PLENTEX LIMITED

(FORMERLY PLENTY RIVER CORPORATION LIMITED)

ABN 13 009 607 676

ANNUAL REPORT 2006

CORPORATE INFORMATION

DIRECTORS

Peter C Streader
Executive Chairman and Managing Director

Andrew J Hall
Non-Executive Director

Glenda M Woolrich
Non-Executive Director

Christopher L Roberts
Non-Executive Director

Peter F Bull
Alternate Director for Mr CL Roberts

SECRETARY

Peter C Streader

REGISTERED OFFICE

Plentex Limited
Level 2
616 St Kilda Road
Melbourne Vic 3004

EMAIL ENQUIRIES

info@plentyr.com.au

SOLICITORS

Phillips Fox
Level 21
140 William Street
Melbourne Vic 3000

ACCOUNTANTS

Stannards Accountants & Advisors Pty Ltd
Level 1
60 Toorak Road
South Yarra Vic 3141

AUDITORS

PKF
Chartered Accountants
Level 11
485 Latrobe Street
Melbourne Vic 3000

PRINCIPAL SHARE REGISTRY

Enquiries Within Australia - 1300 850 505
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Yarra Falls
452 Johnston Street
Abbotsford Vic 3067

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INCORPORATION

Australia

EMPLOYEES

Other than Directors, no direct employees.

ASX CODE

PRM

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EXECUTIVE CHAIRMAN'S REVIEW

The past year has been a disappointing one for the Company in that it has marked the end of the vision which the Company has pursued since early 1998 of playing a key role in the development of a world-scale ammonia/urea plant on the Burrup Peninsula of Western Australia.

On the positive side the Company has expanded its mineral exploration portfolio and is continuing to look for new opportunities. Mineral exploration and development will henceforth be the Company's main business activity.

AMMONIA/UREA - BURRUP PENINSULA, WESTERN AUSTRALIA

During the first half of the year the Company, through its controlled entity Plenty River Ammonia Holdings Pty. Ltd., and its co-venturers Dyno Nobel Ammonia Pty Limited and Thiess Pty. Ltd., progressed the Ammonia Plant Project.

The most important aspect of this activity was the development of a new capital cost estimate and endeavours to obtain new natural gas feedstock supply arrangements.

A joint venture of Technip Oceania Pty. Ltd. (a subsidiary of the major French engineering/ construction group Technip) and Snamprogetti SpA (one of the world's leaders in fertiliser plant engineering, construction and technology) was engaged to develop the detailed cost estimate.

Delays were experienced with the capital cost estimate process, and unfortunately the expected cost reductions did not materialise.

By January 2006 it was apparent that the target internal rate of return (IRR) for the Ammonia Plant Project could not be met in the current high construction cost environment.

This situation was exacerbated by the co-venturers' inability to secure new gas supply arrangements at the required annual volume and at an internationally competitive price.

It was also considered that there was little likelihood that there would be any positive change in these adverse conditions in the foreseeable future.

To compound these problems, continuation of the then current project site allocation beyond 15 January 2006 was conditional upon progress milestones being achieved to the satisfaction of the WA Department of Industry and Resources (DoIR) and further milestones being committed to by the proponents.

Dyno Nobel also advised Plentex and Thiess at about this time that it was not prepared to fund Plentex and Thiess' share of any Stage 2 Extra Costs, and in these circumstances Plentex effectively had no option but to retire from the project.

Having regard to these circumstances, it was agreed that Dyno Nobel would acquire Plentex and Thiess' Burrup Peninsula project interests on the following terms:

- Dyno Nobel (or a subsidiary) would purchase the shares in Dampier Nitrogen Pty Ltd owned by Plentex for $199,955 and the shares in Dampier Nitrogen Pty Ltd owned by Thiess for $22,217. Shares in Dampier Ammonia Pty Ltd owned by Plentex and Thiess and by Plentex in Dampier Urea Pty Ltd would be purchased by Dyno Nobel (or subsidiary) for nominal consideration.
- Dyno Nobel would pay to Plentex and Thiess success fees upon financial close of a world scale ammonia plant on the site, subject to this occurring within 24 months of the date of the agreement. These success fees were fixed at $2 million and $222,222 respectively.
- Dyno Nobel would also pay to Plentex a success fee of $500,000 upon financial close of Dyno Nobel's proposed Ammonium Nitrate Plant Project, subject to this occurring within 24 months of the date of the agreement.
- Dyno Nobel would assume responsibility for all the Stage 1 feasibility costs including Extra Costs (including Plentex costs of approx. $70,000). It was further agreed that all mortgages and securities against Plentex and Thiess and their project interests would be released upon completion of the acquisition of the Plentex and Thiess project interests.
- In the event that success fees are payable under dot point 2 above, an amount calculated as 50% of the sum determined as the Stage 1 Extra Costs would be deducted on a pro rata basis from the payments due to Plentex and Thiess.
- Plentex would be entitled to non-exclusive rights to the use of project data and to copies of such of that data as it requires, all data being subject to reasonable confidentiality requirements between the parties.

The parties further agreed that in the event that DoIR did not grant an extension of the existing land allocation and required Dyno Nobel to bid for the land in any competitive process, the success fees referred to above would not be payable to Plentex and Thiess, or to Plentex as the case requires.

The parties subsequently agreed to fix Stage 1 Extra Costs for the above purposes at $633,410 exclusive of GST.

A formal agreement embodying the above terms was signed by the parties on 22 March 2006, with completion of the transactions taking place the following day.

Under separate arrangements with Thiess, Plentex in consideration of assistance provided by Thiess over several years, has agreed to pay Thiess $100,000, in the event that the Ammonium Nitrate Plant Project "success fee" is paid to Plentex.

These arrangements effectively brought Plentex's potential involvement in an ammonia/urea plant development on the Burrup Peninsula to a close.

As I have stated, this is a major disappointment for all concerned and no doubt particularly for those shareholders who have patiently supported the Company for several years.

Your Directors have emphasised on many occasions that the economic viability of a world-scale ammonia/urea project is extremely sensitive to capital costs, and to a less but nonetheless important degree, operating costs, the major cost component of which is natural gas for feedstock and power generation. Over the past year or so there have been a number of major companies that have reported substantial cost blow-outs in their projects, and several large resource projects have been indefinitely deferred due to rapidly increasing equipment, construction and other costs. Regrettably Plentex's Burrup Peninsula project aspirations have thus been a casualty of external factors over which it had no control.

Plentex has developed a substantial data base in relation to world scale ammonia/urea projects, and it is possible that this project development "know how" can be transported (as it were) to another location where sufficient reserves of internationally competitively priced natural gas for feedstock is available, and potential construction and operating costs will permit a viable development.

The Company is monitoring several potential alternative project site locations, but it is unlikely that any of these will be viable in the immediate future.

Shortly before the end of the financial year the Company incorporated a wholly owned subsidiary, Pacific Fertilisers and Chemicals Pty. Ltd. (Pacific) and transferred its ammonia/urea project and general fertiliser industry intellectual property to Pacific for nominal consideration. Any future activity in the fertiliser sector will be channelled through Pacific.

MINERAL EXPLORATION

EPM 14614 Bullseye
– Plentex (Operations) Pty. Ltd.

This EPM of approximately 310 sq kms is located approximately 75 kms west of Georgetown and covers large sections of rhyolite formations within the mid – Proterozoic Croydon Volcanic Group.

The EPM is centred over the Bullseye Prospect (sometimes called the Awring Prospect) which is a porphyry copper tungsten system associated with a mostly concealed pipe like body (1300m x 500m) of intensely altered Permian Awring Granodiorite proximal to a large zone of collapse breccia.

Previous companies have thoroughly explored the central mineralized system with results returning low grades of disseminated copper and tungsten mineralisation. Gold credits were absent in the areas drilled.

Porphyry copper systems are large hydrothermal events and typically show large metal zonation patterns surrounding the mineralizing centre. Precious metals zonation is distal and can occur up to 3 kms from the centre. Porphyry copper molybdenum systems within the Georgetown field (Mt. Turner and Phyllis May) demonstrate similar zonation patterns.

Kidston Gold Mines Limited explored the Mt. Turner system targeting areas of structural complexity in the precious metal halo surrounding the system. This exploration philosophy met with some success in the Mt. Turner system.

The Bullseye area has not been subjected to a regional exploration approach for precious metals. Plentex has initiated a detailed stream sediment sampling program within the Bullseye EPM concentrating sampling within a 5 km radius of the Awring Granodiorite. Interpretation of the publicly available airborne geophysical data has been undertaken to identify structural intersections.

Anomalous zones will be followed up with ground inspections and sampling.

EPM15146 Big Wonder
– Plentex (Operations) Pty. Ltd.

This EPM of approximately 16 sq kms in area and located some 7 kms south/west of Georgetown was granted to Plentex (Operations) on 3 August 2006 for a term of 2 years.

The area contains numerous old workings located along the Big Wonder and Golden Bar fault zones. Several deposits along the Big Wonder and Golden Bar Faults were exploited by shallow open pitting in the oxides zones by Union Mining NL in the 1990's. Several of these zones are currently held by Gold Aura Limited within mining leases excised from the Plentex (Operations) EPM 15146 area. The decommissioned Union Mining CIP gold treatment plant (now currently owned by Gold Aura Limited) is located within ML 3591.

Historically the mines along the Big Wonder and Golden Bar Fault zones could not treat the refractory sulphide ore satisfactorily without roasting. Currently with high gold prices, lower recoveries from some leaching techniques might be economically viable.

Modern exploration techniques have not been applied to the area.

It is feasible that scope exists to locate both small rich lodes and larger sized lower-grade deposits in the sulphide zone along the previously worked major faults.

EPMA 15294 Phyllis May
– Plentex (Operations) Pty. Ltd.

This application was lodged in November 2005 in respect of an area of approximately 123 sq kms located some 37 kms west/north-west of Georgetown.

EPMA15294 covers the Phyllis May porphyry copper molybdenum prospect and another suspected smaller porphyry system to the north along with areas of base metal and precious metals geochemical anomalism identified by previous explorers.

The Phyllis May prospect was identified in the early 1980's. Very fine grained chalcopyrite and locally, molybdenite are sparsely distributed throughout altered and relatively unaltered Mt. Darcy microgranodiorite. Some chalcopyrite and molybdenite also occur in quartz veinlets and on fracture surfaces. Grades in the primary zone assayed up to a maximum of 0.27% copper and 0.25% molybdenum.

Epithermal style vein systems have been identified in areas peripheral to the mineralizing centres. Interpretation of publicly available airborne geophysical data has identified structural targets warranting further investigation in their own right.

EXECUTIVE CHAIRMAN'S REVIEW
(CONTINUED)

Occurrences of uranium mineralisation have also been identified within the application area, and these will be investigated by Mega Georgetown Pty. Ltd. in accordance with the arrangements made between Plentex (Operations) and Mega Georgetown Pty. Ltd. discussed below.

The application area will be covered by a low level airborne magnetic and radiometric survey scheduled to be flown in October 2006 on behalf of Mega Georgetown Pty. Ltd. which will further aid in refining structural targets and features.

Detailed stream sediment surveys are also planned to further refine zones of anomalism.

The Queensland Department of Natural Resources, Mines and Water is progressing this application through the Right to Negotiate process under the Native Title Act 1993 (Cwth) using Expedited Procedures, and it is anticipated that the EPM will be granted later this year.

ELA2681 Lachlan Downs, NSW
– Plentex (Operations) Pty. Ltd.

Plentex (Operations) lodged an EL application covering approximately 164 sq kms in the Cobar region of New South Wales on 24 February 2006. The application area abuts EL 6155 held by Triako Resources Limited, host to the Wonawinta lead, zinc and silver anomaly.

The ELA is on the western margin of the Cobar Basin in a structurally complex sedimentary sequence containing both siliceous sediments and carbonates. The Cobar projects have potential for a range of base metal deposit styles. Primary mineralisation in the region ranges from copper-zinc-silver-lead (CSA Mine), gold-base metals and silver (The Peak Mine, Nymagee/Hera Mine) and gold with minor base metals (New Occidental Mine, McKinnons Tank Mine). These differ in detail but can be loosely grouped into "Cobar style". The Elura Mine is unique to the region as a zinc-lead-silver deposit with no copper or gold credits. Tonnages range from very small to 50 million tonnes (CSA and Elura Mines).

At Lachlan Downs base metal mineralisation of a carbonate-hosted style has been prospected at several sites. The area was explored between 1989 to 1996 (Norgold Limited/North Limited in joint venture and CRAE/North Limited in joint venture) using conventional geological mapping, geochemical sampling and RAB drilling followed by deeper RC and Diamond drilling at anomalous targets.

At the Wonawinta-Smiths Tank Prospect, where the majority of previous investigations have been carried out, drilling produced an assay of 14% zinc, 6% lead and 230 ppm silver in supergene material. Primary intersections reported by North Limited of 18m grading 6.8% zinc and 83 ppm silver, 6m grading 1.94% zinc, 0.6% lead and 22 ppm silver are the best achieved. The base metal anomalous ground is about 10 km long and several hundred metres wide and the ELA covers the southern quarter of the prospect as defined by gridding.

To the east, the Blue Mountain prospects are held by the ELA. Samples grading up to 3% zinc and 0.7% lead have been returned from drilling.

The Crowl Creek South Prospect in the far north of the ELA is anomalous in base metals and an assay of 0.4 ppm gold over 2m was achieved in RAB sampling. The area is under cover and unresolved.

The ELA has been recommended for grant and the formal licence is expected to be granted to Plentex (Operations) in the next few weeks.

Agreement with Mega Georgetown Pty. Ltd.

Plentex (Operations) has entered into an Acquisition and Joint Operating Agreement with Mega Georgetown pursuant to which it has granted to Mega Georgetown the exclusive right to explore for and develop uranium, fluorine and molybdenum deposits found within EPM 15146 and EPMA 15294 held by Plentex (Operations).

This agreement also extends, subject to the conditions precedent applying to the agreements with Sedimentary Holdings Limited and John Sainsbury Consultants Pty. Ltd. being satisfied by 30 November 2006 (or such later date as the parties to those agreements may agree), to EPMs 8545, 9896 and 1484 and to ML 3548. As consideration for the granting of these rights to Mega Georgetown, Mega Georgetown will pay to Plentex (Operations) $12,500 and has granted Plentex (Operations) a royalty of 0.75% of Net Smelter Return with respect to any uranium, fluorine and molybdenum which may subsequently be produced from or mined within the tenements referred to above.

Under the provisions of the Plentex (Operations)/Mega Uranium Acquisition and Joint Operating Agreement, the companies will share exploration data generated by their respective activities, and Plentex (Operations) will derive the benefit of Mega Georgetown's exploration expenditure on the tenements which can be applied in reduction of expenditure obligations arising under the terms of the relevant tenements. Plentex (Operations) has retained title to all of the tenements subject to this agreement, and retains the exclusive right to explore for gold and base metals, and indeed all other minerals (other than uranium, fluorine, molybdenum and coal) and to develop any economic deposits with it might locate.

It should be noted in relation to this royalty that present Queensland Government policy prevents the mining or processing of uranium in Queensland, but this may change in the future.

OTHER PROSPECTS

During the year Plentex (Operations) reviewed a number of other mineral exploration opportunities which were rejected or not pursued for varying reasons.

FINANCIAL OVERVIEW

The loss of the economic entity (Plentex Limited and its controlled entities) for the financial year amounted to $2,056,141. This was substantially above the previous year's loss of $235,738 and reflects the Company's withdrawal from the ammonia/urea project and the consequential write-down in value attributed to that project.

Again, as a consequence of the withdrawal from the ammonia/urea project, the net assets of the economic entity have decreased by $1,816,750 at 30 June 2005 to ($9,958) at 30 June 2006, largely resulting from the operating loss of the group, offset to some extent by share issues.

The economic entity has reduced its interest bearing liabilities to zero and the group's working capital (being current assets less current liabilities) has improved from a deficiency of $519,633 in 2005 to a deficiency of $11,798 in 2006.

OUTLOOK

As stated earlier, the Company is now firmly focused on developing its mineral exploration and potential development interests. To this end, as announced to the ASX on 15 September 2006, the Company has entered into an agreement to acquire Georgetown Mining Limited which has attractive gold and base metal exploration and development interests in the Georgetown region of North Queensland.

Concurrent with this proposed acquisition, which is subject to shareholder approval, the Company has entered into agreements with Sedimentary Holdings Limited, Gold Aura Limited and John Sainsbury Consultants Pty. Ltd. to acquire tenements located in the vicinity of Georgetown, and will also acquire from Gold Aura Limited a decommissioned CIP gold treatment plant which it is hoped will become the nucleus of a regional gold mining operation. This is a very important development for the Company, and for further details of these agreements, shareholders are referred to Note 20 – Subsequent Events, in the Directors' Report and to the Notice of Annual General Meeting and Explanatory Statement which accompanies this Annual Report.

Peter C Streader
Executive Chairman and Managing Director

DIRECTORS' REPORT

The Directors of Plentex Limited and its controlled entities submit herewith the financial report for the financial year ended 30 June, 2006.

The names of the Directors in office since the start of the financial year and up to the date of this report are:-

- Peter C Streader
- Andrew J Hall (Appointed 2 August 2005)
- Glenda M Woolrich
- Warwick L Stone (Retired 2 August 2005)
- Christopher L Roberts (Appointed 18 August 2006)
- Peter F Bull (Alternate - Appointed 18 August 2006)

Mr P C Streader held the position of company secretary since the start of the financial year.

Particulars of Directors' qualifications and experience are set out on page 7 of this report, and details of their share and option holdings in the company at the date of this report, are set out in the notes to the financial report. The number of Directors' meetings and number of meetings attended by each of the Directors of the company during the financial year were:-

Name of Director	Special Responsibilities	Number eligible to attend	Number attended
Peter C Streader	Executive Chairman and Company Secretary	14	14
Andrew J Hall	Non-Executive Director	13	13
Glenda M Woolrich	Non-Executive Director	14	14
Warwick L Stone	Non-Executive Director	2	2
Christopher L Roberts	Non-Executive Director	N/A	N/A
Peter F Bull	Alternate Director	N/A	N/A

PRINCIPAL ACTIVITIES

The principal activities of the company and its controlled entities (the economic entity) during the course of the financial year were the development of a world scale ammonia and urea plant which was to be located on the Burrup Peninsula of Western Australia. During the year, this development was disposed of. The company and its controlled entities are now focussing on exploration of mineral tenements.

OPERATING RESULTS

The loss of the economic entity after providing for income tax amounted to $2,056,141 (2005: loss $235,738).

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared during the financial year. No recommendation is made as to the payment of dividends.

REVIEW OF OPERATIONS

The period under review was regrettably marked by the Company's withdrawal in late March 2006 from the Ammonia Plant Project with the consequence that its long held ambition to develop a world-scale ammonia/urea plant on the Burrup Peninsula of Western Australia was at an end.

Increasing focus was given during the course of the financial year to re-building the Company's mineral exploration portfolio and at year end the Company was in advanced negotiations with the objective of acquiring a mineral exploration company with substantial exploration tenement holdings in North Queensland.

A more detailed description of the Company's operations during the year appears in the Executive Chairman's Review of the 2006 Annual Report.

FINANCIAL POSITION & PERFORMANCE

The net assets of the economic entity have decreased by $1,816,750 from 30 June, 2005 to ($9,958) in 2006. This has largely resulted from the following factors:-

- the operating loss of the group, offset to some extent by
- share issues.

The economic entity has reduced its interest-bearing liabilities to $nil. The group's working capital, being current assets less current liabilities, has improved from a deficiency of $519,633 in 2005 to a deficiency of $11,798 in 2006.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The state of affairs of the economic entity was not impacted significantly during the year by any particular events except as already disclosed in this report.

EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in the financial year subsequent to the financial year ended 30 June 2006 except as detailed in Note 20.

LIKELY DEVELOPMENTS

In the opinion of the Directors disclosure of information regarding likely developments in the economic entity's operations and the expected results of those operations in future financial years, would prejudice its interests.

Accordingly, such information has not been included in this report.

INFORMATION ON DIRECTORS

PETER C STREADER

Executive Chairman and Managing Director

Mr. Streader is 66 years of age.

Mr. Streader is a practising solicitor with an extensive legal background involving practice as a barrister, corporate lawyer and as a solicitor in a private practice.

From 1975 to 1984 Mr Streader held the position of Corporate Counsel and later General Counsel/ Company Secretary of Fluor Australia Pty Ltd, a subsidiary of Fluor Corporation USA, one of the world's leading engineering and construction contractors. In this capacity Mr Streader played a leading role in negotiating and drafting contracts for the development of many Australian resources projects.

Mr Streader has been involved in the formation, development and management of a number of private and public companies operating in the mining and petroleum industries in Australia and overseas. He was responsible for the relisting on the ASX of Planet Resources Group NL and Australian Gold Development NL (now A.G.D. Mining Limited) and served as Executive Chairman of each company for several years.

Mr. Streader was a founding Director of Drillsearch NL (now known as Drillsearch Energy Limited), and Executive Director of Diamin Resources NL (now known as Senetas Corporation Limited) from March 1996 to June 1999, remaining as a Non-Executive Director of Senetas Corporation until February 2000.

He was also a founding Director (serving in a non-executive capacity) of former ASX listed National Forge Limited (Receivers and Managers Appointed) (In Liquidation).

Mr. Streader is currently Chairman of Georgetown Mining Limited. He is a member of the Law Institute of Victoria, the Australian Corporate Lawyers Association, and is a Fellow of the Australian Institute of Company Directors. Mr. Streader was appointed to the Board of Plentex Limited on 23 January 1998.

ANDREW J HALL

Non-Executive Director

Mr. Hall is 51 years of age.

Mr. Hall has extensive experience in relation to the power, gas, resources and infrastructure industries in Australia and New Zealand from project origination through to development and execution.

Mr. Hall commenced his career in the Corporate Finance Department of CRA/Comalco in 1979 and later transferred to Australian Resources Development Bank where he was involved in the project financing of the Cooper Basin Liquids Scheme. In 1983 Mr. Hall joined Indosuez Asia Limited's project finance and advisory services team in Hong Kong before returning to Australia in 1987 to establish Westpac Bank's Project and Advisory Services Division in Melbourne. Mr. Hall remained a senior member of that division until December 2004, and during the period February 2000 to August 2003, was directly associated in a project finance advisory capacity with the Plentex and Dampier Nitrogen (as it was later known) ammonia/urea project, and in this capacity developed an intimate knowledge of the project.

Mr. Hall has a detailed understanding of the domestic and international fertiliser industry.

Mr. Hall was appointed as a Director of the company on 2 August 2005.

GLENDA M WOOLRICH

Non-Executive Director

Ms Woolrich is 58 years of age and was appointed as a Director of the company effective from 1 December, 2003 to fill the casual vacancy arising from Mr Richard M Morgan's decision not to seek re-election at the company's Annual General Meeting on 28 November 2003.

Ms Woolrich has had many years experience in general accounting, administrative and company secretarial matters, both as an employee and in a self-employed capacity.

CHRISTOPHER L ROBERTS

Non-Executive Director

Mr. Roberts is 58 years of age.

Mr. Roberts is a geologist with over 30 years experience, predominantly involved in gold exploration and development. He was Exploration and Development Director of Perseverance Mining Limited for approximately 6 years and remains a Non-Executive Director. Prior to that he was Chief Geologist, a role that dated back to 1990. He is generally credited with much of the exploration success at Fosterville and oversaw a substantial increase in both the oxide and sulphide resource base at Fosterville.

Mr. Roberts served as a Non-Executive Director of Sedimentary Holdings Limited for several years and was a founding director of Republic Gold Limited, in which he continues to play an active role as Exploration Director. He is a member of the Joint Ore Reserve Committee (JORC) of the Australian Institute of Mining and Metallurgy and is highly respected in his profession.

Mr. Roberts was appointed as a Director of the company on 18 August 2006.

PETER F BULL

Alternate for Mr CL Roberts

Mr. Bull is 58 years of age.

Mr. Bull is a geologist with over 30 years experience in PNG, USA, Australia, Indonesia and Malaysia, working during this period in senior positions with BHP and AMAX and for a time as a consultant. Mr. Bull joined Macquarie Bank in 1987 and initiated a move by Macquarie into North America to provide hedging and financial services to American and Canadian gold producers.

DIRECTORS' REPORT
(CONTINUED)

Following his resignation from Macquarie in 1994, Mr. Bull managed a R&D project to investigate the use of laser technology in mining applications and subsequently was appointed as the Managing Director of the R&D company.

Mr. Bull was appointed as Alternate Director for Mr. Roberts on 18 August 2006.

DIRECTORS' INTERESTS AND BENEFITS

Since the end of the previous financial year, no Director of the economic entity has received or become entitled to receive any benefit (because of a contract made by the company with the Director, a firm of which the Director is a member, or a company in which the Director has a substantial financial interest) other than:-

(i) a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the financial report at Note 5; or

(ii) amounts disclosed in Note 16 to the financial statements.

Details of Directors' interests in shares and options are set out in Note 16.

REMUNERATION REPORT

This report details the nature of remuneration for each Director of the company (refer to Notes 5 and 16 for amounts paid/payable).

Remuneration Policy

The remuneration policy of the company has been designed to align director objectives with shareholder and business objectives by providing a fixed remuneration component. No specific incentives based on key performance areas affecting the economic entity's financial results are currently provided. The board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the economic entity, recognising always the company's limited financial resources, as well as create goal congruence between directors and shareholders.

The board's policy for determining the nature and amount of remuneration for board members is as follows:-

The remuneration policy, setting the terms and conditions for the executive directors was developed and approved by the board after seeking professional advice from independent external consultants. Executive directors receive a base remuneration (which is based on factors such as length of service and experience). Remuneration is assessed by reference to the economic entity's performance and comparable information from industry sectors and other listed companies in similar industries. It is to be noted that over the past 5 years the company's predominant activity had been its attempt to develop a world-scale ammonia/urea plant on the Burrup Peninsula of Western Australia. Significant expenditure had been incurred in advancing this objective, resulting in significant losses.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the economic entity. However, to align director's interests with shareholder interests, the directors are encouraged to hold shares in the company.

OPTIONS

Options on issue as at the date of this report held by directors are set out in Note 16.

INDEMNIFICATION, INSURANCE AND ACCESS OF DIRECTORS

The company's Constitution provides that a director of the company will be indemnified by the company for any liability incurred by the director in defending any proceedings in relation to the company in which the judgement is given in the director's favour. Further, the company has executed a Deed of Indemnity, Insurance and Access ("Deed") with all current directors, in keeping with prudent management practices. This Deed was approved at a General Meeting of Shareholders on 3 April, 2001.

PROCEEDINGS ON BEHALF OF COMPANY

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

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

ENVIRONMENTAL ISSUES

The economic entity's operations are subject to significant environmental regulations under the law of the Commonwealth and the State and the Territories. It believes it complies with all such regulations.

NON-AUDIT SERVICES

No amounts were paid or remain payable to the auditor of the company for any non-audit services.

AUDITOR INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June, 2006 has been received and can be found on the following page to this report.

Signed in accordance with a resolution of the Board of Directors

Peter C Streader
Director

Dated this 27 day of September 2006

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF PLENTEX LIMITED

PKF

Chartered Accountants
& Business Advisers

PLEN01/AUD

27 September 2006

The Directors
Plentex Limited
Level 2
616 St Kilda Road
MELBOURNE VIC 3000

Dear Directors

INDEPENDENCE DECLARATION

As lead audit partner for the audit of the financial report of Plentex Limited for the financial year ended 30 June 2006 and in accordance with section 307C of the Corporations Act 2001, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

Yours faithfully
PKF

M L Port
Partner

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DECLARATION BY DIRECTORS

The directors declare that:

a) the financial statements and notes:

   i) comply with Accounting Standards and the Corporations Act 2001; and

   ii) give a true and fair view of the financial position as at 30 June 2006 and performance for the year then ended of the economic entity and the company;

b) in the directors opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable,

c) the Chief Executive Officer has declared that:

   (i) the financial records of the company for the financial year have been properly maintained in accordance with Section 286 of the Corporations Act 2001;

   (ii) the financial statements and notes for the financial year comply with the Accounting Standards; and

   (iii) the financial statements and notes for the financial year give a true and fair view.

Signed in accordance with a resolution of the directors.

On behalf of the Directors

Peter C. Streader
Director

Dated this 27 day of September 2006

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	Note	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
Revenue from continuing operations	2	1,659	68,601	1,659	66,696
Occupancy costs		(34,575)	(83,113)	(34,575)	(83,113)
Regulatory and compliance costs		(92,783)	(83,725)	(92,783)	(83,725)
Administration expenses		(356,199)	(214,002)	(356,199)	(213,924)
Borrowing costs		-	(4,147)	-	(4,147)
Loss before income tax		(481,898)	(316,386)	(481,898)	(318,213)
Income tax expense	3	-	-	-	-
Net profit/(loss) for the year from continuing operations		(481,898)	(316,386)	(481,898)	(318,213)
Discontinued operations (loss)/profit	4	(1,602,834)	90,830	(1,751,665)	281,557
Net Loss for the year		(2,084,732)	(225,556)	(2,233,563)	(36,656)
Net loss/(profit) attributable to minority interests		28,591	(10,182)	-	-
Net loss attributable to members of the parent entity		(2,056,141)	(235,738)	(2,233,563)	(36,656)

		cents	cents
Overall Operations			
Basic earnings/(loss) per share	18	(2.90)	(0.39)
Diluted earnings/(loss) per share	18	(2.90)	(0.39)
Continuing Operations			
Basic earnings/(loss) per share	18	(0.68)	(0.53)
Diluted earnings/(loss) per share	18	(0.68)	(0.53)
Discontinued Operations			
Basic earnings/(loss) per share	18	(2.22)	0.14
Diluted earnings/(loss) per share	18	(2.22)	0.14

The accompanying notes form part of this financial report.

BALANCE SHEET
AS AT 30 JUNE 2006

	Note	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
Current Assets					
Cash and Cash Equivalents		128,424	36,086	125,763	2,913
Trade and Other Receivables	6	47,016	226,152	65,659	209,640
Total Current Assets		175,440	262,238	191,422	212,553
Non-Current Assets					
Property, Plant and Equipment	7	870	5,839	870	5,839
Other Non-Current Assets	8	970	2,320,586	-	1,000
Other Financial Assets	9	-	-	2,000	2,088,000
Total Non-Current Assets		1,840	2,326,425	2,870	2,094,839
Total Assets		177,280	2,588,663	194,292	2,307,392
Current Liabilities					
Trade and Other Payables	10	187,238	709,871	182,590	417,477
Short Term Borrowings	19	-	72,000	-	72,000
Total Current Liabilities		187,238	781,871	182,590	489,477
Total Liabilities		187,238	781,871	182,590	489,477
Net Assets (Deficiency)		(9,958)	1,806,792	11,702	1,817,915
Equity					
Issued Capital	11	15,433,699	15,006,349	15,433,699	15,006,349
Accumulated Losses		(15,443,657)	(13,387,516)	(15,421,997)	(13,188,434)
Parent Equity Interest		(9,958)	1,618,833	11,702	1,817,915
Minority Equity Interest		-	187,959	-	-
Total Equity (Deficiency)		(9,958)	1,806,792	11,702	1,817,915

The accompanying notes form part of this financial report.

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 30 JUNE 2006

	Issued Capital Total $	Accumulated Losses $	Minority Equity Interest $	Options Premium Reserve $	Total $
Economic Entity					
Balance – 1 July 2004	14,176,128	(13,823,745)	177,777	671,967	1,202,127
Transfer	-	671,967	-	(671,967)	-
Loss attributable to members of parent entity	-	(235,738)	-	-	(235,738)
Loss attributable to minority shareholders	-	-	10,182	-	10,182
Shares Issued during year	829,971	-	-	-	829,971
Options Exercised	250	-	-	-	250
Balance – 30 June, 2005	15,006,349	(13,387,516)	187,959	-	1,806,792
Loss attributable to members of parent entity	-	(2,056,141)	-	-	(2,056,141)
Loss attributable to minority shareholders	-	-	28,591	-	28,591
Disposal of Controlled Entities	-	-	(216,550)	-	(216,550)
Shares Issued during year	429,683	-	-	-	429,683
Options Exercised	2,891	-	-	-	2,891
Capital Raising Costs	(5,224)	-	-	-	(5,224)
Balance – 30 June, 2006	15,433,699	(15,443,657)	-	-	(9,958)
Parent Entity					
Balance – 1 July 2004	14,176,128	(13,823,745)	-	671,967	1,024,350
Transfer	-	671,967	-	(671,967)	-
Loss for year	-	(36,656)	-	-	(36,656)
Shares Issued during year	829,971	-	-	-	829,971
Options Exercised	250	-	-	-	250
Balance – 30 June, 2005	15,006,349	(13,188,434)	-	-	1,817,915
Loss for year	-	(2,233,563)	-	-	(2,233,563)
Shares Issued during year	429,683	-	-	-	429,683
Options Exercised	2,891	-	-	-	2,891
Capital Raising Costs	(5,224)	-	-	-	(5,224)
Balance – 30 June, 2006	15,433,699	(15,421,997)	-	-	11,702

The accompanying notes form part of this financial report.

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	Note	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
Cash flows from operating activities					
Cash receipts from customers		275,349	137,189	208,031	37,189
Cash payments to suppliers and employees		(779,132)	(319,131)	(714,475)	(594,935)
Interest received		1,659	3,770	1,659	1,865
Net Cash (used in) operating activities	12a	(502,124)	(178,172)	(504,785)	(555,881)
Cash flows from investing activities					
Project development expenditure		-	(541,809)	-	-
Investments sold	12d	167,112	-	200,285	-
Net cash provided by (used in) investing activities		167,112	(541,809)	200,285	-
Cash flows from financing activities					
Proceeds from issue of shares and options net of capital raising costs		427,350	743,051	427,350	743,051
Loan to controlled entities		-	-	-	(197,273)
Net cash from financing activities		427,350	743,051	427,350	545,778
Net increase/(decrease) in cash held		92,338	23,070	122,850	(10,103)
Cash at the beginning of the financial year		36,086	13,016	2,913	13,016
Cash at the end of the financial year	12b	128,424	36,086	125,763	2,913

The accompanying notes form part of this financial report.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

1. STATEMENT OF ACCOUNTING POLICIES

Plentex Limited is incorporated in Australia and is the parent entity of the group of companies.

Operations and principal activities

Its principal activities are the exploration of mineral tenements, having previously held an interest in an ammonia urea project.

Scope of financial statements

The financial statements include the separate financial statements of Plentex Limited.

The consolidated financial statements have been prepared by Plentex Limited in accordance with paragraph Aus 9.1 of AASB 127 “Consolidated and Separate Financial Statements”.

Currency

The financial report is presented in Australian dollars.

Authorisation of financial report

The financial report was authorised for issue on 27 September 2006 by the directors.

Financial report complies with AIFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (IFRS). Compliance with the Australian equivalents to IFRS (AIFRS) ensures that the financial report, comprising the group’s financial statements and notes and the parent entity financial statements and notes complies with IFRS.

First-time adoption of AIFRS

This is the first AIFRS financial report presented by Plentex Limited.

The transition from previous Australian Accounting Standards (“Previous GAAP”) to Australian equivalents to International Financial Reporting Standards (AIFRS) had no material impact on the reported financial position, financial performance and cash flows.

The principal accounting policies adopted by Plentex Limited and its controlled entities are stated below to assist in the general understanding of the financial report.

(a) Basis of Accounting

The financial report is a general purpose financial report that has been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. It covers Plentex Limited and its controlled entities. The financial report has been prepared on an accruals basis using historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies adopted have been consistently applied.

Going Concern

The economic entity has prepared this financial report on the going concern basis which assumes the realisation of assets and the extinguishment of liabilities in the normal course of business at the amounts stated in the financial statements.

If the economic entity is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the economic entity be unable to continue as a going concern and meet its debts as and when they fall due.

The economic entity has reported a loss of $2,056,141 for the year. A deficiency in working capital of $11,798 existed for the economic entity as at 30 June, 2006.

Its future is dependent upon obtaining external funding and/or equity to secure and develop new projects (refer further Note 20).

(b) Principles of Consolidation

A controlled entity is any entity controlled by the company. Control exists where the company has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with the company to achieve its objectives. A list of controlled entities is contained in Note 9 to the financial statements.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

Minority interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

(c) Income Tax

The charge for current income tax expense is based on the profit/(loss) for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, when there is no effect on accounting or taxable profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 (CONTINUED)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(d) Property, Plant and Equipment

Property, plant and equipment is brought to account at cost less any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The depreciable amount of all plant and equipment is depreciated on a straight line basis over their economic lives commencing from the time the asset is ready for use.

The relevant depreciation rates used are:-

Plant and Equipment 15%

(e) Exploration and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest in accordance with the requirements of AASB 6 "Exploration for and Evaluation of Mineral Resources". These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs are determined on the basis that the restoration will be completed within one year of abandoning the site.

(f) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations, exist. Subsequent to initial recognition these instruments are measured as set out below.

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: Recognition and Measurement of Financial Instruments. 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 income statement 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

These investments have fixed maturities, and it is the group's intention to hold these investments to maturity. Any held to maturity investments held by the group are stated at amortised cost using the effective interest rate method.

Available for sale financial assets

Available for sale financial assets include any financial asset not included in the above categories. Available for sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the group assess whether there is objective evidence that a financial instrument has been impaired. In the case of available for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(g) Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash generating unit to which the asset belongs.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(i) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rate applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

(j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

(l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(m) Other Financial Assets

In the separate financial statements of Plentex Limited investments in subsidiaries that are not classified as held for sale or included in a disposal group classified as held for sale are accounted for at cost.

(n) Joint Ventures

Joint controlled assets and operations

Interests in jointly controlled assets and operations are reported in the financial statements by including the consolidated entity's share of assets employed in the joint ventures, the share of liabilities incurred in relation to the joint ventures and share of any expenses incurred in relation to the joint ventures in their respective classification categories.

(o) Project Expenditure

Project expenditure relates to the feasibility and development of the ammonia and the urea projects. Project expenditure has been carried forward to the extent that such expenditure is expected to be recouped through successful development of the project.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 (CONTINUED)

	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
2. OPERATING LOSS				
Operating loss has been determined after:-				
(i) Crediting as Revenue:				
Non-operating revenue				
Interest Received	1,659	3,770	1,659	1,865
Foreign Exchange Gain	-	27,642	-	27,642
Sundry	-	37,189	-	37,189
	1,659	68,601	1,659	66,696
(ii) Charging as Expense:				
Depreciation of plant & equipment	4,969	3,500	4,969	3,500
3. INCOME TAX				
The prima facie tax on operating result is reconciled to the income tax provided in the financial statements as follows:				
Prima facie tax payable on operating result before income tax at 30%	(616,842)	(67,667)	(670,069)	(10,997)
Add/(Less) tax effect of:				
Non-allowable items	563,007	-	566,015	(146,400)
Tax loss not brought to account	53,835	67,667	104,054	157,397
Income tax applicable	-	-	-	-
Deferred Tax Assets				
Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(c) occur:				
- temporary differences	3,900	5,700	3,900	5,700
- tax losses - operating	4,943,047	4,892,220	5,086,004	4,981,950
	4,946,947	4,897,920	5,089,904	4,987,650

4. DISCONTINUED OPERATIONS

During the financial year (on 22 March 2006), the economic entity disposed of its interests in the Ammonia Plant Project. The major terms of disposal were as follows:-

- Dyno Nobel purchased the shares in Dampier Nitrogen Pty Ltd owned by Plentex Limited for $199,955 and the shares in Dampier Nitrogen Pty Ltd owned by Thiess for $22,217. Shares in Dampier Ammonia Pty Ltd owned by Plentex Limited and Thiess and by Plentex Limited in Dampier Urea Pty Ltd were purchased by Dyno Nobel for nominal consideration.
- Dyno Nobel will pay to Plentex Limited and Thiess success fees upon financial close of a world scale ammonia plant on the site, subject to this occurring within 24 months of the date of the agreement. These success fees will be $2 million and $222,222 respectively.
- Dyno Nobel will also pay to Plentex Limited a success fee of $500,000 upon financial close of the ammonium nitrate plant project, subject to this occurring within 24 months of the date of the agreement.
- Dyno Nobel assumed responsibility for all the Stage 1 feasibility costs including Extra Costs (including Plentex Limited costs of approximately $70,000). All mortgages and securities against Plentex Limited and Thiess and their project interests were released upon completion of the acquisition of the project interests.
- In the event that success fees are payable under dot point 2 above, an amount calculated as 50% of the sum determined as the Stage 1 Extra Costs will be deducted on a pro rata basis from the payments due to Plentex Limited and Thiess. As at the date of this report, Stage 1 Extra Costs have been fixed at $633,410 (exclusive of GST).
- Plentex will be entitled to non-exclusive rights to the use of project data and to copies of such data as it requires. All data will be subject to reasonable confidentiality requirements between the parties.

- In the event that DoIR does not grant an extension of the existing land allocation and requires Dyno Nobel to bid for the land in any competitive process, the success fees referred to above will not be payable to Plentex Limited and Thiess, or to Plentex Limited as the case requires.

Under separate arrangements with Thiess, Plentex Limited in consideration of assistance provided by Thiess over several years, will pay Thiess $100,000 in the event that the ammonium nitrate project "success fee" is paid to it.

The profit arising from the disposals referred to above is reflected in the income statement. The net cashflow associated with the disposal was gross proceeds of $200,285 (net proceeds of $167,112) disclosed as an investing activity.

	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
Analysis of amount reported in the income statement as (loss)/profit from discontinued operations:				
Revenue - Debt Forgiveness	72,000	78,000	72,000	78,000
- Participation Fee - Joint Venture	-	100,000	-	-
- Project Development Revenue	64,050	-	64,050	-
Total Revenue	136,050	178,000	136,050	78,000
Expenses comprise:				
- Loss on disposal of Investments	-	-	(20,715)	-
- Impairment of Intangible Assets/Investments	(1,867,000)	-	(1,867,000)	-
- Profit on disposal of controlled entities	128,116	-	-	-
- Provision for Diminution - controlled entities	-	-	-	488,000
- Provision for doubtful debts	-	-	-	(197,273)
- Shares issued to Extinguish Production Royalty Rights	-	(87,170)	-	(87,170)
(Loss)/profit before Income Tax	(1,602,834)	90,830	(1,751,665)	281,557
Income Tax Expense	-	-	-	-
(Loss)/profit from discontinued operations	(1,602,834)	90,830	(1,751,665)	281,557

The net cash flows from the discontinued operations which form part of the cash flow statement are:-

	Economic Entity 2006 $	Economic Entity 2005 $
Net cash inflow/(outflow) from operating activities	2,661	137,189
Net cash inflow/(outflow) from investing activities	167,112	(541,809)
Net cash inflow/(outflow) from financing activities	-	-
	169,773	(404,620)

5. KEY MANAGEMENT PERSONNEL

a) Names and Positions

Names and positions of economic and parent entities key management personnel in office at any time during the financial year are:-

Key Management Person	Position
P Streader	Executive Director
A Hall (Appointed 2 August 2005)	Non-Executive Director
G Woolrich	Non-Executive Director
W Stone (Retired 2 August 2005)	Non-Executive Director
C Roberts (Appointed 18 August 2006)	Non-Executive Director
P Bull (Appointed 18 August 2006)	Non-Executive Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 (CONTINUED)

b) Compensation Policy

The remuneration policy of the company has been designed to align director objectives with shareholder and business objectives by providing a fixed remuneration component. No specific incentives based on key performance areas affecting the economic entity's financial results are currently provided. The board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the economic entity, recognising always the company's limited financial resources, as well as create goal congruence between directors and shareholders.

The board's policy for determining the nature and amount of remuneration for board members is as follows:-

The remuneration policy, setting the terms and conditions for the executive directors was developed and approved by the board after seeking professional advice from independent external consultants. Executive directors receive a base remuneration (which is based on factors such as length of service and experience). Remuneration is assessed by reference to the economic entity's performance and comparable information from industry sectors and other listed companies in similar industries. It is to be noted that over the past 5 years the company's predominant activity had been its attempt to develop a world-scale ammonia/urea plant on the Burrup Peninsula of Western Australia. Significant expenditure had been incurred in advancing this objective, resulting in significant losses.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the economic entity. However, to align director's interests with shareholder interests, the directors are encouraged to hold shares in the company.

c) Compensation for Key Management Personnel

	2006 Directors Fees $	2005 Directors Fees $
Directors remuneration from the entity and any related entity and any related bodies corporate was as follows:		
P Streader	-	-
G Woolrich	-	-
A Hall	22,917	-
W Stone	(i) 8,333	25,000
C Roberts	-	-
P Bull	-	-
	31,250	25,000

(i) In respect of prior year services

(ii) The directors of the company did not receive any superannuation contributions, bonuses, non-cash benefits and/or post-employment benefits this year.

	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
6. TRADE AND OTHER RECEIVABLES				
Current				
Other Debtors	47,016	226,152	65,659	209,640
Non-Current				
Unsecured Interest Free Loan - Controlled Entities	-	-	-	197,273
Less: Provision for doubtful debts	-	-	-	(197,273)
	-	-	-	-

	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
7. PROPERTY, PLANT AND EQUIPMENT				
Plant and equipment at cost	25,690	25,690	25,690	25,690
Less: Provision for depreciation	(24,820)	(19,851)	(24,820)	(19,851)
	870	5,839	870	5,839
Balance - start of year	5,839	9,339	5,839	9,339
Additions	-	-	-	-
Depreciation	(4,969)	(3,500)	(4,969)	(3,500)
Balance - end of year	870	5,839	870	5,839
8. OTHER NON-CURRENT ASSETS				
Project expenditure - independent valuation	-	2,319,586	-	-
Sundry	970	1,000	-	1,000
	970	2,320,586	-	1,000
Balance 1 July	2,319,586			
Disposal during year	(2,319,586)			
Balance 30 June	-			

Valuation of project expenditure at 30 June 2005 was based upon a report of 1 September 2005 prepared by DMR Corporate Pty. Ltd. (holder of an Australian Financial Services License).

	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
9. OTHER FINANCIAL ASSETS				
Investment in Unlisted Controlled Entities				
Plentex (Operations) Pty Ltd	-	-	-	-
Pacific Fertilisers and Chemicals Pty Ltd	-	-	2,000	-
Dampier Nitrogen Pty Ltd	-	-	-	5,927,363
Less: provision for diminution in value	-	-	-	(3,839,363)
Plenty River Ammonia Holdings Pty Ltd	n/a	-	n/a	-
Dampier Urea Pty Ltd	n/a	-	n/a	-
	-	-	2,000	2,088,000

Company	Ownership Interest 2006 %	Ownership Interest 2005 %	Investment Carrying Value 2006 $	Investment Carrying Value 2005 $
Pacific Fertilisers and Chemicals Pty Ltd (PFC) (i)	100%	n/a	2,000	-
Plentex (Operations) Pty Ltd (i)	100%	100%	-	-
Dampier Nitrogen Pty Ltd (ii)	0%	90%	-	2,088,000
Plenty River Ammonia Holdings Pty Ltd	0%	90%	-	-
Dampier Urea Pty Ltd	0%	90%	-	-

(i) These entities incorporated in Australia did not trade actively during the year, nor generate a material profit/loss. During the year, PFC's net assets were acquired for $2,000, such assets comprised cash and cash equivalents.

(ii) This entity incorporated in Australia traded during the current year. The entity was established to facilitate the development of the company's ammonia urea/project (as previously conducted by Plentex Limited). The entity did not pay a dividend during the year. During the year, it was sold (refer note 12 to the accounts).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 (CONTINUED)

	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
10. TRADE AND OTHER PAYABLES				
Accounts Payable and Accruals	187,238	709,871	182,590	417,477
11. ISSUED CAPITAL				
76,733,212 (2005: 65,319,582) fully paid ordinary shares	15,433,699	15,006,349	15,433,699	15,006,349

Share Movements	Number	$
Balance (start of year)	65,319,582	15,006,349
Rights Issue	4,238,685	127,160
Direct Allotments	2,666,667	80,000
Issues to Directors	4,450,458	222,523
Options Exercised	57,820	2,891
Capital Raising Costs	N/A	(5,224)
	76,733,212	15,433,699

Ordinary shares participate in dividends and the proceeds on winding up 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.

At 30 June, 2006, the company had 6,847,532 listed options on issue, expiring on 31 March 2007 and exercisable at 5 cents per share.

	2006 $	2005 $
Minority equity interest comprises:		
Share Capital	-	10
Accumulated Losses	-	(1,331,878)
Reserves	-	1,519,827
	-	187,959

	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
12. NOTES TO THE CASHFLOW STATEMENT				
(a) Reconciliation of operating loss after income tax to net cash used in operating activities				
Operating loss after income tax	(2,084,732)	(225,556)	(2,233,563)	(36,656)
Non-cash flows in operating loss:				
- Depreciation	4,969	3,500	4,969	3,500
- Impairment of Investments/ Intangible Assets	1,867,000	-	1,867,000	(488,000)
- Provision for doubtful debts	-	-	-	197,273
- Disposal of Controlled Entities/Investments	(128,116)	-	20,715	-
- Debt Forgiven	(72,000)	(78,000)	(72,000)	(78,000)
- Share Issue Costs	-	87,170	-	87,170
Changes in assets and liabilities (net of disposals):				
- Decrease/(Increase) in receivables	143,981	(134,538)	143,981	(118,026)
- Increase/(Decrease) in payables	(233,226)	169,252	(235,887)	(123,142)
Net cash provided by/(used in) operating activities	(502,124)	(178,172)	(504,785)	(555,881)
(b) Reconciliation of Cash				
Cash at the end of the financial year as shown in the of cash flow statement is reconciled to items in the balance sheet as follows:				
- Cash Assets	128,424	36,086	125,763	2,913
(c) Credit stand-by facilities				
Loan facilities	-	72,000	-	72,000
Amount utilised	-	(72,000)	-	(72,000)
Unused loan facilities	-	-	-	-

(d) Disposals

During the year, the economic entity sold its interest in Dampier Nitrogen Pty Ltd, Plenty River Ammonia Holdings Pty Ltd and Dampier Urea Pty Ltd, as follows:-

	$
Cash	33,173
Project Costs	200,000
Sundry Debtors	16,512
Payables	(210,689)
	38,996
Profit on Sale	128,116
Net Cash Proceeds	167,112

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 (CONTINUED)

	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
13. AUDITORS REMUNERATION				
Amounts received or due and receivable for audit and review of the financial report	20,500	19,000	20,500	19,000
Other services	-	-	-	-
	20,500	19,000	20,500	19,000

The auditors received no other benefits.

14. SEGMENT REPORTING

The company and economic entity are evaluating mineral exploration sites. This segment is in the one geographic area, Australia. During the year, it had been part of a syndicate developing the ammonia urea project.

15. COMMITMENTS

Plentex Limited has no contractual expenditure commitments other than liabilities recorded as at 30 June 2006 (2005: $nil). A bank guarantee to the amount of $19,537 was in existence at 30 June 2006 in respect of exploration permits.

16. RELATED PARTY TRANSACTIONS

(a) Directors

The names of directors who held office during the year were:-

- P C Streader
- A Hall (Appointed 2 August 2005)
- G M Woolrich
- W Stone (Retired 2 August 2005)

Remuneration of directors is disclosed at note 5.

(b) Directors' Share and Option Holdings as at 30 June 2006

ORDINARY SHARES

Director	Directly Held	Held by Controlled Entity	Indirectly Held
Peter C Streader	-	4,433,311	-
Andrew Hall	-	-	-
Glenda M Woolrich	45,000	-	-

OPTIONS (LISTED)

Director	Directly Held	Held by Controlled Entity	Indirectly Held
Peter C Streader	-	494,437	-
Andrew Hall	-	-	-
Glenda M Woolrich	15,000	-	-

(c) Transactions with directors and director related entities

Type of Transaction	Party	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
Management Fees	Resorsco Management Pty Ltd (i)	108,000	144,000	108,000	144,000
Consulting Fees	Sholapure Pty Ltd (ii)	-	28,600	-	28,600
Consulting Fees	Vikson Pty Ltd (iii)	9,919	-	9,919	-
Director's Fees	Vikson Pty Ltd (iii)	22,917	-	22,917	-
		140,836	172,600	140,836	172,600

(i) Resorsco Management Pty Ltd ("Resorsco") is a director related entity of Mr PC Streader and Ms GM Woolrich.
(ii) An entity in which Mr W L Stone has an interest.
(iii) An entity in which Mr A Hall has an interest

These transactions were on normal commercial terms and conditions.

As at balance date $117,004 (2005: $144,924) was owed to Resorsco and $nil (2005: $57,731) was owed to Sholapure Pty Ltd and $21,979 including directors fees (2005: $nil) was owed to Vikson Pty Ltd. No interest is currently charged on these outstanding balances.

(d) Transactions of directors and director related entities concerning shares and options

Aggregate number of shares and options in Plentex Limited held directly, indirectly or beneficially by Directors or their Director-related entities at balance date.

	2006 Number	2005 Number
Ordinary Shares		
Aggregate acquired/(disposed)	3,659,437	110,000
Less former director's holding	-	-
Add new director's holding	-	-
Aggregate held at balance date	4,478,311	818,874
Aggregate holdings are as follows at 30 June 2006		
P C Streader	4,433,311	788,874
A J Hall	-	-
G M Woolrich	45,000	30,000

	2006 Number	2005 Number
Options		
Aggregate acquired/(disposed)	509,437	-
Less former director's holding	-	-
Add new director's holding	-	-
Aggregate held at balance date	509,437	-
Aggregate holdings are as follows at 30 June 2006		
P C Streader	494,437	-
A J Hall	-	-
G M Woolrich	15,000	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 (CONTINUED)

(e) Other Transactions of Director and Director-Related Entities

Mr P C Streader and Ms G M Woolrich are directors and shareholders of Resorsco which provides staff and executive services for the company at its registered office. All transactions with Resorsco are based on normal commercial terms and conditions and amounted to $45,650 this year (2005: $59,670).

Mr P C Streader is a director and shareholder of Georgetown Mining Limited ("Georgetown"). Georgetown provides administrative, technical and geological services from time to time to the company on normal commercial terms and conditions. Such services amounted to $nil this year (2005: $43,462).

17. FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The group's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable, loans to and from subsidiaries and trade payables.

The main purpose of non-derivative financial instruments is to raise finance for group operations.

i. Treasury Risk Management

The company secretary analyses currency and interest rate exposure and evaluates treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial Risks

The main risks the group is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Liquidity Risk

The group manages liquidity risk by monitoring forecast cash flows.

Credit Risk

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, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

Interest Rate Risk

The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:-

	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturities			Non-Interest Bearing	Total
			1 year or less	1 to 5 years	over 5 years		
	%	$	$	$	$	$	$
30 June 2006							
Cash	3.5	128,424	-	-	-	-	128,424
Receivables		-	-	-	-	47,016	47,016
Payables		-	-	-	-	(187,238)	(187,238)
		128,424	-	-	-	(140,222)	(11,798)
30 June 2005							
Cash	3.2	36,086	-	-	-	-	36,086
Receivables		-	-	-	-	226,152	226,152
Payables		-	-	-	-	(709,871)	(709,871)
Interest Bearing Liabilities	3.0	-	(72,000)	-	-	-	(72,000)
		36,086	(72,000)	-		(483,719)	(519,633)

(b) Net Fair Values of Financial Assets and Liabilities

The net fair values of:-

- Term receivables, government and fixed interest securities and bonds are determined by discounting the cash flows, at the market interest rates of similar securities, to their present values
- Other assets and liabilities approximate their carrying values

	2006 Carrying Amount $	2006 Fair Value $
Financial assets		
Cash	128,424	128,424
Receivables	47,016	47,016
Financial liabilities		
Payables	187,238	187,238

	2005 Carrying Amount $	2005 Fair Value $
Financial assets		
Cash	36,086	36,086
Receivables	226,152	226,152
Financial liabilities		
Payables	709,871	709,871
Interest Bearing Liabilities	72,000	72,000

	2006 Cents	2005 Cents
18. EARNINGS PER SHARE		
Basic Earnings/(Loss) per share (cents)		
- ordinary shares	(2.90)	(0.39)

	2006 $	2005 $
Net profit/(loss) used in calculating overall basic earnings per share	(2,056,141)	(235,738)
Net profit/(loss)used in calculating discontinued operations	(1,574,243)	80,648
Net profit/(loss)used in calculating continuing operations	(481,898)	(316,386)

	Number	Number.
Weighted average number of ordinary shares on issue used in calculation of basic earnings per share		
- ordinary shares	71,026,397	59,738,834

Potential ordinary shares

As at 30 June 2006 the company had 6,847,532 options on issue over unissued capital. These options are not dilutive as conversion would decrease loss per share.

	Economic Entity 2006 $	Economic Entity 2005 $	The Company 2006 $	The Company 2005 $
19. SHORT TERM BORROWINGS				
Loan - unsecured	-	72,000	-	72,000
	-	72,000	-	72,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 (CONTINUED)

20. SUBSEQUENT EVENTS

(a) Under an agreement dated 14 September 2006 made between the Company, Georgetown Mining Limited (ABN 33 060 953 602) (GML) and the Vendors and the Directors as described in that agreement (the GML Share/Option Purchase Agreement), the Company has agreed to acquire all the shares and options in GML.

As consideration for this acquisition the Company has agreed to issue to the Vendors a total of 30,667,612 fully paid ordinary shares on a post-consolidation basis (1 new share for 5 existing shares) and 18,403,460 options over ordinary shares in the Company. These options are to be exercisable at 20 cents at any time prior to 31 December 2008.

(b) The GML Share/Option Purchase Agreement is subject to approval by the Company's shareholders in general meeting and assumes that at that meeting shareholders will also be requested to approve the consolidation of the Company's current share capital on the basis noted above.

The agreement provides that if the Company's shareholders do not approve the proposed consolidation, then the consideration payable to the Vendors will comprise of 153,338,065 ordinary shares in the Company, and 92,017,300 options which would be exercisable by 31 December 2008 at an exercise price of 5 cents.

(c) The agreement is subject to the following conditions precedent:

- The Company obtaining the approval of shareholders at general meeting to the terms and conditions of the agreement in accordance with Section 208 and 611 of the Corporations Act and the ASX Listing Rules.
- GML having a minimum of $1,750,000 cash available for the funding of its operations.
- The Company being reasonably satisfied that adequate provision has been made for the satisfaction of GML's income and other tax obligations.

The agreement provides that if these conditions precedent are not satisfied by 30 November 2006 or any later date agreed by the parties to the agreement, then the agreement shall automatically terminate.

The agreement further provides that GML will reimburse the Company with respect to all reasonable legal, accounting, geological, share registry, printing, mailing and other costs and expenses arising out of or in connection with the convening by the Company of its general meeting of shareholders for the purpose of approving the share consolidation and the acquisition by the Company of the shares and options in GML, and the obtaining of all necessary ASIC and ASX approvals, with GML's liability to so indemnify the Company being capped at $100,000.

(d) By acquiring GML the Company will gain:

- exposure to GML's significant mineral exploration and development portfolio for gold and base metals in the Georgetown region of North Queensland. This portfolio has been recently independently valued at $3.7 million;
- the valuable Red Dam high grade gold oxide deposit which should provide a basis for early cash flow;
- numerous prospects for other high grade gold oxide deposits which can supplement ore from Red Dam;
- potential for discovery of a major gold deposit of the Kidston-Mt. Leyshon styles;
- potential for extending the known sulphide gold resource at Red Dam, and supplementing that resource by other discoveries which may in the future permit a sulphide gold treatment operation;
- a substantial geological data base;
- the benefit of drilling and exploration programmes currently being carried out by GML;
- the benefit of data from a detailed low-level, high resolution airborne magnetic and radiometric survey covering GML's tenements to be carried out by Mega Georgetown Pty. Ltd. (a subsidiary of Mega Uranium Limited, a Toronto, Canada based mineral exploration company) in October 2006, and other potentially valuable information generated by Mega Georgetown Pty. Ltd's uranium exploration programmes;
- $1,750,000 in cash;
- Interest on funds on deposit estimated to total up to April 2007, approximately $120,000;
- tenement bonds, exploration equipment and miscellaneous assets to the value of approx. $75,000;
- the extensive experience of GML's geological personnel, and specific experience gained over recent years' activity in the Georgetown area;
- subject to a change in Queensland Government policy and the commencement of production by Mega Georgetown, royalty payments arising from the production and sale of uranium, molybdenum and fluorine mined from within GML's tenements.

(e) In conjunction with the acquisition of GML, the Company has also entered into agreements with Sedimentary Holdings Limited (Sedimentary), Gold Aura Limited (Gold Aura) and John Sainsbury Consultants Pty. Ltd. (JSC), pursuant to which it will acquire other prospective mining tenements in the Georgetown region and also a de-commissioned CIP gold processing plant.

The principal terms of these agreements are summarized in the Company's announcement to the ASX of 15 September 2006.

(f) As the GML Share/Option Purchase Agreement constitutes a significant change in the scale of Plentex's activities, the ASX has advised that Plentex's securities will be suspended from trading on the eve of the date of the Company's 2006 Annual General Meeting.

After obtaining relevant shareholder approvals, Plentex will apply to the ASX for reinstatement of quotation. The ASX has advised that reinstatement will be conditional upon the satisfaction of the admission and quotation requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

Compliance with the re-admission requirements involves, amongst other things, the following:

- issuing a prospectus;
- meeting the spread requirements (ASX Listing Rule 1.1 condition 6), ie either:
  - at least 500 holders each with a parcel of the main class of securities with a value of at least $2,000; or
  - 400 holders with a parcel of securities with a value of at least $2,000, and persons who are not related parties must hold at least 25% of securities to be quoted;
  - meeting ASX's profit test or assets test (ASX Listing Rule 1.1 condition 8);
- having the entity's quoted securities (except options) issued or sold for at least 20 cents in cash (ASX Listing Rule 2.1 condition 2);
- having the entity's options exercisable for at least 20 cents in cash (ASX Listing Rule 1.1 condition 11).

(g) The Company is preparing a prospectus for a non-renounceable rights issue to the shareholders of the Company who are registered on the Company's share register at a record date which will be announced shortly prior to the Annual General Meeting.

In order to comply with ASX requirements, qualifying shareholders will be offered the rights to subscribe for new shares at an offer price of 20 cents per share on the basis of 2 new shares for every 5 shares (on a post-consolidation basis) held on the record date, and on the basis that for every 2 new shares subscribed for, applicants will be granted one free new option. These options will be exercisable at 20 cents at any time prior to 31 December 2008.

The offer, under the prospectus, will include a "round-up" offer open to shareholders who wish to round up to a marketable parcel of shares. The "round-up" offer will invite those shareholders to subscribe for additional new shares and new options at an issue price of 20 cents to enable them to round-up to holdings of 10,000 shares (including the number of new shares accepted pursuant to their entitlement) to the extent there is a shortfall under the issue.

It is proposed that the prospectus will also include a shortfall offer open to all existing shareholders, and to any investor to subscribe for new shares (with attaching new options) to the extent of any shortfall under the non-renounceable rights issue offer.

Applicants wishing to acquire securities will need to complete the application form that will be in or accompany the prospectus.

This issue, if fully subscribed, will raise $3,941,206 before expenses of the issue.

The Directors reserve the right to modify the terms of the proposed non-renounceable rights issue to make provision for any requirement that the Australian Securities and Investments Commission or ASX may have, or should circumstances materially change between the date of this report and the announcement of the non-renounceable rights issue.

No other matters or circumstances have arisen since the end of the financial year which significantly affect or may significantly affect the Company's operations, the result of those operations or the state of affairs in subsequent financial years.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 (CONTINUED)

	2005 $
21. JOINT VENTURES	
Interest in Joint Venture Operations	
A former controlled entity, Dampier Nitrogen Pty Ltd had a 50% interest in the Dyno Nobel/Dampier Nitrogen Joint Venture, whose principal activity was the evaluation of the ammonia plant project	
The economic entity's share of assets employed in the joint venture in the prior year were:	
Current Assets	
Cash	20,836
Sundry debtors	44,586
Total Current Assets	65,422
Project expenditure	342,851
Total Non-Current Assets	342,851
Share of total assets of joint venture	408,273
Current Liabilities	
Trade Creditors	(292,295)
Total Current Liabilities	(292,295)

22. COMPANY DETAILS

The registered office and principal place of business of the company is:-
Level 2, 616 St Kilda Road
MELBOURNE VIC 3004

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF PLENTEX LIMITED

PKF

Chartered Accountants
& Business Advisers

INDEPENDENT AUDIT REPORT TO MEMBERS OF PLENTEX LIMITED

Scope

The Financial Report and Directors' Responsibility

The financial report comprises the income statement, balance sheet, statement of changes in equity, cash flows statement, accompanying notes to the financial statements, and the directors' declaration for both Plentex Limited (the company) and its controlled entities (the economic entity), for the year ended 30 June 2006. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing and Assurance Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Audit Opinion

In our opinion, the financial report of Plentex Limited is in accordance with:

(a) the Corporations Act 2001, including:

(i) giving a true and fair view of the company's and economic entity's financial position as at 30 June 2006 and of their performance for the year ended on that date, and

(ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory financial reporting requirements in Australia.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As indicated in Note 1 to the financial report, there is significant uncertainty whether Plentex Limited will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The continuance of the consolidated entity is dependent upon completion of the conditions precedent in the agreement described in Note 20, or obtaining external funding and/or equity to secure and develop new projects.

PKF

PKF
Chartered Accountants

27 September 2006
Melbourne

M L Port
Partner

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SHAREHOLDER INFORMATION AS AT 31 AUGUST 2006

A. TWENTY LARGEST SHAREHOLDERS

NAME	SHARES	% HELD
(i) Ordinary Capital		
BPC Holdings Pty Ltd	3,399,940	4.43
Resorsco Management Pty Ltd	3,359,278	4.38
Thiess Pty Ltd	2,875,000	3.75
David McIntyre Hamilton	2,500,000	3.26
Citicorp Nominees Pty Limited	2,376,297	3.10
National Nominees Limited	2,064,379	2.69
Andry Pty Ltd <Bilotto Super Fund>	1,666,667	2.17
HS Nominees (Aust) Pty Ltd	1,443,000	1.88
Simon Saliba	1,400,000	1.82
David Cinnamond	1,090,000	1.42
David Hamilton & Donna Quaill <Hamilton Family Super A/c>	1,000,000	1.30
Depothent Pty Ltd	1,000,000	1.30
Roger Ng & Patricia Ng <Roger Ng Family Super A/c>	1,000,000	1.30
Wisecover Nominees Pty Ltd <PCS Super A/c>	999,033	1.30
Small Business Finance Pty Limited	880,050	1.15
John Ernest Spicer	860,319	1.12
Sentosa Holdings Pty Ltd	853,000	1.11
Albert Rex Williams & Millicent Clare Williams	750,766	0.98
Raymund Dawes	750,000	0.98
Jason Glen Keightley	715,786	0.93
	30,983,515	40.37

B. SUBSTANTIAL SHAREHOLDERS

There were no substantial shareholders at the date of this report.

C. DISTRIBUTION OF SHAREHOLDERS

RANGE OF HOLDINGS	ORDINARY SHARES
Up to 1,000	1,729
1,001 - 5,000	847
5,001 - 10,000	276
10,001 - 100,000	508
100,001 and above	118
	3,478

The number of shareholders holding less than a marketable parcel is 2,993.

D. VOTING RIGHTS

The number of holders of fully paid ordinary shares was 3,478 each of whom present in person or by proxy or by an attorney at any General Meeting of the company, shall have on a show of hands one vote and upon a poll shall have one vote for each share held.

E. COMPANY SECRETARY

The name of the company secretary is Peter C Streader.

F. PRINCIPAL REGISTERED OFFICE & PRINCIPAL ADMINISTRATIVE OFFICE

The address of the principal registered and administrative office in Australia is
Level 2, 616 St Kilda Road, Melbourne, Victoria, 3004, telephone (03) 9510 5011.

G. REGISTER OF SECURITIES

The registers of securities are held by Computershare Investor Services Pty Limited at 452 Johnston Street, Abbotsford, Victoria, 3067, telephone (03) 9415 5000.

H. SCHEDULE OF MINING TENEMENTS

Location and Project Name	Tenement	Area	Parties	% Interest Held
Queensland “Bullseye”	EPM 14641	Approx. 310 sq km.	Plentex (Operations) Pty. Ltd.	100%
Queensland “Big Wonder”	EPM 15146	Approx. 16 sq km.	Plentex (Operations) Pty. Ltd.	100%
Queensland “Phyllis May”	EPMA 15294	Approx. 123 sq km.	Plentex (Operations) Pty. Ltd.	100%
New South Wales “Lachlan Downs”	ELA 2681	Approx. 164 sq km.	Plentex (Operations) Pty. Ltd.	100%

I. TWENTY LARGEST OPTIONHOLDERS

NAME	OPTIONS	% HELD
(i) Options expiring 31/03/07 @ $0.05		
Andry Pty Ltd	1,666,667	24.35
BPC Holdings Pty Ltd	1,000,000	14.61
Wisecover Nominees Pty Ltd	433,011	6.33
Memento Pty Limited	380,000	5.55
Small Business Finance Pty Limited	293,350	4.29
John G Kellas	258,667	3.78
Ramly Investments Pty Ltd	250,000	3.65
Lawrence Oar	133,204	1.96
Stefanos Antoniou and Diamanto Roundnikli	105,431	1.54
Mary T Melcherts	100,000	1.46
ANZ Nominees Limited	71,816	1.05
Nicholas J Boekel	70,000	1.02
Richard Gilmour and Lois Gilmour	70,000	1.02
Christopher J Holman	66,666	0.97
Bindaring Pty Ltd	64,000	0.94
Nicole M Parker	63,000	0.92
KM Fitzpatrick & Associates Pty Ltd	62,500	0.91
Raymond C Dawes	54,000	0.79
Robert K Green	52,500	0.77
John R Blennerhassett and Susan J Blennerhasset <The Blennerhassett S/F A/c>	50,000	0.73
	5,244,812	76.63

J. DISTRIBUTION OF OPTIONHOLDERS

RANGE OF HOLDINGS	OPTIONS EXPIRING 31.03.07
Up to 1,000	85
1,001 - 5,000	66
5,001 - 10,000	29
10,001 - 100,000	58
100,001 and above	9
	247

The number of optionholders holding less than a marketable parcel is 170.

CORPORATE GOVERNANCE STATEMENT

It is the responsibility of the board of directors of Plentex Limited to monitor the business affairs of the company and to protect the rights and interest of the shareholders. The corporate governance practices in place throughout the financial year have aimed to ensure the implementation of a strategic business plan and an integrated framework of accountability over the company's resources, functions and assets. These practices are summarised below:-

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2006.

Board Composition

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the directors' report.

The names of independent directors of the company are:-

Andrew J Hall
Christopher L Roberts
Peter F Bull (Alternate)

When determining whether a non-executive director is independent the director must not fail any of the following materiality thresholds:-

- less than 10% of company shares are held by the director and any entity or individual directly or indirectly associated with the director;
- no sales are made to or purchases made from any entity or individual directly of indirectly associated with the director; and
- none of the directors income or the income of an individual or entity directly or indirectly associated with the director is derived from a contract with any member of the economic entity other than income derived as a director of the entity or in the form of consulting fees.

Independent directors have the right to seek independent professional advice in the furtherance of their duties as directors at the company's expense. Written approval must be obtained from the Executive Chairman prior to incurring any expense on behalf of the company.

In view of the limited size and nature of the company, the Board does not at present have a 'nomination' committee. Further, the Executive Chairman is responsible for fulfilling the 'chief executive officer's' role at present.

Trading Policy

The company's policy regarding directors and employees trading in its securities, is set by the Board. The policy restricts directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices. All Board members act in accordance with a code of conduct.

Audit Committee

Given the limited size and nature of the company's operations, it does not at present have an audit committee. The board is responsible solely for ensuring that the company's financial reports and continuous disclosure satisfy the law. Policies and procedures have been established to ensure the same occurs.

Performance Evaluation

Ongoing performance evaluation of the Board and all Board members is conducted (albeit not formally) by the Board.

Shareholders Rights

The Board has designed a communication strategy to promote effective communication with all shareholders. This includes attendance at all annual general meetings by the external auditor to answer shareholder questions.

Managing Business Risks

The board meets regularly to evaluate and monitor possible areas of operational and financial business risks to the company.

The board ensures that activities performed by the company follow a criteria set by budgets, operating and strategic plans.