2,456,797	2,456,797
Foreign Currency Translation Reserve	(800,123)	4,554
	1,656,674	2,461,351
Foreign Currency Translation Reserve		
Balance at beginning of financial year	4,554	-
Movements:		
Translation adjustments (i)	(804,677)	4,554
Balance at end of financial year	(800,123)	4,554
Share Option Reserve		
Balance at beginning of financial year	2,456,797	1,765,568
Movements:		
Issue of options (ii), (iii)	-	691,229
Balance at end of financial year	2,456,797	2,456,797

(i) Represents foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(ii) An expense of $419,509 was recognised for the year ended 30 June 2012 for options issued in 2011.

(iii) The Share option reserve arises on the grant of share options to executives and senior employees. Amounts are transferred out of the reserve and into issued capital when the options are exercised. Further information about share-based payments can be found in Notes 28 and 29 to the financial statements.

18. Accumulated Losses

	Consolidated 2013 $	Consolidated 2012 $
Balance at beginning of financial year	(15,046,724)	(13,297,630)
Net loss for the year	(5,046,534)	(1,749,094)
Balance at end of financial year	(20,093,258)	(15,046,724)

19. Loss per Share

	2013 cents per share	2012 cents per share
Basic loss per share		
From continuing operations	1.76	0.96
Total basic loss per share	1.76	0.96
Diluted loss per share		
From continuing operations	1.76	0.96
Total diluted loss per share	1.76	0.96

Basic loss per share

The net loss and weighted average number of ordinary shares used in the calculation of basic loss per share are as follows:

	2013 $	2012 $
Net loss	(5,046,534)	(1,749,094)
Losses used in the calculation of basic loss per share from continuing operations	(5,046,534)	(1,749,094)
Losses used in the calculation of basic loss per share attributable to ordinary shareholders	(5,046,534)	(1,749,094)

	2013 No.	2012 No.
Weighted average number of ordinary shares for the purposes of calculating basic loss per share and diluted loss per share	286,986,899	182,669,376

	2013 No.	2012 No.
Options	42,187,500	81,112,500

Options are considered potential ordinary shares. As the Company incurred a loss during the year the options were not considered dilutive. Accordingly the options have not been included in the determination of diluted earnings per share.

20. Dividends

No dividends were paid or proposed during the current or previous financial year.

21. Commitments for Expenditure

The Consolidated Entity has certain obligations to perform exploration work and expend minimum amounts of money on mineral exploration tenements.

No provision has been made in the accounts for the possibility of a native title claim application. Any substantial claim may have an effect on the value of the relevant tenement. These obligations will vary from time to time, subject to statutory approval.

The terms of current and future joint ventures, the grant or relinquishment of licences and changes to licence areas at renewal or expiry, will alter the expenditure commitments of the Consolidated Entity.

Total expenditure commitments at balance date in respect of minimum expenditure requirements not provided for in the financial statements are approximately:

(i) Operating leases

The Group has entered into commercial property and equipment leases. These leases have an average life of between 36 and 48 months, with an option to renew for a further 60 months on the property lease.
There are no restrictions placed upon the lessee by entering into these leases.

	Consolidated	
	2013 $	**2012 $**
Operating lease expenditure		
Not longer than 1 year	82,898	90,881
Longer than 1 year and not longer than 5 years	35,847	114,711
Longer than 5 years	-	-
	118,745	205,592

(ii) Exploration Commitments

Commitments for payments under exploration permits and mineral leases in existence at the reporting date but not recognised as liabilities payable are as follows:

	Consolidated	
	2013 $	**2012 $**
Exploration and evaluation expenditure		
Not longer than 1 year	551,129	876,386
Longer than 1 year and not longer than 5 years	421,369	773,760
Longer than 5 years	-	-
	972,498	1,650,146

(iii) Remuneration commitments for salaries under long term contracts in existance at reporting date but not recognised as a liability payable:

	Consolidated	
	2013 $	**2012 $**
Salaries under long term employment contracts		
Not longer than 1 year	242,500	515,000
Longer than 1 year and not longer than 5 years	-	105,000
Longer than 5 years	-	-
	242,500	620,000

22. Contingent Liabilities and Contingent Assets

The Group has arranged bank guarantees totalling $93,201.55 (2012: $90,748) in favour of the Queensland Department of Employment, Economic Development and Innovation against the Group meeting its obligations in relation to mining tenements. The guarantees are covered by cash balances held with the ANZ Banking Group Ltd.

Pursuant to the agreement for the acquisition of the Kitongo Gold Project the Company will be required to pay an amount of $750,000 to the vendor on the commencement of production.

The Directors are not aware of any other contingent liabilities or contingent assets that are likely to have a material effect on the results of the Group as disclosed in these financial statements.

23. Merger with Rift Valley Resources (Africa) Pty Ltd

On 28 June 2012 Rift Valley Resources Ltd (formerly Bright Star Resources Ltd) merged with Rift Valley Resources (Africa) Pty Ltd and its controlled entities. All entities in the Rift Valley Resources (Africa) Pty Ltd Group on that date became 100% controlled subsidiaries of Rift Valley Resources Ltd.

Rift Valley Resources Ltd acquired all of the shares and options in Rift Valley (Africa) Pty Ltd. Rift Valley Shareholders received 1.25 Bright Star shares for each Rift Valley share held.

The acquisition has been accounted for as follows:

	Consolidated fair value at the acquisition date A$
Cash	8,613,520
Trade and other receivables	254,130
Plant and equipment	217,794
Trade and other payables	(865,821)
Provisions	(78,535)
Exploration and evaluation assets	3,133,831
Net Assets	11,274,919
The acquisition was funded by:	
Shares issued (104,792,383 @10.5 cents as at close 27th June 2012)	$11,003,200
Options issued	271,719
Total acquisition cost	11,274,919

During the year ended 30 June 2013, exploration and evaluation assets of $3,133,831 have been written-off to profit and loss.

24. Interests in Controlled Entities

Name of entity	Country of incorporation	Ownership interest 2013 %	 2012 %
Parent entity:			
Rift Valley Resources Limited (i)	Australia		
Controlled entities:			
Carlton Resources Pty Ltd	Australia	100	100
Carlton Miyabi Tanzania Limited (ii)	Tanzania	100	100
Carlton Kitongo Tanzania Limited (ii)	Tanzania	100	100
Bright Star Tanzania Limited	Tanzania	100	100
Tasman Goldfields Australia Operations Pty Ltd	Australia	100	100
Tasman Goldfields Miclere Pty Ltd (ii)	Australia	100	100
Tasman Goldfields NSW Pty Ltd (A)	Australia	-	100
Rift Valley Resources (Africa) Pty Ltd (B)	Australia	100	100
Rift Valley Resources Tanzania Limited (B)	Tanzania	100	100

(i) Rift Valley Resources Ltd is the ultimate holding Company.

(ii) Investments held through subsidiaries.

The parent entity and its controlled entities are not within a tax-consolidated Group.

(A) The shares in Tasman Goldfields NSW Pty Ltd were sold during the current financial year in exchange for assets held-for-sale. Refer to Note 10 for further details regarding held-for-sale assets.

(B) These subsidiaries were acquired during the previous financial year.

25. Notes to the Consolidated Statement of Cash Flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the statement of financial position as follows:

	Consolidated	
	2013 $	2012 $
Cash and cash equivalents	3,507,063	9,172,370

(b) Reconciliation of profit/(loss) for the period to net cash flows from operating activities

	Consolidated	
	2013 $	2012 $
Net loss	(5,046,534)	(1,749,094)
Interest income	(185,897)	(128,678)
Depreciation	19,285	19,808
Impairment of exploration and evaluation expenditure	3,133,831	43,238
Share based payments	-	419,510
Exploration expensed	639,715	11,305
Unrealised FX (gain)/loss	(821,762)	35,293
Net loss on available-for-sale assets	775,062	-
(Increase)/decrease in assets:		
Trade and other receivables	(171,519)	(13,837)
Prepayments	3,983	-
Increase/(decrease) in liabilities:		
Trade and other payables	(1,005,891)	13,894
Provisions	(56,831)	-
Net cash used in operating activities	(2,716,558)	(1,348,561)

(c) Non-cash financing and investment activities

Issue of 104,792,383 shares at $0.105 per share on 28 June 2012 for the merger of Rift Valley Limited	-	11,003,200

26. Financial Instruments

(a) Financial risk management objectives

The senior management and Board monitor and manage the financial risk relating to the operations of the Group. The Group's activities include exposure to market price risk, foreign exchange risk, credit risk, liquidity risk and cash flow interest rate risk. The overall risk management program focuses on managing these risks and implementing and monitoring controls over the cash management function. Owing to the unpredictability of finance markets, the senior management and Board seek to minimise potential adverse effects on financial performance. There has been no substantive changes in the Group's exposure to financial instrument risks, its objectives, polices and processes for managing these risks or the methods to measure them.

(b) Significant accounting policies

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 Notes 3 and 4 to the financial statements.

(c) Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern. The capital structure of the Group includes cash and cash equivalents, equity attributable to equity holders of the parent, comprising of issued capital, reserves and accumulated losses as disclosed in Notes 16, 17 and 18 respectively. The Group operates its exploration and evaluation activities through its wholly owned subsidiaries. None of the Group's entities are subject to externally imposed capital requirements. The Group intends to use a variety of capital market issues to meet anticipated funding requirements. The Group currently has no short-term or long-term borrowings.

(d) Market price risk

The Group is involved in the exploration and development of mining tenements for base metals including gold and copper. Revenue from any future mining associated with metal sales, the acquisition and disposal consideration for mining tenements and the ability to raise funds through equity and debt will be largely dependent upon the commodity price for resources at the time of the transaction.

(e) Interest rate risk

The Group's cash-flow interest rate risk for assets primarily arises from cash at bank and deposits which are subject to market bank rates. There is no interest receivable or payable on the Group's trade and other receivables or payables. Details of the interest rates and maturities are located in this note. The Group will be exposed to further interest rate risk if it intends to borrow funds in the future for acquisition and development.

(f) Credit risk management

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements. The Group does not have any material credit risk exposure to any single debtor or Group of debtors under financial instruments entered into by the Group. The Group internal policy requires deposits to be held with financial institutions holding a benchmark credit rating. At balance date the cash and deposits were held with the National Australia Bank, Westpac Banking Corporation and the ANZ Banking Group.

(g) Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

(i) the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
(ii) the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and
(iii) the Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and liabilities.

26. Financial instruments (continued)

(h) Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services and the holding of assets and liabilities in currencies other than the Group's measurement currency.

At balance date, the Group had the following exposure to United States Dollars (USD) foreign currency that is not designated in cash flow hedges:

	Consolidated 2013 $	Consolidated 2012 $
Financial Assets		
Cash and cash equivalents		
USD	131,875	2,897,981
	131,875	2,897,981
Net exposure	131,875	2,897,981

A 5% change in the United States Dollar will increase or decrease net loss and accumulated losses by $6,594 (2012: $144,899)

Maturity profile of financial instruments

The following tables details the Group's remaining contractual maturity for its non-derivative financial assets and liabilities. The table has been drawn up based on undiscounted cash flows and details the Group's exposure to interest rate risk as at 30 June 2013 and as at 30 June 2012:

2013	Weighted average effective interest rate %	Less than 1 month $	1-3 months $	3 months to 1 year $	1-5 years $	5 + years $	Total
Financial assets							
Non-interest bearing		178,257	-	-	-	-	178,257
Variable interest rate instrument		1,328,806	-	-	93,202	-	1,422,008
Fixed interest rate instruments		-	2,000,000	-	-	-	2,000,000
		1,507,063	2,000,000	-	93,202	-	3,600,265
Financial liabilities							
Non-interest bearing		195,918	-	-	-	-	195,918
		195,918	-	-	-	-	195,918

2012	Weighted average effective interest rate %	Less than 1 month $	1-3 months $	3 months to 1 year $	1-5 years $	5 + years $	Total
Financial assets							
Non-interest bearing		296,647	-		-	-	296,647
Variable interest rate instrument		6,108,554	-	-	90,748	-	6,199,302
Fixed interest rate instruments		-	3,000,000	63,816	-	-	3,063,816
		6,405,201	3,000,000	63,816	90,748	-	9,559,765
Financial liabilities							
Non-interest bearing		1,201,809	-	-	-	-	1,201,809
		1,201,809	-	-	-	-	1,201,809

A 1% change in interest rates on interest bearing assets will increase or decrease net loss and accumulated losses by $34,220 (2012: $92,631).

27. Key Management Personnel Compensation

	2013 $	2012 $
Short-term employee benefits	742,808	934,036
Post-employment benefits	52,914	38,431
Termination benefits	45,833	-
Share-based payment	-	419,509
	841,555	1,391,976

Further details of the key management personnel compensation can be found in the Remuneration Report section of the Directors' Report.

28. Share-based Payments

(a) Key Management Personnel and Directors

During the 2013 financial year there were no options issued as share based payments to directors and key management personnel. During the current financial year, the following 2,850,000 options lapsed:

Name	Share options Number	Exercise Price	Grant date	Expiry date	Vesting date	Grant date fair value
J Park - Director	600,000	30c	24 May 2007	24 Sep 2012	Vested at date of grant	$0.096
G Checketts - Director	600,000	30c	24 May 2007	24 Sep 2012	Vested at date of grant	$0.096
A Gates - Director	600,000	30c	24 May 2007	24 Sep 2012	Vested at date of grant	$0.096
R Skrzecynski – Director	600,000	30c	24 May 2007	24 Sep 2012	Vested at date of grant	$0.096
G Gill – KMP	150,000	30c	24 May 2007	24 Sep 2012	Vested at date of grant	$0.096
P Nicolson - KMP	300,000	30c	24 May 2007	24 Sep 2012	24 May 2008	$0.107

During the 2012 financial year there were no options issued as share based payments to directors and key management personnel. No options granted to directors or key management personnel were exercised or lapsed.

As part of the merger with Rift Valley Resources (Africa) Pty Ltd (formerly Rift Valley Resources Ltd, ASX: RFV) the following options were issued to directors and consultants as part of the Scheme of Arrangement:

Name	Share options Number (20c)	Grant date fair value	Share options Number (25c)	Grant date fair value	Grant date	Expiry date	Vesting date
K McKay – Director	625,000	$0.021	625,000	$0.016	28 Jun 2012	15 Feb 2014	Vested at date of grant
D Murcia – Director	2,187,500	$0.021	2,187,500	$0.016	28 Jun 2012	15 Feb 2014	Vested at date of grant
M McKevitt – Director	1,250,000	$0.021	1,250,000	$0.016	28 Jun 2012	15 Feb 2014	Vested at date of grant
G Kagaruki – Director	937,500	$0.021	937,500	$0.016	28 Jun 2012	15 Feb 2014	Vested at date of grant
R Caren - Consultant	468,750	$0.021	468,750	$0.016	28 Jun 2012	15 Feb 2014	Vested at date of grant

There is no further service or performance criteria that need to be met in relation to these options as they were part of the Scheme of Arrangement. The valuation of the options is part of the acquisition cost. Other key inputs to the Black Scholes model used for valuing the options are:

Option series	Grant date share price	Expected volatility	Risk free rate
Directors	$0.10	80%	3.66%
Consultant	$0.10	80%	3.66%

(b) Others

During the year ended 30 June 2012, 3,750,000 unlisted options were issued to consultants to the Company as a result of the Scheme of Arrangement with Rift Valley (Africa) Pty Ltd. The valuation of the options is part of the acquisition cost. The terms and conditions are outlined as follows:-

Name	Share options Number (20c)	Grant date fair value	Share options Number (25c)	Grant date fair value	Grant date	Expiry date	Vesting date
Consultants	1,875,000	$0.021	1,875,000	$0.016	28 Jun 2012	15 Feb 2014	Vested at date of grant

Other key inputs to the Black Scholes model used for valuing the options are:

Option series	Grant date share price	Expected volatility	Risk free rate
Consultants	$0.10	80%	3.66%

28. Share-based Payments continued

(c) Reconciliation of options outstanding

The following reconciles outstanding share options provided as share-based payments at the beginning and end of the financial year:

	2013		2012	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of the financial year	46,737,500	$0.19	32,050,000	$0.17
Issued during the financial year	-	-	14,687,500	$0.225
Exercised during the financial year	-	-	-	-
Expired during the financial year	(2,850,000)	$0.10	-	-
Balance at end of the financial year	43,887,500	$0.19	46,737,500	$0.19
Exercisable at end of the financial year	43,887,500	$0.19	46,737,500	$0.19

29. Related party transactions

Parent entity

The parent entity in the Group is Rift Valley Resources Ltd which was incorporated in Victoria Australia on 29 September 2006.

(a) Equity interests in related parties

Equity interests in subsidiaries

Details of the percentage of ordinary shares held in the subsidiary are disclosed in Note 24 to the financial statements.

(b) Transactions with key management personnel and related parties

i. Key management personnel compensation

The aggregate compensation made to KMPs are disclosed in Note 27 of the financial statements and details of the compensation has been provided in the remuneration report which forms part of the Directors' Report.

ii. Key management personnel and director equity holdings

Fully paid ordinary shares of Rift Valley Resources Limited held directly or indirectly:

	Balance at 1 July	Granted as compensation	Received on exercise of options	Net other change	Balance at 30 June
	No.	No.	No.	No.	No. (vi)
2013					
W Gilmour (i)	14,892,857	-	-	2,913,000	17,805,857
G Gilmour	7,108,604	-	-	684,588	7,793,192
K McKay	1,250,000	-	-	-	1,250,000
D Murcia (ii)	2,250,000	-	-	-	2,250,000
M McKevitt (iii)	1,312,500	-	-	-	1,312,500
G Kagaruki (iv)	1,915,228	-	-	-	1,915,228
2012					
W Gilmour (i)	14,892,857	-	-	-	14,892,857
G Gilmour	7,108,604	-	-	-	7,108,604
K McKay	-			1,250,000	1,250,000
D Murcia (ii)	-	-	-	2,250,000	2,250,000
M McKevitt (iii)	-	-	-	1,312,500	1,312,500
G Kagaruki (iv)	-	-	-	1,915,228	1,915,228
G Clatworthy (v)	3,277,771	-	-	722,229	4,000,000
P Payne (v)	500,000	-	-	500,000	1,000,000

(i) Warren Gilmour resigned on 20 June 2012 and was reappointed on 4 June 2013
(ii) Mr Murcia was appointed on 20 June 2012 and resigned on 4 June 2013
(iii) Mr McKevitt was appointed on 20 June 2012 and resigned 15 March 2013
(iv) Mr Kagaruki was appointed on 20 June 2012 and resigned 4 April 2013
(v) Messrs Clatworthy and Payne resigned on 20 June 2012
(vi) Shareholding and optionholding shown at 30 June or at date of resignation where resignation occurred during the year.

29. Related party transactions continued

Share options of Rift Valley Resources Ltd:

Name	Balance at 1 July No.	Granted Compen-sation No.	Issued as part of Merger No.	Net other change No.	Bal at 30 June (beneficial interest) No.	Bal vested at 30 June No.	Vested but not exercis-esable No.	Vested and exercisable No. (vi)	Options vested during year No.
2013									
W Gilmour (i)	8,000,000	-	-	-	8,000,000	8,000,000	-	8,000,000	-
G Gilmour	5,000,000	-	-	-	5,000,000	5,000,000	-	5,000,000	-
K McKay	1,250,000	-	-	-	1,250,000	1,250,000	-	1,250,000	-
D Murcia (ii)	4,375,000	-	-	-	4,375,000	4,375,000	-	4,375,000	-
M McKevitt (iii)	2,500,000	-	-	-	2,500,000	2,500,000	-	2,500,000	-
G Kagaruki (iv)	1,875,000	-	-	-	1,875,000	1,875,000	-	1,875,000	-
2012									
W Gilmour (i)	8,000,000	-	-	-	8,000,000	8,000,000	-	8,000,000	-
G Gilmour	5,000,000	-	-	-	5,000,000	5,000,000	-	5,000,000	-
K McKay	-	-	1,250,000	-	1,250,000	1,250,000	-	1,250,000	1,250,000
D Murcia (ii)	-	-	4,375,000	-	4,375,000	4,375,000	-	4,375,000	4,375,000
M McKevitt (iii)	-	-	2,500,000	-	2,500,000	2,500,000	-	2,500,000	2,500,000
G Kagaruki (iv)	-	-	1,875,000	-	1,875,000	1,875,000	-	1,875,000	1,875,000
G Clatworthy (v)	5,000,000	-	-	-	5,000,000	5,000,000	-	5,000,000	-
P Payne (v)	5,000,000	-	-	-	5,000,000	5,000,000	-	5,000,000	5,000,000

Transactions between the Group and other related parties

(c) Other Transactions with Key Management Personnel and Related Parties

i. Consultancy fees

The following amounts have been included in disclosed remuneration in Note 27:

- During the financial year the Company paid Tanner Investments Pty Ltd, a company related to Mr W Gilmour, consultancy fees of $25,000 for the period from 1 February 2013 to 30 June 2013 (2012: $244,000 - of which $192,000 related to executive fees from the period 1 December 2010 to 30 November 2011);
- The Company paid Willowood Corporate Pty Ltd, a Company associated with Mr G Gilmour, consultancy fees of $180,000 during the current financial year (2012: $238,500); and
- The Company paid Cogo Minerals Company Ltd, a Company associated with Mr G Kagaruki, consultancy fees of $37,500 during the current financial year (2012: nil).

ii. Other

Murcia Consulting Pty Ltd, a Company related to Mr Didier Murcia, received $83,333 in consulting fees during the year ended 30 June 2013 (2012: nil).

Legal fees totaling $171,353 were paid to Murcia Pestell Hillard Pty Ltd, a Company associated with Didier Murcia, (2012: nil). Rental and related costs were also paid to Murcia Pestell Hillard for the year, being $103,082 (2012: nil).

The Company paid salary and wages of $41,266 (2012: nil) and superannuation of $3,522 (2012: nil) to Natalie McKevitt, daughter of Michael McKevitt. During the previous financial year the Company paid salary and wages of $13,350 and superannuation of $1,202 to Penny Gilmour, daughter of Warren Gilmour.

30. Remuneration of auditors

	Consolidated	
	2013	**2012**
	$	**$**
Remuneration of Ernst & Young as the auditor of the parent entity		
Audit or review of the financial report	52,000	49,045
Related practice of the parent entity auditor		
Other non-audit services – taxation services	5,275	-
Remuneration of Ernst & Young as the auditor of the foreign subsidiaries		
An audit or review of the financial report of the entity and any other entity in the Consolidated Entity	38,000	-

31. Subsequent events

No matter or circumstance has arisen since 30 June 2013 that has significantly affected, or may significantly affect:

- The Group's operations in future financial years; or
- The results of those operations in future financial years; or
- The Group's state of affairs in future financial years.

ASX ADDITIONAL INFORMATION

DISTRIBUTION OF EQUITY SECURITIES

The distribution of members and their holdings of fully paid ordinary shares and listed options as at 6 September 2013 were as follows:

Shares held	No. of Shareholders
1 – 1,000	58
1,001 – 5,000	53
5,001 – 10,000	143
10,001 – 100,000	618
100,001 and over	399
Total	**1,271**

Less than Marketable Parcel	Min Parcel size	Holders	Units
Shares	27,777	482	5,470,297

RESTRICTED SECURITIES

There are no restricted securities.

TWENTY LARGEST SHARE SECURITY HOLDERS

The names of the 20 largest holders of fully paid ordinary shares as at 6 September 2013 are listed below:

Name	Number of Shares	Percentage
Mr Warren Gilmour & Mrs Catherine Gilmour <W&C Gilmour Super Fund A/c>	17,805,857	6.20%
Golden Cross Resources Ltd	13,850,000	4.82%
Mr Graham Frank McDonagh & Mrs Gina Maria McDonagh <McDonagh Super Fund A/c>	10,457,600	3.64%
Dr Leon Eugene Pretorius	9,192,000	3.20%
Mr Geoffrey Mark Gilmour	7,793,192	2.71%
Mr Graeme John Clatworthy <G Clatworthy Family A/c>	6,300,000	2.20%
JP Morgan Nominees Australia Limited <cash income A/c>	4,470,483	1.56%
Miss Danielle Marie Troy	4,220,000	1.47%
HSBC Custody Nominees (Australia) Limited	4,193,693	1.46%
Pineleaf Pty Limited <Smithers Super Fund A/c>	4,135,055	1.44%
Red Oaks Pty Ltd	4,123,672	1.44%
Mr Laurie Tony Sorgiovanni	3,415,477	1.19%
Nefco Nominees Pty Ltd	3,300,000	1.15%
Robkin Pty Ltd <Pacific Exp Cons Super Fund A/c>	3,288,318	1.15%
Macquarie Bank Limited	3,125,000	1.09%
Colosseum Securities Pty ltd <Giglia Family A/c>	2,881,869	1.00%
Mr Peter Andrew Smith	2,745,101	0.96%
Tohei Pty Ltd <The Mrcia Super Fund A/>	2,250,000	0.78%
Bond Street Custodians Limited <CPCPL – TU0022 A/c>	2,187,500	0.76%
Basscott Pty Limited <A Abrahams Family A/c>	2,125,000	0.74%
	111,859,817	**38.96%**

HOLDERS OF MORE THAN 20% OF A CLASS OF UNQUOTED OPTIONS (NOT ELSEWHERE DISCLOSED)

The names of any holder of unlisted options holding 20% or more of a class of unlisted options, as at 6 September 2013 are listed below:

Name	Option Series	Number of Options	Percentage of the Option Series
Digrevni Investments P/L	Exercisable at 20 cents on or before 15 February 2014	2,187,500	30%
Digrevni Investments P/L	Exercisable at 25 cents on or before 15 February 2014	2,187,500	30%
Mr Warren Gilmour & Mrs Catherine Gilmour <W&C Gilmour Super Fund A/c>	Exercisable at 10 cents on or before 22 March 2014	8,000,000	100%
G Gilmour	Exercisable at 10 cents on or before 4 October 2014	5,000,000	41.7%
G Clatworthy	Exercisable at 10 cents on or before 4 October 2014	5,000,000	41.7%
P Payne	Exercisable at 27 cents on or before 18 March 2015	5,000,000	100%
B Bolitho	Exercisable at 27 cents on or before 31 May 2015	2,500,000	100%

SUBSTANTIAL SHAREHOLDERS

The Company's Register of Substantial Shareholders, prepared in accordance with Chapter 6C of the Corporations Act 2001, showed the following substantial shareholders as at 6 September 2013.

Name	Number of Shares	Percentage
W Gilmour & C Gilmour <Gilmour Super Fund>	17,805,857	6.2%

VOTING RIGHTS

Under the Company's constitution, all ordinary shares carry one vote per share without restriction. Options over ordinary shares do not carry any voting rights.

COMPANY SECRETARY

The Company Secretary is Mrs Lyn Tomlinson.

TENEMENT SCHEDULE

Country	Project Name	Licence Name	Licence no.	Status	% Held by Rift
Tanzania	Kitongo	Mwamazengo South - Hasanet	HQ-P20825	Application	100%
	Kitongo	Mwamazengo South	HQ-P22362	Application	100%
	Kitongo	Ugambilo East	HQ-P22364	Application	100%
	Kitongo	Kitongo West	HQ-P22428	Application	100%
	Kitongo	Mwamazengo SE	HQ-P22557	Application	100%
	Kitongo	Ugambilo East	HQ-P26791	Application	100%
	Kitongo	Mwamazengo South	HQ-P26792	Application	100%
	Kitongo	Mwamazengo South - Hasanet	PL2697	Granted	100%
	Kitongo	Kitongo West	PL3566	Granted	100%
	Kitongo	Mwamazengo South East	PL3616	Granted	100%
	Kitongo	Busongo North	PL4618	Granted	100%
	Kitongo	Ugambilo North	PL6385	Granted	100%
	Kitongo	Kitongo West	PL6499	Granted	100%
	Kitongo	Mwamazengo SE	PL6543	Granted	100%
	Kitongo	Mwamazengo	PL6629	Granted	100%
	Kitongo	Mwamazengo South	PL6631	Granted	100%
	Kitongo	Ugambilo East	PL8441	Granted	100%
	Kitongo	Busongo	PL8699	Granted	100%
	Kitongo	Ugambilo RL	RL0002	Granted	100%
	Kitongo	Kitongo RL	RL0003	Granted	100%
	Kitongo	Mwamazengo RL	RL0004	Granted	100%
	Miyabi	Miyabi South Idahina	HQ-P26826	Application	50% (i)
	Miyabi	Miyabi South West	HQ-P21345	Application	50% (i)
	Miyabi	Miyabi North	PL4536	Granted	50% (i)
	Miyabi	Miyabi Mwabomba North	PL4592	Granted	50% (i)
	Miyabi	Miyabi Northwest	PL5115	Granted	50% (i)
	Miyabi	Miyabi South	PL6369	Granted	50% (i)
	Miyabi	Miyabi South	PL6382	Granted	50% (i)
	Miyabi	Miyabi Airport	PL6593	Granted	50% (i)
	Miyabi	Miyabi Mwabomba West	PL6752	Granted	50% (i)
	Miyabi	Miyabi Dyke	PL8933	Granted	50% (i)
	Miyabi	Miyabi Mwabomba Central	PL8934	Granted	50% (i)
	Nyang'ombe	Nyang'ombe North	HQ-P19030	Application	100%
	Nyang'ombe	Nyang'ombe West	HQ-P20490	Application	100%
	Nyang'ombe	Nyang'ombe North	HQ-P22316	Application	100%
	Nyang'ombe	Nyang'ombe North	PL3534	Granted	100%
	Nyang'ombe	Nyang'ombe BEAL	PL6502	Granted	100%

TENEMENT SCHEDULE CONT.

Country	Project Name	Licence Name	Licence no.	Status	% Held by Rift
Australia (Queensland)	Miclere	Peter Pan 2	ML1765	Granted	100%
	Miclere	Rsf	ML1797	Granted	100%
	Miclere	Opalite	ML1865	Granted	100%
	Miclere	Renmark	ML1883	Granted	100%
	Miclere	Rising Sun	ML1905	Granted	100%
	Miclere	Vega	ML1927	Granted	100%
	Miclere	Carter	ML1928	Granted	100%
	Miclere	Cecil	ML1929	Granted	100%
	Miclere	Booloocooroo	ML1931	Granted	100%
	Miclere	Karinya	ML1939	Granted	100%
	Miclere	U-Elver	ML1946	Granted	100%
	Miclere	Carroll	ML1947	Granted	100%
	Miclere	Nathan	ML1954	Granted	100%
	Miclere	Gurra	ML1955	Granted	100%
	Miclere	Bootlace	ML1963	Granted	100%
	Miclere	Gurra West 2	ML2139	Granted	100%
	Miclere	Gurra West 1	ML2140	Granted	100%
	Miclere	Miclere Gold	EPM9453	Granted	100%
	Miclere	Strathfield Extended	EPM9680	Granted	100%

(i) Rift Valley achieved earn-in for the Miyabi Joint Venture during the financial year to now hold a 50% interest in the Miyabi Project. Rift Valley may earn up to a 75% interest under the terms of the Joint Venture Agreement.