BLAZE International Limited

AND CONTROLLED ENTITIES

ABN 15 074 728 019

ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016

TABLE OF CONTENTS

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Mr Josh Puckridge	Non-Executive Chairman
Mr Darren Patterson	Executive Director
Miss Loren Jones	Non-Executive Director

COMPANY SECRETARY

Miss Loren Jones

REGISTERED OFFICE

Suite 9, 330 Churchill Avenue
Subiaco WA 6008
AUSTRALIA

PRINCIPAL PLACE OF BUSINESS

Suite 9, 330 Churchill Avenue
Subiaco WA 6008
AUSTRALIA

POSTAL ADDRESS

PO Box 866
Subiaco WA 6904
AUSTRALIA

CONTACT INFORMATION

+61 8 6489 1600 (Telephone)
+61 8 6489 1601 (Facsimile)

blazelimited.com.au

EXCHANGE

Australian Securities Exchange (ASX)
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

ASX Code: BLZ

AUDITORS

HLB Mann Judd
Level 4
130 Stirling Street
Perth WA 6000

LAWYERS

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000
AUSTRALIA

SHARE REGISTRY

Advanced Share Registry
110 Stirling Highway
Nedlands WA 6009
AUSTRALIA

+61 8 9389 8033 (Telephone)
+61 8 9262 3723 (Facsimile)

www.securitytransfer.com.au

DIRECTORS' REPORT

The directors of Blaze International Limited (**ASX: BLZ**) (**Company** or **Blaze**) submit herewith the annual financial report of the Company and its controlled entity (**Group**) for the financial year ended 30 June 2016 (**Report**).

DIRECTORS

The names of the Directors in office at any time during, or since the end of the year and until the date of this report are:

Mr Josh Puckridge	Non-Executive Chairman *(Appointed 4 December 2015)*
Mr Darren Patterson	Executive Director *(Appointed 8 April 2016)*
Miss Loren Jones	Non-Executive Director *(Appointed 9 September 2015)*
Mr Robert Collins	Non-Executive Director *(Resigned 8 April 2016)*
Mr Michael Scivolo	Non-Executive Chairman *(Resigned 4 December 2015)*
Mr Hersh Majteles	Non-Executive Director *(Resigned 4 December 2015)*

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

Miss Loren Jones

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was mineral exploration within Australia.

No significant change in the nature of these activities occurred during the financial year.

OPERATING RESULTS

The loss of the Group for the financial year after income tax amounted to $2,000,485 (2015: $738,277).

DIVIDENDS PAID OR RECOMMENDED

The Directors recommend that no dividend be paid for the year ended 30 June 2016 and no amounts have been paid or declared by way of dividend since the end of the previous financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Disclosure of information regarding likely developments in the operations of the Group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Therefore, this information has not been presented in this report.

DIRECTORS' REPORT (CONTINUED)

REVIEW OF OPERATIONS

BUSINESS DEVELOPMENT

The Company spent considerable time during the period assessing new project acquisitions. The Company went into a voluntary trading halt prior to market open 29 July 2016 and announced a new project acquisition prior to the commencement of market trading 2 August 2016.

DISPOSAL OF ASSETS

As announced 8 April 2016, shareholders approved the disposal of the Company's interests in Power Resources Limited and Colour Minerals Pty Limited to Kalgoorlie Mine Management Pty Limited (**KMM**) (**Disposal**) in settlement of a management contract held by KMM to the sum of $466,379. As announced 8 April 2016, the Disposal has not yet occurred and the Company remains in ongoing discussions with KMM. The Company remains confident that it will reach a suitable outcome and will inform the market when this outcome is reached.

EXPLORATION ACTIVITIES

During the period the Company maintained the good standing of its interests in EL/28620 and completed all required regulatory reporting. For the purposes of listing rule 5.3.3, the Company provides the following:

COUNTRY	STATE/ REGION	PROJECT	TENEMENT ID	AREA (KM2)	GRANT DATE	INTEREST
Australia	NT	Barkly copper-gold	EL/28620	39.16	16/12/2011	Earning 70%

FINANCIAL POSITION

The net assets of the Group has increased by $2,199,267 from $296,510 at 30 June 2015 to a net asset position of $1,902,757 at 30 June 2016.

CORPORATE ACTIVITIES

The majority of the Company's operations for the year ended 30 June 2016 were in relation to the Company's capital raising and corporate re-structuring.

On 12 June 2015, the Company announced a share sale facility for holders of less than a marketable parcel, with the closing date for receipt of share retention forms on 4 August 2015.

On 7 September 2015, the Company issued 14,379,069 fully paid ordinary shares to raise a total of approximately $440,000 before costs to clients of Cicero Advisory Services Pty Ltd.

On 9 September 2015, the Company appointed Loren Jones to the Board as a Non-Executive Director.

DIRECTORS' REPORT (CONTINUED)

On 4 December 2015, the Company announced a change of Board and Management. Josh Puckridge was appointed to the Board as the Company's new Non-Executive Chairman and accepted the resignations of Hersh Majteles and Michael Scivolo.

On 4 December 2015, the Company issued 30,069,032 fully paid ordinary shares to raise a total of approximately $1,200,000 before costs of the placement.

On 27 January 2016, the Company announced completion of a placement, issuing 53,000,000 shares in consideration for $0.04 cents per share to raise $2,120,000 before costs of the placement.

The Company issued a Notice of Meeting to its shareholders dated 4 March 2016 (**NoM**) which asked shareholders to consider the disposal of its main undertaking by transferring Colour Minerals Pty Limited to a related party of the Company (**Disposal**). A requirement of the NoM included the production, and provision, of an independent expert's report to Shareholders regarding the Disposal and its effects on the Company's shareholders. The independent expert opined that the Disposal is both fair and reasonable to shareholders.

On 8 April 2016 the Company appointed Darren Patterson to the Board as an Executive Director and accepted the resignation of Robert Collins.

On 2 June 2016 the Company issued 25,000,000 unlisted options exercisable at $0.08 on or before 1 March 2019. The issue was as approved by Shareholders at the Company's General Meeting held on 1 April 2016.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in this report or in the financial statements.

AFTER BALANCE DATE EVENTS

GREAT SANDY AND THE MARBLE BAR LITHIUM PROJECT

On 2 August 2016, the Company announced the acquisition of an option to acquire the Marble Bar Lithium Project from Great Sandy Pty Limited (on the terms outlined in the announcement "Option to Acquire Lithium Project").

The Company is currently conducting field testing at the Marble Bar Lithium Project and will alert the market accordingly should the Company decide to exercise its option.

Shareholders and potential Investors of the Company should review the Company's ASX announcements for the latest information regarding the Marble Bar Lithium Project and Great Sandy Pty Limited.

No matters or circumstances besides those disclosed at Note 19 have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or state of affairs of the Company in future financial years.

DIRECTORS' REPORT (CONTINUED)

ENVIRONMENTAL ISSUES

The Group is not currently subject to any specific environmental regulation. There have not been any known significant breaches of any environmental regulations during the year under review and up until the date of this report.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY AS AT THE DATE OF THIS REPORT

MR JOSH PUCKRIDGE *(Appointed 4 December 2015)*
NON-EXECUTIVE CHAIRMAN

Mr. Puckridge is a Corporate Finance Executive at Cicero Advisory Services Pty Ltd., a Corporate Advisory and Funds Management firm based in Perth, Western Australia. He has significant experience within funds management, capital raising, mergers, acquisitions and divestments of projects by companies listed on the Australian Securities Exchange.

He currently serves as Non-Executive Director of MCS Services Group Limited (ASX: MSG), Alcidion Group Limited (ASX: ALC) and is Executive Chairman of Fraser Range Metals Group Limited (ASX: FRN). In the past three years, Mr Puckridge was a Non-Executive Director of TopTung Limited (ASX: TTW), Windward Resources Limited (ASX: WIN) as CEO and Executive Director of Discovery Resources Limited (now Aquis Entertainment Limited (ASX: AQS). Mr Puckridge also holds various positions on private company boards.

Mr. Puckridge is also an experienced Australian Financial Services Licence Responsible Manager (currently Director and Responsible Manager of AFSL 482 173).

MR DARREN PATTERSON *(Appointed 8 April 2016)*
EXECUTIVE DIRECTOR

Mr Patterson has more than 20 years' experience working with both start-up and blue-chip technology companies spanning Australia, Europe, US and Asia. As a leading senior executive, his experience includes telecoms, IT, digital media and venture capital.

Mr Patterson's international experience has seen him hold senior business development roles with Yahoo, ECI Telecom, Energis Communications/Cable and Wireless PLC and Cisco Systems. He is an investor in technology ventures Republic Capital Management, Firstwave Cloud Technology, Lumific and Datasift where he secured investment from US venture funds. Most recently he was the CEO and Co-Founder of Australia's only regulated property investment platform, BrickX. Mr Patterson holds an MBA from the University of Chicago, Booth School of Business and a Bachelor of Computer Science from the University of Technology, Sydney and is a member of the Australian Institute of Directors.

Mr Patterson has not been a director on any other public company board in the past three years.

DIRECTORS' REPORT (CONTINUED)

MISS LOREN JONES *(Appointed 9 September 2015)*
NON-EXECUTIVE DIRECTOR AND COMPANY SECRETARY

As well as being a Partner at and Company Secretary of Cicero Corporate Services Pty Ltd, Miss Jones holds the positions of Non-Executive Director and Company Secretary at Brookside Energy Limited (ASX: BRK). Additionally, Miss Jones currently serves as the Company Secretary of Wangle Technologies Limited (ASX: WGL), Alcidion Group Limited (ASX: ALC) and Fraser Range Metals Group Limited (ASX: FRN).

In the past three years she has been the Non-Executive Director of Intiger Group Limited (ASX: IAM) and MMJ Phytotech Limited (ASX: MMJ), and Company Secretary of ZipTel Limited (ASX: ZIP). Miss Jones also holds various positions on private company boards.

Miss Jones is a BIA Accredited Bookkeeper and a member of the Institute of Certified Bookkeepers, holds a Certificate IV Financial Services (Bookkeeping), has a Bachelor of Psychology from Curtin University and is currently completing her Graduate Diploma of Applied Corporate Governance with the Governance Institute of Australia.

Mr Michael Scivolo, Non-Executive Chairman *(resigned 4 December 2015)*

Mr Robert John Collins, Non-Executive Director *(resigned 8 April 2016)*

Hersh Solomon Majteles, Non-Executive Director *(resigned 4 December 2015)*

DIRECTORS' EQUITY HOLDINGS

At the date of this report the following table sets out the current directors' relevant interests in shares and options of Blaze International Limited and the changes during the year ended 30 June 2016:

	Ordinary Shares		Options over Ordinary Shares	
Director	Current holding	Net increase/ (decrease)	Current holding	Net increase/ (decrease)
Josh Puckridge	-	-	2,000,000[i]	2,000,000
Darren Patterson	-	-	11,000,000[i]	11,000,000
Loren Jones	-	-	-	-

[i] Options Granted during the year as part of remuneration.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

Information about the remuneration of key management personnel is set out in the remuneration report on pages 9 to 12. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Company.

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED)

The remuneration report is set out under the following main headings:

A. Principles used to determine the nature and amount of remuneration
B. Details of remuneration
C. Service agreements
D. Share-based compensation
E. Directors' option holdings
F. Directors' equity holdings
G. Other related party transactions

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

A. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The whole Board form the Remuneration Committee. The remuneration policy has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component with the flexibility to offer specific long term incentives based on key performance areas affecting the Company's financial results. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors and executives to manage the Company.

The Board's policy for determining the nature and amount of remuneration for Key Management Personnel is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The Board reviews executive packages annually and determines policy recommendations by reference to executive performance and comparable information from industry sectors and other listed companies in similar industries.

- The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract and retain the highest calibre of executives and reward them for performance that results in long term growth in shareholder wealth.

- The directors and executives receive a superannuation guarantee contribution required by the government, which for the year ended 30 June 2016 was 9.5% of base salary and do not receive any other retirement benefits.

- All remuneration paid to directors and executives is valued at the cost to the Company and expensed.

DIRECTORS' REPORT (CONTINUED)

- The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews the remuneration annually, based on market practice, duties and accountability. 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 Company.

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and directors and executive performance. Currently, this is facilitated through the issue of options to the directors and executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. The Company currently has no performance based remuneration component built into director and executive remuneration packages.

NON-EXECUTIVE DIRECTORS

The non-executive Directors are entitled to receive directors' fees of amounts as determined by the shareholders of the Company in general meeting. Pursuant to the Company's Constitution, the non-executive Directors of the Company are entitled to receive directors' fees in such amounts (as determined by the Directors) in aggregate not to exceed $250,000, to be divided among non-executive Directors as the Directors may agree and in the absence of agreement then equally, until otherwise determined by shareholders in General Meeting. Non-executive Directors may also be remunerated for additional specialised services performed at the request of the Board and reimbursed for reasonable expense incurred by directors on Company business.

The Company's Non-Executive directors are eligible to receive fees for their services and the reimbursement of reasonable expenses. A monthly fee of $10,000 (exc. GST) is paid to Cicero Corporate Services Pty Ltd (**CCS**), a company related to Miss Jones for corporate administration services including financial reporting, company secretarial services, rent and administrative operations.

GROUP PERFORMANCE, SHAREHOLDER WEALTH AND DIRECTORS AND EXECUTIVES REMUNERATION

The table below shows the gross revenue, losses and earnings per share for the last five years for the listed entity.

Performance Indicator	2012	2013	2014	2015	2016
Revenue	4,361	18,256	14,861	1,660	11,061
Net Profit/(Loss) after tax	(3,420,460)	(809,470)	(754,695)	(738,277)	(2,000,485)
Earnings/(Loss) - Cents per share	(0.46)	(0.04)	(9.13)	(4.24)	(2.90)

B. DETAILS OF REMUNERATION

Details of remuneration of the directors and key management personnel (as defined in *AASB 124 Related Party Disclosures)* of Blaze International Limited are set out below.

DIRECTORS' REPORT (CONTINUED)

The key management personnel of Blaze International Limited are the directors as listed on page 7 and 8.

The Company does not have any other employees who are required to have their remuneration disclosed in accordance with the Corporations Act 2001.

The table below shows the 2016 and 2015 figures for remuneration received by the Company's directors:

	Short-term Employee Benefits			Post-employment Benefits	Share-based Payments		Total
	Salary & fees	Bonus	Other benefits	Super-annuation	Shares	Options	
	$	$	$	$	$	$	$
2016							
Directors							
Josh Puckridge (i)	23,672	-	9,911	-	-	54,855 (vi)	88,438
Darren Patterson (ii)	27,500	-	12,224	-	-	301,701 (vi)	341,425
Loren Jones (iii)	30,250	-	-	-	-	-	30,250
Robert Collins (iv)	29,792	-	-	-	-	-	29,792
Michael Scivolo (v)	12,799	-	-	1,216	-	-	14,015
Hersh Majteles (v)	7,791	-	-	1,013	-	-	8,804
	131,804	**-**	**22,135**	**2,229**	**-**	**356,556**	**512,724**
2015							
Directors							
Robert Collins (iv)	25,000	-	-	-	-	-	25,000
Michael Scivolo (v)	30,000		-	2,850	-	-	32,850
Hersh Majteles (v)	25,000	-	-	2,375	-	-	27,375
	80,000	**-**	**-**	**5,225**	**-**	**-**	**85,225**

(i) Mr Puckridge was appointed on 4 December 2015.
(ii) Mr Patterson was appointed on 8 April 2016.
(iii) Miss Jones was appointed on 9 September 2015.
(iv) Mr Collins resigned on 8 April 2016.
(v) Mr Scivolo and Mr Majteles resigned on 4 December 2015.
(vi) Shareholders approved the issue of 2,000,000 options to Mr Puckridge and 11,000,000 options to Mr Patterson at the Company's 1 April 2016 General Metering; as detailed at Section E.

C. SERVICE AGREEMENTS

There were no key management personnel that have or had service agreements for the year ended 30 June 2016, other than as disclosed below.

EMPLOYMENT CONTRACTS OF DIRECTORS

Director	Appointment	Term of Agreement	Annual Salary (exc. GST)	Termination Benefit
Josh Puckridge	Non-Executive Chairman	No fixed term	$40,000	Nil
Darren Patterson	Executive Director	No fixed term	$60,000	1 month
Loren Jones	Non-Executive Director	No fixed term	$40,000	Nil

DIRECTORS' REPORT (CONTINUED)

D. SHARE-BASED COMPENSATION

Options may be issued to directors and executives as part of their remuneration. Options are not issued based on performance criteria, but may be issued to directors and executives of Blaze International Limited and its subsidiaries to increase goal congruence between executives, directors and shareholders.

During the financial year ended 30 June 2016, 13,000,000 options exercisable at 8 cents and expiring 1 March 2019 were granted to directors (2015: Nil); no options were exercised or lapsed (2015: Nil). The options are fully vested at balance date and had a fair value of $0.0274 per option.

E. DIRECTORS' OPTION HOLDINGS

The number options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

Director	Balance at 1 July No.	Granted as remuneration No.	Options Exercised No.	Net other change No.	Balance at 30 June No.
Josh Puckridge (i)	-	2,000,000	-	-	2,000,000
Darren Patterson (ii)	-	11,000,000	-	-	11,000,000
Loren Jones (iii)	-	-	-	-	-

(i) Mr Puckridge was appointed on 4 December 2015.
(ii) Mr Patterson was appointed on 8 April 2016.
(iii) Miss Jones was appointed on 9 September 2015.

F. DIRECTORS' EQUITY HOLDINGS

No shares were granted or vested as part of remuneration of any key management personnel during 2016 (2015: Nil).

Key management personnel do not hold any shares in the Company at year end.

G. OTHER RELATED PARTY TRANSACTIONS

The Company has an agreement with Cicero Corporate Services Pty Ltd (CCS), a company related to Miss Jones for corporate administration services including financial reporting, company secretarial services, rent and administrative operations at $10,000 (exc. GST). Charges are at commercial terms in accordance with the agreement entered into on 11 December 2015 for an initial 12-month term.

- - END OF REMUNERATION REPORT - -

DIRECTORS' REPORT (CONTINUED)

MEETING OF DIRECTORS

During the financial year, three directors meeting were held. Attendances by each director during the year were as follows:

Board of Directors		
Board Member	**Eligible to Attend**	**Attended**
Josh Puckridge	-	-
Darren Patterson	-	-
Loren Jones	2	2
Robert Collins	3	3
Michael Scivolo	3	2
Hersh Majteles	3	3

INDEMNIFYING OFFICERS OR AUDITOR

During or since the financial year, the Company has paid premiums insuring all the directors of Blaze International Limited against costs incurred in defending conduct involving:

a) A breach of duty,

b) A contravention of sections 182 or 183 of the *Corporations Act 2001*,

as permitted by section 199B of the *Corporations Act 2001*.

Blaze has agreed to indemnify all directors and executive officers of the Company against liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of Blaze, except where the liability has arisen as a result of a wilful breach of duty in relation to the Company. The agreement stipulates that Blaze will meet the full amount of any such liabilities, including costs and expenses.

The Company has paid a total of $8,800 in insurance premiums, relating to Director and Officer insurance, during the financial year.

OPTIONS

At the date of this report there are 25,000,000 unissued ordinary shares for which options were outstanding.

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.

DIRECTORS' REPORT (CONTINUED)

CORPORATE GOVERNANCE

Blaze International Limited and the Board of Directors are committed to achieving the highest standards of corporate governance. The Board continues to review the framework and practices to ensure they meet the interests of shareholders. The Company and its controlled entities together are referred to as the Group in this statement.

A description of the Group's main corporate governance practices is set out on the Company's website www.blazelimited.com. All these practices, unless otherwise stated, were in place for the entire year and comply with the ASX Corporate Governance Principles and Recommendations

AUDITOR

HLB Mann Judd continues in office in accordance with Section 327 of the Corporations Act 2001.

NON-AUDIT SERVICES

The following non-audit services were provided by our auditors, HLB Mann Judd. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act.

HLB Mann Judd received or are due to receive the following amounts for the provision of non-audit services:

Taxation Compliance Services - $2,500

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the integrity and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

AUDITOR'S DECLARATION OF INDEPENDENCE

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 15 and forms part of this Directors' report for the year ended 30 June 2016.

This directors' report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Josh Puckridge
Non-Executive Chairman
Dated this 30th day of September 2016

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Blaze International Limited for the year ended 30 June 2016, 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.

Perth, Western Australia	**D I Buckley**
30 September 2016	**Partner**

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au
Liability limited by a scheme approved under Professional Standards Legislation

HLB Mann Judd (WA Partnership) is a member of HLB International, a worldwide organisation of accounting firms and business advisers.

DIRECTORS' DECLARATION

The Directors declare that:

(a) 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;

(b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with Australian Accounting Standards and International Financial Reporting Standards as disclosed in Note 1 and giving a true and fair view of the financial position and performance of the Group for the year ended on that date;

(c) the audited remuneration disclosures set out in the Directors' Report comply with Accounting Standard AASB 124 Related Party Disclosures and the Corporations Act and Regulations 2001; and

(d) the Directors have been given the declarations required by s.295A of the Corporations Act 2001 for the year ended 30 June 2016.

Signed in accordance with a resolution of the Board of Directors made pursuant to s.295(5) of the Corporations Act 2001.

For, and on behalf of, the Board of the Company,

Josh Puckridge
Chairman
Perth, Western Australia this 30th day of September 2016

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the members of Blaze International Limited

Report on the Financial Report

We have audited the accompanying financial report of Blaze International Limited ("the company"), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the Group. The Group comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In Note 1.2, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

Auditor's responsibility

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

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

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

HLB Mann Judd

Accountants | Business and Financial Advisers

Auditor's opinion

In our opinion:

(a) the financial report of Blaze International Limited is in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the Group's financial position as at 30 June 2016 and of its performance for the year ended on that date; and

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

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.2.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2016. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of Blaze International Limited for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

DBuckley

D I Buckley
Partner

Perth, Western Australia
30 September 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial year ended 30 June 2016

	Note	2016 $	2015 $
Continuing operations			
Revenue	2	900	58
Interest income	2	10,161	1,602
Administration Expense		(635,421)	(186,005)
Audit fees		(42,200)	(32,000)
Corporate compliance costs		(73,693)	(49,694)
Director fees, salaries, superannuation and consulting fees		(129,787)	(85,225)
Share based payment		(685,385)	-
Exploration expenditure written off	9	(259,547)	(477)
Finance costs		24,644	(52,649)
Insurances		(8,800)	-
Legal fees		(39,088)	(6,400)
Management Fees		(84,376)	(257,010)
Other expenses from ordinary activities		(71,293)	(70,477)
Project evaluation		(6,600)	-
Loss before income tax expense		**(2,000,485)**	**(738,277)**
Income tax (benefit)/expense		-	-
Loss for the year from continuing operations		**(2,000,485)**	**(738,277)**
Other comprehensive income		-	900
Total comprehensive loss for the year		**(2,000,485)**	**(737,377)**
Earnings/(loss) per share			
Basic loss per share (cents per share)	6	(2.90)	(4.24)
Diluted loss per share (cents per share)		(2.90)	(4.24)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes, which form an integral part of the final annual report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2016

	Note	2016 $	2015 $
Current assets			
Cash and cash equivalents	7	1,923,998	31,116
Trade and other receivables	8	103,044	46,614
Total current assets		2,027,042	77,730
Non-current assets			
Available for sale financial assets		4,050	4,050
Deferred exploration expenditure	9	442,874	602,013
Total non-current assets		446,924	606,063
Total assets		**2,473,966**	**683,793**
Liabilities			
Current liabilities			
Trade and other payables	10	571,209	487,654
Borrowings		-	492,649
Total current liabilities		571,209	980,303
Total liabilities		**571,209**	**980,303**
Net assets/(Net liabilities)		**1,902,757**	**(296,510)**
Equity			
Issued capital	12	36,291,073	32,777,006
Reserves	13	686,585	900
Accumulated losses		(35,074,901)	(33,074,416)
Total equity/(deficiency)		**1,902,757**	**(296,510)**

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes, which form an integral part of the final annual report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the financial year ended 30 June 2016

	Share Capital $	Reserves $	Retained Earnings $	Total $
Balance at 1 July 2014	32,505,142	-	(32,336,139)	169,003
Consolidated loss for the year	-	-	(738,277)	(738,277)
Revaluation of financial assets	-	900	-	900
Total comprehensive income for the year	**-**	**900**	**(738,277)**	**(739,177)**
Shares/options issued during the year	294,200	-	-	294,200
Share/option issue costs	(22,336)	-	-	(22,336)
Balance at 30 June 2015	**32,777,006**	**900**	**(33,074,416)**	**(296,510)**
Balance at 1 July 2015	32,777,006	900	(33,074,416)	(296,510)
Consolidated loss for the year	-	-	(2,000,485)	(2,000,485)
Total comprehensive income for the year	**-**	**-**	**(2,000,485)**	**(2,000,485)**
Shares/options issued during the year	3,763,121	685,685	-	4,448,806
Share/option issue costs	(249,054)	-	-	(249,054)
Balance at 30 June 2016	**36,291,073**	**686,585**	**(35,074,901)**	**1,902,757**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 30 June 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,530,938)	(326,748)
Interest received	2	10,161	1,073
Net cash used in operating activities	7	(1,520,777)	(325,675)
Cash flows from investing activities			
Exploration and evaluation expenditure		(100,408)	(454,559)
Net cash used in investing activities		(100,408)	(454,559)
Cash flows from financing activities			
Proceeds from borrowings		-	440,000
Proceeds from issue of shares		3,763,121	279,200
Payment for shares issue costs		(249,054)	(22,336)
Net cash generated by financing activities		3,514,067	696,864
Net (decrease)/increase in cash and cash equivalents		1,892,882	(83,370)
Cash and cash equivalents at the beginning of the year		31,116	114,486
Cash and cash equivalents at the end of the year	7	1,923,998	31,116

The Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes, which form an integral part of the final annual report.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30 June 2016

1. BASIS OF PREPARATION

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with other requirements of the law. The financial report has also been prepared on a historical cost basis, except for available-for-sale investments which have been measured at fair value.

The Company is a listed public company, incorporated and operating in Australia. The financial report is presented in Australian dollars.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated. The financial statements are for Blaze International Limited and its subsidiaries ("the Group").

The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

1.1. ADOPTION OF NEW AND REVISED STANDARDS

1.1.1. Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2016, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for the current annual reporting period.

It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2016. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

1.2. STATEMENT OF COMPLIANCE

The financial report was authorised by the Board of Directors for issue on 30 September 2016.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

1.3. BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Blaze International Limited ('company' or 'parent entity') as at 30 June 2016 and the results of all subsidiaries for the year then ended. Blaze International and its subsidiaries are referred to in this financial report as the Group or the Group.

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

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

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing when the Group controls another entity. When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139 'Financial Instruments: Recognition and Measurement' or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

1.4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The application of accounting policies requires the use of judgements, 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 are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Exploration and evaluation costs carried forward

In accordance with accounting policy Note 1.13 management determines when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. In determining this, various assumptions including the maintenance of title, ongoing expenditure and prospectivity are made.

Impairment of available-for-sale financial assets

The Group follows the guidance of AASB 139 Financial Instruments: Recognition and Measurement to determine when an available-for-sale financial asset is impaired. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black and Scholes model, using the assumptions detailed in Note 12.

1.5. INCOME TAX

The charge for current income tax expense is based on the result for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance date or reporting date.

Deferred tax is accounted for 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, where there is no effect on accounting or taxable profit or loss.

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 to profit or loss 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 Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

1.6. FINANCIAL INSTRUMENTS

1.6.1. Financial assets

Financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end. All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

(i) Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in profit or loss.

(ii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the financial year ended 30 June 2016

(iv) Available-for-sale investments

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

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models.

1.6.2. Derecognition of financial assets and financial liabilities

(i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is derecognised when:

a) *the rights to receive cash flows from the asset have expired;*
b) *the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or*

c) *the Group has transferred its rights to receive cash flows from the asset and either:*

    1. *has transferred substantially all the risks and rewards of the asset, or*

    2. *has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.*

When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Group could be required to repay.

When continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

1.7. 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 assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to profit or loss.

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

1.7.1. Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value (because its fair value cannot be reliably measured), or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset.

1.7.2. Available-for-sale investments

If there is objective evidence that an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to the profit or loss. Reversals of impairment losses for equity instruments classified as available-for-sale are not recognised in profit. Reversals of impairment losses for debt instruments are reversed through profit or loss if the increase in an instrument's fair value can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

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.

1.8. PROVISIONS

Provisions are recognised when the Group 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.

1.9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes 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. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

1.10. REVENUE

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. All revenue is stated net of the amount of goods and services tax (GST).

1.11. 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 statement of financial position 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.

1.12. COMPARATIVE FIGURES

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

1.13. DEFERRED EXPLORATION EXPENDITURE

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

a) *the rights to tenure of the area of interest are current; and*

b) *at least one of the following conditions is also met:*

    1. *the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively by its sale; or*

2. *exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.*

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching, sampling and other associated activities including an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any).

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

1.14. ISSUED CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

1.15. EARNINGS PER SHARE

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

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

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the financial year ended 30 June 2016

1.16. BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible note is determined using a market interest rate for an equivalent non-convertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the note. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

1.17. SHARE-BASED PAYMENT TRANSACTIONS

1.17.1. Equity settled transactions

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model, further details of which are given in Note 12.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Blaze International Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the

Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share, refer Note 6.

1.18. PARENT ENTITY FINANCIAL INFORMATION

The financial information for the parent entity, Blaze International, disclosed in Note 14 has been prepared on the same basis as the consolidated financial statements, except as set out below.

1.18.1. Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

1.18.2. Share-based payments

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

1.19. TRADE AND OTHER RECEIVABLES

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include known significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Group. The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term discounting is not applied in determining the allowance.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

1.20. TRADE AND OTHER PAYABLES

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the financial year ended 30 June 2016

2. REVENUE

2.1. REVENUE FROM CONTINUING OPERATIONS

	CONSOLIDATED	
	2016 $	2015 $
Interest received	10,161	1,602
Other	900	58
	11,061	1,660

3. INCOME TAX

3.1. INCOME TAX BENEFIT

The major components of tax benefit are:

The prima facie income tax benefit on pre-tax accounting result from operations reconciles to the income tax benefit in the financial statements as follows:

	CONSOLIDATED	
	2016 $	2015 $
Accounting profit before tax from continuing operations	(2,000,485)	(738,277)
Income tax benefit calculated at 30%	(600,145)	(221,483)
Non-deductible expenses	218,568	4,549
Unused tax losses and tax offset not recognised as deferred tax assets	408,506	315,629
Other deferred tax assets and tax liabilities not recognised	(26,929)	(98,695)
Income tax expense/(benefit) reported in the income statement	-	-

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the financial year ended 30 June 2016

3.2. UNRECOGNISED DEFERRED TAX BALANCES

The following deferred tax assets and (liabilities) have not been brought to account:

Deferred tax assets comprise:

Losses available for offset against future taxable income - revenue	2,776,734	2,368,137
Losses available for offset against future taxable income - capital	1,217,565	1,217,565
Impairment of other investments	1,485	1,755
Depreciation timing differences	79	264
Share issue expenses	72,279	20,535
Accrued expenses and liabilities	4,290	7,755
	4,072,432	3,616,011

Deferred tax liabilities comprise:

Exploration Expenditure Capitalised	91,317	135,863
Other	-	158
	91,317	136,021

Income tax expense recognised direct in equity during the year:

	CONSOLIDATED	
	2016 $	2015 $
Share-issue costs	74,716	6,701
	74,716	6,701

4. KEY MANAGEMENT PERSONNEL DISCLOSURES

4.1. DETAILS OF KEY MANAGEMENT PERSONNEL

The following persons were directors of Blaze International Limited during the financial year:

Mr Josh Puckridge	Non-Executive Chairman	Appointed 4 December 2015
Mr Darren Patterson	Executive Director	Appointed 8 April 2016
Miss Loren Jones	Non-Executive Director	Appointed 9 September 2015
Mr Robert Collins	Non-Executive Director	Resigned 8 April 2016
Mr Michael Scivolo	Non-Executive Chairman	Resigned 4 December 2015
Mr Hersh Majteles	Non-Executive Director	Resigned 4 December 2015

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the financial year ended 30 June 2016

4.2. KEY MANAGEMENT PERSONNEL COMPENSATION

The aggregate compensation made to key management personnel of the Group is set out below:

	CONSOLIDATED	
	2016 $	2015 $
Short-term employee benefits	153,939	80,000
Post-employment benefits	2,229	5,225
Other benefits	356,556	-
	512,724	85,225

4.3. EQUITY INSTRUMENT DISCLOSURES RELATING TO KEY MANAGEMENT PERSONNEL

During the financial year ended 30 June 2016, there were no director options granted, exercised or lapsed (2015: Nil). As at 30 June 2016 there were 13,000,000 options on issue (2015: Nil). No directors held shares in the Company at any time during the period (2015: Nil).

5. OF AUDITORS

Remuneration of the auditor of the parent entity for:

	CONSOLIDATED	
	2016 $	2015 $
Auditing or reviewing the financial report	24,500	23,750
Taxation services	2,500	7,500
	27,000	31,250

6. LOSS PER SHARE

6.1. BASIC LOSS PER SHARE

	CONSOLIDATED	
	2016 $	2015 $
Loss used in calculation of basic EPS	(2,000,485)	(738,277)
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	68,976,577	17,377,149

Diluted EPS not disclosed as potential ordinary shares are not dilutive.

7. CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	2016 $	2015 $
Cash at bank and in hand	1,904,543	11,661
Short-term bank deposits	19,455	19,455
	1,923,998	31,116

Cash at bank earns interest at floating rates based on daily bank deposits.

7.1. RECONCILIATION OF CASH

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	1,923,998	31,116

7.2. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

Loss after income tax	(2,000,485)	(738,277)
Non-cash flows in profit or loss		
Exploration expenditure written off	259,547	477
Share-based payments	685,685	15,000
(Increase)/decrease in trade and other receivables	(56,430)	(27,811)
Increase/(decrease) in trade payables and accruals	(409,094)	424,936
Net cash used in operating activities	(1,520,077)	(325,675)

8. CURRENT TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	2016 $	2015 $
Other receivables (i)	103,044	46,614

(i) No receivables are past their contractual terms

9. DEFERRED EXPLORATION EXPENDITURE

	CONSOLIDATED	
	2016 $	2015 $
Expenditure brought forward	602,013	9,789
Expenditure incurred during year	100,408	442,701
Expenditure written off during year	(259,547)	(477)
Expenditure carried forward	442,874	602,013

The ultimate recoupment of the mining tenements, exploration and evaluation expenditure carried forward is dependent upon the successful development and commercial exploitation and/or sale of the relevant areas of interest, at amounts at least equal to book value.

10. TRADE AND OTHER PAYABLES

	CONSOLIDATED	
	2016 $	2015 $
Current		
Trade and sundry payables (i)	571,209	487,654

(i) Trade payables are non-interest bearing and are normally settled on 30 day terms.

11. BORROWINGS

	CONSOLIDATED	
	2016 $	2015 $
Unsecured convertible loan notes and accrued interest	-	492,649

12. ISSUED CAPITAL

	CONSOLIDATED 2016 $	CONSOLIDATED 2015 $
115,000,000 fully paid ordinary shares (2015: 17,551,889)	36,291,073	32,776,006

12.1. FULLY PAID ORDINARY SHARES

	CONSOLIDATED			
	2016		2015	
	No.	$	No.	$
Balance at beginning of year	17,551,899	32,777,006	4,023,993,044	32,505,142
Shares issued on 31 Jul 2014	-	-	349,000,000	279,200
Shares issued on 24 Feb 2015	-	-	15,000,000	15,000
Consolidation (250:1)			(4,370,441,155)	
Shares issued on 7 Sept 2015	14,379,069	440,360		
Shares issued on 4 Dec 2015	30,069,032	1,202,761		
Shares issued on 27 Jan 2016	53,000,000	2,120,000		
Share issue costs	-	(249,054)	-	(22,336)
Balance at end of year	115,000,000	36,291,073	17,551,889	32,777,006

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Ordinary shares participate in the proceeds on winding up of the Company in proportion to the number of shares held.

12.2. SHARE OPTIONS ON ISSUE

The following options were on issue as 30 June 2016:

No of Options	Grant Date	Fair Value at Grant Date	Share Price at Grant Date	Expected Volatility	Option Life (years)	Expected Dividends	Risk-Free Interest Rate
25,000,000[(i)]	2 Jun 2016	$0.0274	$0.053	92%	2.75	0%	1.94%

(i) Options exercisable at 8 cents expiring 1 March 2019.

Set out above is a summary of the options granted by the group during the 2016 financial year. The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected divided yield and the risk-free interest rate for the term of the option. The options were fully vested and exercisable at balance date. No options were exercised during the period.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the financial year ended 30 June 2016

12.3. CAPITAL RISK MANAGEMENT

Management controls the capital of the Group in order to ensure that the Group can fund its operations and continue as a going concern.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. As at 30 June 2016, the Group had trade and other payables of $571,209.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

13. RESERVES

	CONSOLIDATED	
	2016 $	2015 $
Option premium reserve(i)	685,685	-
Financial assets reserve (ii)	900	900
Balance at end of year	686,585	900

13.1. OPTION PREMIUM RESERVE

The option premium reserve is used to accumulate proceeds received from the issue of options and the value of options issued as consideration for the acquisition of non-current assets.

MOVEMENTS IN RESERVE

Balance at beginning of year	-	-
Issued during the year	685,585	-
Option expiry	-	-
Balance at end of year	685,585	-

13.2. FINANCIAL ASSETS RESERVE

MOVEMENTS IN RESERVE

Balance at beginning of year	900	-
Revaluation of available for sale financial assets	-	900
Balance at end of year	900	900

The financial assets reserves is used to accumulate the change in fair value of available for sale financial assets.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the financial year ended 30 June 2016

14. PARENT ENTITY DISCLOSURES

14.1. FINANCIAL POSITION

	CONSOLIDATION	
	2016 $	2015 $
Current assets		
Cash and cash equivalents	1,923,998	31,116
Trade and other receivables	103,044	46,147
Other current assets	-	-
Total current assets	2,027,042	77,263
Non-current assets		
Available for sale financial assets	4,050	4,050
Deferred exploration expenditure	-	-
Total non-current assets	4,050	4,050
Total assets	**2,031,092**	**81,313**
Liabilities		
Current liabilities		
Trade and other payables	548,728	482,522
Borrowings	-	492,649
Total current liabilities	548,728	975,171
Total liabilities	**548,728**	**975,171**
Net assets/(Net liabilities)	**1,482,364**	**(893,858)**
Equity		
Issued capital	36,291,073	32,777,006
Reserves	686,585	900
Accumulated losses	(35,495,294)	(33,671,764)
Total equity/(deficiency)	**1,482,364**	**(893,858)**

14.2. FINANCIAL PERFORMANCE

Loss for the period	(1,823,530)	(1,336,775)
Other comprehensive income	-	-
Total comprehensive loss	**(1,823,530)**	**(1,336,775)**

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the financial year ended 30 June 2016

15. SUBSIDIARIES

Entity	Incorporation	2016 Ownership	2015 Ownership
Yeelirrie Minerals Pty Ltd	Australia	100%	100%
Colour Minerals Pty Ltd	Australia	100%	100%

Balances and transactions between the company and its subsidiaries, which are related parties of the company, have been eliminated on consolidation and not disclosed in this note.

16. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities or contingent assets as at 30 June 2016 (2015: Nil).

17. CAPITAL AND LEASING COMMITMENTS

The Company has an agreement with Cicero Corporate Services Pty Ltd (CCS), a company related to Miss Jones for corporate administration services including financial reporting, company secretarial services, rent and administrative operations at $10,000 (exc. GST). Charges are at commercial terms in accordance with the agreement entered into on 11 December 2015 for an initial 12-month term.

	CONSOLIDATED	
	2016 $	2015 $
Within 12 months to June 2016	60,000	-
Within 2 <5 years	-	-
Total	60,000	-

18. SEGMENT REPORTING

The Group has adopted AASB 8 "Operating Segments" which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker (considered to be Board of Directors) in order to allocate resources to the segment and assess its performance. The chief operating decision maker of the Group reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. During the period, the Group operated predominantly in one segment being the mineral exploration sector in Western Australia. Accordingly, under the "management approach" outlined above only one operating segment has been identified and no further disclosure is required in the notes to the consolidated financial statements.

19. EVENTS AFTER BALANCE SHEET DATE

GREAT SANDY AND THE MARBLE BAR LITHIUM PROJECT

On 2 August 2016, the Company announced the acquisition of an option to acquire the Marble Bar Lithium Project from Great Sandy Pty Limited (on the terms outlined in the announcement "Option to Acquire Lithium Project").

The Company is currently conducting field testing at the Marble Bar Lithium Project and will alert the market accordingly should the Company decide to exercise its option.

Shareholders and potential Investors of the Company should review the Company's ASX announcements for the latest information regarding the Marble Bar Lithium Project and Great Sandy Pty Limited.

EQUITY PLACEMENTS

On 17 August 2016, the Company issued 11,000,000 fully paid ordinary shares in the Company to Wholesale and Sophisticated Investors as a private placement of new shares to raise $550,000 in new equity capital (being $0.05 per share).

The Company will also issue 50,000,000 new unlisted options exercisable, on a 1:1 basis into fully paid ordinary shares of the Company, at $0.08 per share expiring 1 March 2019, at $0.0001 per option (Options). Cicero Advisory Services Pty Ltd has been appointed as lead manager to the Capital Raise. The terms of the new Options are outlined in the Company's 2 August 2016 announcement.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

20. RELATED PARTY TRANSACTIONS

20.1. KEY MANAGEMENT PERSONNEL REMUNERATION

Details of key management personnel remuneration are disclosed in Note 4 to the financial statements.

20.2. LOANS TO KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

There have been no loans to key management personnel during the year. Refer to note 17.

20.3. OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

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

21. FINANCIAL INSTRUMENTS

21.1. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable, loans to and from subsidiaries and bills.

21.1.1. Financial risk

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

21.1.2. 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 allowances for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not have any material credit risk exposure to any single receivable or Group of receivables under financial instruments entered into by the Group.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the financial year ended 30 June 2016

21.1.3. Interest rate risk

The Group'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:

	Fixed interest rate maturing						
	Weighted average effective interest rate	Floating interest rate	< 1 year	1 – 5 years	> 5 years	Non-interest bearing	Total
	%	$	$	$	$	$	$
2016							
Financial assets:							
Cash at bank	2.50%	1,923,998	-	-	-	-	**1,923,998**
Receivables	N/A	-	-	-	-	103,044	**103,044**
Available for sale financial assets	-	-	-	-	-	4,050	**4,050**
Total financial assets	-	1,923,998	-	-	-	107,094	**2,031,092**
Financial liabilities:							
Trade and other payables	N/A	-	-	-	-	571,209	**571,209**
Borrowings		-	-	-	-	-	**-**
Total financial liabilities		-	-	-	-	571,209	**571,209**
2015							
Financial assets:							
Cash at bank	2.50%	31,116	-	-	-	-	**31,116**
Receivables	N/A	-	-	-	-	46,414	**46,414**
Available for sale financial assets		-	-	-	-	4,050	**4,050**
Total financial assets		31,116	-	-	-	50,464	**81,580**
Financial liabilities:							
Trade and other payables	N/A	-	-	-	-	487,654	**487,654**
Borrowings	20%	-	492,649	-	-	-	**492,649**
Total financial liabilities		-	492,649	-	-	487,654	**980,303**

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the financial year ended 30 June 2016

21.1.4. Liquidity risk

The following table details the Group's and the Company's expected maturity for its financial liabilities:

	CONSOLIDATED	
	2016 $	2015 $
Non-Interest bearing		
< 1 month	571,209	487,654
1 – 3 months	-	-
3 – 12 months	-	-
1 – 5 years	-	-
	571,209	487,654

21.1.5. Net fair values

For all financial assets and financial liabilities, their net fair value approximates their carrying values.

Fair Value measurements are classified under accounting standards. Level of the following fair value measurement hierarchy:

- Quoted prices in active markets for identical assets or liabilities (**level 1**);
- Inputs other than quoted prices included within level 1 that that are observable for the asset or liability either directly or indirectly (**level 2**); and
- Inputs for the asset or liability that are not based on observable data (**level 3**).

The group has $4,050 of available-for sale financial assets which are recorded in level 1 (2015: $4,050 in level 1).

21.1.6. Interest rate sensitivity analysis

The sensitivity analyses has been determined based on those assets and liabilities with an exposure to interest rate risk at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates. At reporting date, if interest rates had been 100 basis points higher or lower and all other variables were held constant there would not be a material change to the group's net loss or equity.

ADDITIONAL SHAREHOLDERS' INFORMATION

Blaze International Limited's issued capital is as follows:

ORDINARY FULLY PAID SHARES

At the date of this report there are the following number of Ordinary fully paid shares

	Number of shares
Balance at the beginning of the year	17,551,899
Movements of share options during the year and to the date of this report	108,448,101
Total number of shares at the date of this report	**126,000,000**

SHARES UNDER OPTION

At the date of this report there are 25,000,000 unissued ordinary shares in respect of which options are outstanding.

	Number of options
Balance at the beginning of the year	-
Movements of share options during the year and to the date of this report	25,000,000
Total number of options outstanding at the date of this report	**25,000,000**

The balance is comprised of the following:

Number of options	Expiry date	Exercise price	Listed/Unlisted
25,000,000	1 March 2019	$0.08	Unlisted

No person entitled to exercise any option referred to above has had, by virtue of the option, a right to participate in any share issue of any other body corporate.

SUBSTANTIAL SHAREHOLDERS

Blaze International Limited has the following substantial shareholders as at 26 September 2016:

Name	Number of shares	Issued Capital %
KALGOORLIE MINE MANAGEMENT PTY LTD	13,602,655	10.8
MR MATHEW DONALD WALKER	11,000,000	8.73

ADDITIONAL SHAREHOLDERS' INFORMATION (CONTINUED)

RANGE OF SHARES AS AT 26 SEPTEMBER 2016

Range	Total Holders	Number of shares	Issued Capital %
1 - 1,000	122	37,493	0.03
1,001 - 5,000	222	761,053	0.604
5,001 - 10,000	111	857,596	0.681
10,001 - 100,000	226	10,167,815	8.070
100,001 - > 100,001	148	114,176,043	90.616
Total	**829**	**126,000,000**	**100.00**

UNMARKETABLE PARCELS AS AT 26 SEPTEMBER 2016

	Minimum parcel size	Number of Holders	Units
Minimum $500.00 parcel at $0.044 per unit	10,204	456	1,666,342

TOP 20 HOLDERS OF ORDINARY SHARES AS AT 26 SEPTEMBER 2016

#	Holder Name	Number of shares	Issued Capital %
1	KALGOORLIE MINE MANAGEMENT PTY LTD	13,602,655	10.8
2	MR MATHEW DONALD WALKER	11,000,000	8.73
3	FIDELITY & SECURITY NOMINEES PTY LTD	6,250,000	4.96
4	STATION NOMINEES PTY LTD <STATION SUPER FUND A/C>	5,500,000	4.37
5	MS NICOLE GALLIN + MR KYLE HAYNES <GH SUPER FUND A/C>	3,000,000	2.38
6	MALCORA PTY LTD <C & C CENIVIVA A/C>	2,460,000	1.95
7	DISTINCT RACING AND BREEDING PTY LTD	2,403,363	1.91
8	MR KYLE BRADLEY HAYNES	2,400,000	1.9
9	MR RICHARD STUART DONGRAY + MRS JOAN DONGRAY <SUPER FUND A/C>	2,000,000	1.59
10	THE TWENTIETH CENTURY MOTOR COMPANY PTY LTD <WALKER FAMILY S/F A/C>	2,000,000	1.59
11	MR JONATHAN MARK WILD	2,000,000	1.59
12	THE TRUST COMPANY (AUSTRALIA) LIMITED <MOF A/C>	1,889,198	1.5
13	MR GREG FISHER	1,812,441	1.44
14	PERSHING AUSTRALIA NOMINEES PTY LTD <INDIAN OCEAN A/C>	1,800,000	1.43
15	SACCO DEVELOPMENTS AUSTRALIA PTY LIMITED <THE SACCO FAMILY A/C>	1,792,813	1.42
16	SABRELINE PTY LTD <JPR INVESTMENT A/C>	1,750,000	1.39
17	JKR SUPER PTY LTD <JPR SUPER FUND A/C>	1,500,000	1.19
18	PGM RESOURCES PTY LTD	1,206,774	0.96
19	SPUR RESOURCES PTY LTD	1,206,774	0.96
20	PANDELL PTY LTD	1,200,000	0.95
Total of Top 20 Holders of ORDINARY SHARES		**66,774,018**	**53.01**