NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General information

Integrated Resources Group Limited ("the company") is a public company listed on the Australian Stock Exchange (trading under the symbol "IRG") incorporated and operating in Australia.

Integrated Resources Limited registered office and principal place of business are as follows:

Registered Office	Principal Place of Business
Level 11 54 Miller Street North Sydney NSW 2060	Level 11 54 Miller Street North Sydney NSW 2060

The principal activities of the company during the year were that of an investment company, with interests in mining tenements.

(b) Statement of Compliance

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated. The financial statements were authorised by the directors on 29th September 2010.

(c) Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

(d) Comparatives

The group has applied the revised AASB 101 *Presentation of Financial Statements* which became effective on 1 January 2009. The revised standard requires the separate presentation of a statement of comprehensive income and a statement of changes in equity. All non-owner changes in equity must now be presented in the statement of comprehensive income. As a consequence, the group had to change the presentation of its financial statements. Comparative information has been re-presented so that it is also in conformity with the revised standard.

(e) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, management is required to make judgement, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Refer to note 2 for a discussion of critical judgements in applying the entity's accounting policies, and key sources of estimation uncertainty.

(f) Financial instruments

(i) Non derivative financial instruments

Non derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents, and trade and other payables.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Non derivative financial instruments are measured initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non derivative financial instruments are measured as described below.

Held-to-maturity investments

If the company has the positive intent and ability to hold debt securities to maturity, then they are classified as held-to-maturity. Held-to-maturity investments are measured at amortised cost using the effective interest method, less any impairment losses.

Available-for-sale financial assets

The entity's investments in equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences, are recognised directly in a separate component of equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit or loss.

Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss where the financial asset:

- has been acquired principally for the purpose of selling in the near future;
- is a part of an identified portfolio of financial instruments that the entity manages together and has a recent actual pattern of short-term profit-taking; or
- is a derivative that is not designated and effective as a hedging instrument.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

(ii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or share options, are recognised as a deduction from equity, net any tax effects. Dividends on ordinary shares are recognised as a liability in the period in which they are declared.

(g) Exploration Expenditure

Exploration and evaluation costs, including the costs of acquiring permits and licenses, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the company has obtained the legal rights to explore an area are recognised in the statement of comprehensive income.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

a) the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or

b) activities in the area of interest have not at the reporting date reached a state which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Once the technical feasibility and commercial viability of the extraction of oil or gas in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to development expenditure.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(h) Cash and cash equivalents

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

(i) Trade and other receivables

Trade and other receivables are stated at their amortised cost less impairment losses.

(j) Share based payments

The fair value at grant date of options granted to Directors is recognised as a share based payment expense, with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting.

(k) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability.

Site Restoration

A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of exploration and development activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of abandoning sites and restoring the affect areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date based on current legal and other requirements and technology. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date.

At financial year end, the company was in the evaluation stage, and no development had taken place. The Directors have determined that no provision for site restoration and rehabilitation is required at this time.

(l) Income taxes

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the statement of financial position liability method. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

In principle deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the statement of comprehensive income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

(m) Dividend and Revenue

Dividend revenue from investments is recognised when the company's right to receive payment has been established.

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

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

(n) Impairment of assets

(i) Financial Assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

All impairment losses are recognised in the profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity, is transferred to the profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in the profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

(ii) Non financial assets

Carrying amounts of the company's non current assets are reviewed each reporting date to determine whether there is any indication of impairment. If such an indication exists, then the asset's recoverable value amount is estimated. An impairment loss is recognised if the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments and risk.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

At each reporting date, the company 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 statement of comprehensive income.

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

(o) Trade payable

Trade and other payables are stated at cost, which approximates fair value due to the short term nature of these liabilities.

(p) 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.

(q) 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 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 statement of financial position are shown inclusive of GST.

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

(r) Earnings per share

The company presents basic and diluted earnings per share (EPS) date for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to executives.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the company.

Key estimates - Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

The Directors have determined that no impairment is required for the financial assets held by the entity.

	2010 $	2009 $
3. CASH AND CASH EQUIVALENTS		
Cash at bank	941,936	176,756
4. TRADE AND OTHER RECEIVABLES		
Sundry debtors	40,754	16,849
5. FINANCIAL ASSETS		
Listed equity investments	-	75,664

During the financial year the Company sold its investments in ASX listed shares. A loss on disposal of $34,003 was recognised in the statement of comprehensive income.

	2010 $	2009 $
6. OTHER ASSETS		
CURRENT		
Deposits	18,076	-
Prepayments	11,238	1,941
	29,314	1,941
7. EXPLORATION AND EVALUATION ASSETS		
NON-CURRENT		
Exploration and evaluation assets	203,801	-

Costs carried forward in respect of the following areas of interest:

	Note	Project Licence #	2010 $	2009 $
Lionel Diggings	7(a)	ML10232	-	-
Lyndon WA	7(b)	E08/1880, E08/2022, E08/2066 E09/1755	203,801	-
			203,801	-

	2010 $	2009 $
7. EXPLORATION AND EVALUATION ASSETS (CONT.)		
A reconciliation of the costs capitalised are as follows:		
(a) Lionel Diggings - QLD		
Exploration and evaluation assets - opening balance	-	383,613
Expenditure incurred during the period	-	5,512
Exploration expenditure written off	-	(389,125)
	-	-

The Directors assessed in the prior period that the future maintainable earnings of the Lionel Diggings area of interest was not sufficient enough to continue exploration activities in the area. As a result, all previously capitalised costs were written off to the profit and loss, in accordance with prescribed accounting standards. The entity had ceased its involvement in the Lionel Diggings area of interest.

	2010 $	2009 $
(b) Lyndon - WA		
Exploration and evaluation assets - opening balance	-	-
Expenditure capitalised during the period	203,801	-
	203,801	-

After originally applying for the Lyndon Station tenement E08/1880 and conducting the mapping and sampling, the Board applied successfully for three additional contiguous tenements (E08/2022, E08/2066 and E09/1755).

During the financial year to 30 June 2010, $203,801 relating to E08/2022 and E08/1880 exploration and development costs was capitalised. This is consistent with the company's accounting policy where costs are only carried forward to the extent that they are expected to be recouped through 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. No impairment indicators were identified at 30 June 2010.

	2010 $	2009 $
8. TRADE AND OTHER PAYABLES		
Trade payables	52,699	55,167
Other payables	44,134	44,134
	96,833	99,300

	2010 $	2009 $
9. ISSUED CAPITAL		
Summary Table		
493,426,587 (2009: 398,241,945) Ordinary	27,333,490	26,173,803
The Company has authorised share capital amounting to:		
Ordinary Shares		
At the beginning of reporting period	26,173,803	26,173,803
Shares issued during the year	1,242,429	-
Costs of raising capital	(82,742)	-
At reporting date	27,333,490	26,173,803

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares issued. At the 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.

During the year the entity issued the following shares:

Issue date	Number of Shares	Issue Price	Consideration Received
15 September 2009	2,500,000	$0.015	$37,500
3 March 2010	22,684,642	$0.013	$294,900
19 March 2010	30,000,000	$0.013	$520,000
7 May 2010	40,000,001	$0.013	$390,029
Total	95,184,643		$1,242,429

On 15 September 2009, 2,500,000 options were exercised resulting in the issue of 2,500,000 ordinary shares with an issue price of $0.015.

On 3 March 2010, offers closed for the Company's Share Purchase Plan ("SPP"). Under the SPP, each shareholder was given the opportunity to subscribe for up to $10,000 worth of new shares in the Company at an issue price of 1.3 cents per share. The Company received applications pursuant to the SPP for 22,684,642 shares raising a total of $294,900.

A further $910,029 was raised via a committed share placement to clients of Veritas Securities Limited.
The funds were received under two tranches as follows:

Tranche 1: 30,000,000 shares were issued by the Company on 19 March 2010 at $0.013 per share.

Tranche 2: 40,000,001 shares were issued by the Company on 7 May 2010 at $0.013 per share.

		2010 $	2009 $
10.	**LOSS PER SHARE**		
(a)	Loss used in calculating loss per share		
	Current year loss	(258,862)	(665,263)
	Loss used to calculate basic EPS	(258,862)	(665,263)
	Loss used in calculation of dilutive EPS	(258,862)	(665,263)
(b)	Weighted average number of ordinary shares		
	Weighted average number of ordinary shares - number used in calculating basic EPS	**422,059,177**	**398,241,945**
	Effect of dilution: - Share options	-	-
	Weighted average number of ordinary shares Adjusted for the effect of dilution	**422,059,177**	**398,241,945**

As the share options on issue were out of the money for the 2009 and 2010 period, they have been deemed not to have a dilutive effect.

		2010 $	2009 $
11.	**REVENUE**		
	Dividend Revenue	-	2,900
	Interest Revenue	5,972	9,111
	Total revenue	5,972	48,973

		2010 $	2009 $
12.	**LOSS FOR THE YEAR BEFORE TAX**		
	Profit for the period has been determined after charging the following expenses:		
	Administration Costs		
	Professional fees	64,642	129,999
	Director fees	90,000	90,000
	Other	7,986	4,613
		162,628	224,612
	Other Expenses		
	Listing and compliance	32,455	29,940
	Exploration costs written off	-	389,125
	Loss on disposal of investments	34,003	-
	Other	35,748	33,597
		102,206	452,662

	2010 $	2009 $
13. INCOME TAX EXPENSE		
(a) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2009: 30%)	(77,659)	(199,789)
Add: Tax effect of:		
Non-deductible expenses	1,126	1,245
Tax losses not brought to account	76,533	198,544
	-	-
Less: Tax effect of:	-	-
Other deductible items	-	-

The Directors estimate that the potential deferred tax asset in respect of tax losses and temporary differences not brought to account amounted to $2,635,723 (2009: $2,559,190). These will be brought to account only if the entity derives future assessable income of a nature and of an amount sufficient to enable the benefit to be realised, the entity continues to comply with deductibility conditions imposed by tax legislation, and no changes in legislation adversely affect the entity in realising the benefit.

14. KEY MANAGEMENT PERSONNEL

Key Management Personnel

Names and positions held of key management personnel in office at any time during the financial year are:

Key Management Person	Position
Mr Richard Daniell	Director
Mr Timothy J. Moore	Chairman
Mr Glenn Parker	Director, Chief Executive Officer
Mr John Smith	Secretary and Chief Financial Officer

Information regarding key management and personnel compensation and some equity instrument disclosures as required by the Corporations Regulations 2M.3.03 is provided in the remuneration report section of the Directors' Report.

15. AUDITORS REMUNERATION

	2010 $	2009 $
Remuneration of the auditor of the Company for:		
Auditing or reviewing the financial report	10,000	10,000

	2010 $	2009 $
16. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES		
Reconciliation of Cash Flow from Operations with Profit After Income Tax		
Net income/loss for the period	(258,862)	(665,263)
Cash flows excluded from profit attributable to operating activities		
(Increase)/decrease in loss on disposal of investment	34,003	-
(Increase)/decrease other assets	(18,077)	389,125
(Increase)/decrease in prepayments	(9,297)	3,341
(Increase)/decrease in other debtors	(23,905)	27,188
Increase/(decrease) in trade payables and accruals	(2,437)	54,868
	(278,575)	(190,741)

17. RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Other related party transactions

An amount of $17,688 (2009: $21,789) was paid to Richard Daniell Advertising Pty Ltd, a related entity of Mr Richard Daniell and represented payment for the preparation and printing of SPP documentation, the annual report, plus website design and maintenance.

18. SHARE CAPITAL AND RESERVES

	2010 $	2009 $
(a) Detailed table (Totals)		
Share Capital		
Share capital - Ordinary	27,333,490	26,173,803
Total	27,333,490	26,173,803
Reserves		
Financial Assets Reserve	-	(46,206)
Total	-	(46,206)
Distributable Reserve		
Opening Balance	(25,955,656)	(25,290,393)
Net income/loss for the period	(258,862)	(665,263)
Total	(26,214,518)	(25,955,656)
Total Equity	1,118,972	171,941

	2010 $	2009 $

19. FINANCIAL RISK MANAGEMENT

The entity's principal financial instruments comprise receivables, payables, available for sale investments and cash on hand.

The entity manages its exposure to key financial risks in accordance with its financial risk management policy.

Primary responsibility for the identification and control of financial risks rests with the financial risk management committee under the authority of the Board. The Board reviews and agrees policies for managing each of the risks identified below.

Risk exposures and responses

Credit risk

Credit risk is the risk of financial loss to the entity if a customer to a financial instrument fails to meet its contractual obligations.

The carrying amount of the entity's financial assets represents the entity's maximum credit exposure.
The maximum exposure to credit risk at the reporting date was:

Cash and cash equivalents	941,936	176,756
Other Receivables	29,314	18,790
Available for sale financial assets	-	75,664
Total	**971,250**	**271,210**

The entity has no trade receivables at financial year end, and none of the entity's receivables and financial assets are past or due impaired. There is no significant concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due.
The entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Company's funding requirements. The Company manages liquidity by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows.

	2010 $	2009 $
19. FINANCIAL RISK MANAGEMENT (CONT.)		
The following are contractual maturities of trade and other payables:		
0 - 6 months	96,833	99,300
Total	**96,833**	**99,300**

Included in the above are amounts payable as Directors fee and Secretariat fees.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Price risk

During the year, the company was exposed to equity securities price risk. This arose from investments held by the company and classified as available for sale. The company's operations do not result in an exposure to commodity price risk at 30 June 2010.

To manage its price risk arising from investments in equity securities, the company has in the past diversified its portfolio in accordance with the guidelines prescribed by the Board. All of the equity investments were publically traded and are included in the ASX 200.

The price risk for the listed securities against the market index is immaterial in terms of a possible impact on profit and loss or total equity. As such, a sensitivity analysis has not been completed.

(ii) Currency risk

The entity's exposure to currency risk is minimal. All sales and other transactions entered into by the company are in Australian dollars. Possible impacts on equity or the profit and loss as a result of currency risk are minimal and as such a sensitivity analysis has not been completed.

	2010 $	2009 $

19. FINANCIAL RISK MANAGEMENT (CONT.)

(iii) Interest rate risk

At balance date the entity's exposure the market risk for changes in interest rates primarily relates to the entity's short term cash deposits. The entity is not exposed to cash flow volatility from interest rate changes on borrowings as it does not have any short or long term borrowings. At reporting date, the entity's interest bearing financial instruments were as follows:

	2010 $	2009 $
Cash and cash equivalents	941,936	176,756
Total	**941,936**	**176,756**

There are no exposures to interest rate risk which would have an effect on equity balances at year end.

At financial year end, if interest rates had moved as illustrated below, with all other variables held constant, post tax profit would been affected as outlined below. Calculations have been based upon average cash balances held for the financial year.

	Post tax profit higher/(lower)	
	2010 $	2009 $
Increase of 100 basis points (1%)	5,593	2,749
Decrease of 50 basis points (0.5%)	(2,797)	(1,374)

Fair value of financial instruments

The fair value of financial assets and liabilities with standard terms and conditions, and traded on active liquid markets are determined with references to quoted market prices.

The fair value of receivables and payables are deemed to be their carrying values, less any impairment. The effect of discounting has been determined by the directors as not being material.

20. SHARE OPTIONS

At the date of this report, the unissued ordinary shares under option were as follows:

Issue date	Number of Options	Expiry Date	Exercise Price
14 October 2005	250,000	14 October 2010	$0.071
19 March 2010	30,000,000	31 March 2013	$0.020
7 May 2010	40,000,001	31 March 2013	$0.020
Total	**70,250,001**		

During the year the Company issued 70,000,001 share options to clients of Veritas Securities Limited. The options were granted in two tranches as follows:

Tranche 1: 30,000,000 options were issued by the Company on 19 March 2010 at an issue price of $0.013 per share. The attaching options were issued for no consideration, with an exercise price of $0.02 and an expiry date of 31 March 2013.

Tranche 2: 40,000,001 options were issued by the Company on 7 May 2010 at an issue price of $0.013 per share. The attaching options were issued for no consideration, with an exercise price of $0.02 and an expiry date of 31 March 2013.

During the year the following share options lapsed:

Issue date	Number of Options	Expiry Date	Weighted Average Exercise Price
28 October 2004	1,000,000	28 October 2009	$0.071
26 November 2004	3,615,310	26 November 2009	$0.071
Total	**4,615,310**		

During the year the following share options were exercised:

Issue date	Number of Options	Exercise Price	Consideration Received
15 September 2009	2,500,000	$0.015	$37,500

21. CONTINGENT ASSETS AND LIABILITIES

No contingent assets or liabilities were in existence at financial year end. The directors have determined that no provision for restoration and rehabilitation of the areas of interest are warranted.

22. SEGMENT REPORTING

Integrated Resources Group Limited operates in one business segment being the exploration of mineral resources. Integrated Resources Group operates entirely in the geographical location of Australia.

23. COMMITMENTS

No capital or operational commitments existed at the financial year ended 30 June 2010.

24. SUBSEQUENT EVENTS

No events took place subsequent to financial year end which require disclosure or adjustment in the financial report.

25. DIVIDENDS

No dividends were paid or declared during or subsequent to the financial year.