BLIGH RESOURCES LIMITED

ABN 83 130 964 162

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2012

BLIGH RESOURCES LIMITED
ABN 83 130 964 162

TABLE OF CONTENTS TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012

BLIGH RESOURCES LIMITED
ABN 83 130 964 162

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

DIRECTORS	Mr Noel Halgreen (Chairman-appointed on 19 March 2012) Mr Robert John Benussi Mr Charles William Guy Mr Hanjing Xu Mr Peiqi Zhang Mr Liming Niu Alternate to Mr Hanjing Xu Mr Zhijie Li Alternate to Mr Peiqi Zhang (appointed on 29 June 2012) Mr Jinle Song (appointed 7 August 2012, subsequent to year end) Mr Dinghao Song Alternate to Mr Jinle Song (appointed on 21 August 2012 subsequent to year end)
COMPANY SECRETARY	Mr Adrian Di Carlo
REGISTERED OFFICE	Suite 804 Level 8, 84 Pitt Street SYDNEY NSW 2000
PRINCIPLE PLACE OF BUSINESS	Suite 804 Level 8, 84 Pitt Street SYDNEY NSW 2000
AUDITORS	PricewaterhouseCoopers 201 Sussex Street, Sydney NSW 2000
SHARE REGISTRY	Link Market Services Pty ltd Ground Floor, 178 St Georges Terrace Perth WA 6000
ACCOUNTANTS	Jirsch Reilly Tang Pty Ltd Suite 405, Level 4 83 York Street, Sydney NSW 2000
SOLICITOR	Aura Legal Pty Ltd Level 14 74 Castlereagh Street, Sydney NSW 2000
INTERNET ADDRESS	www.blighresources.com.au
COUNTRY OF INCORPORATION AND DOMICILE	Australia

Chairman's Letter

Dear Shareholders,

It is indeed a pleasure, on behalf of the board and the management team, to present our first annual report since listing in December 2011, establishing Bligh Resources Limited as a manganese and gold explorer, currently focused on our exploration assets in Australia.

While manganese is the 12th most abundant element in the earth's crust, reserves are irregularly distributed. Nearly three-quarters of the world's manganese reserves are in the Ukraine, South Africa, Brazil and India. Manganese is the 4th most traded metal worldwide, primarily because it is indispensable in the production of steel and other alloys.

China's rapid economic growth provides a substantial impact on the demand for energy and resources imported from Australia. Although economic growth has moderated for the moment, consumption and investment are expected to remain robust in the longer term. We therefore remain confident of the focus on manganese and the value for shareholders to be created from our projects.

The global economy is projected to remain fragile and subject to some downside risks. The worldwide economic environment over the last 12 months has put significant pressure on the resources industry which is reflected in share prices across the sector, and Bligh Resources was not immune to the impact of the negative sentiment surrounding the global economy.

The on-going economic development in emerging markets, which has seen a large increase in steel production and consumption in recent years, is likely to lead to manganese demand accelerating in the years to come. In particular, high grade manganese ores from Africa, Australia and South America will be required to feed the ferroalloy smelters of Asia, where ores are typically low-grade and less suitable for production of good quality manganese ferroalloys.

While the future of the manganese industry will continue to depend on steel production, other applications are likely to see impressive growth. Increasing use of Li-ion and NiMn batteries for consumer, electric vehicle and storage battery applications will see an increase in manganese consumption in this area.

Exploration at Bootu Creek Two Manganese JV Project (700km2) in the Northern Territory has begun in earnest. The exploration survey identified 10 anomalies 40 km south of OM Holdings' Bootu Creek Mine. We believe Bootu Creek represents a major opportunity for Bligh Resources, given it is situated in a proven manganese province with infrastructure already in place.

The company has completed its maiden exploration survey program for the 788km2 Manilla manganese project in north-east NSW. Bligh Resources will continue to progress activities on the Manilla Project, with a field investigation of anomalies forming the next phase of the exploration program.

Geological interest at Kumarina has been enhanced by the discovery of primary copper mineralisation within the basin by Montezuma Mining Limited. A soil sampling program was completed at Kumarina and further work is planned within the year.

At the Grenfell Project in northern NSW 28 areas of geophysical interest requiring further exploration were highlighted. Bligh Resources is planning to progress with the Grenfell fieldwork by completing geochemical work over the geophysical areas of interest to upgrade them to drill targets. The main areas of focus will be the historical underground manganese workings. Bligh Resources' field work will examine the area for gold potential as well.

The Leonora gold prospect is divided into two prospective areas, the Diorite King and the Mt. Davis prospect, and covers approximately 49 km2. Bligh Resources' tenements are situated six kilometres southeast of the Tarmoola Gold Mine in W.A. which has produced over 3 million ounces of gold. Historical drill results have returned very encouraging intercepts for gold, and coupled with the results from our current activities, we are confident that this is a highly prospective project.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

Bligh Resources is continuing to progress exploration activities across a number of its projects. Priority is being given to exploration activities at the Bootu Creek Two project and Grenfell in the first half of this year.

During the initial listing Bligh Resources raised $3,500,000 to fund the exploration of its tenements. Additional funding was subsequently put in place with the support of Aura Capital Advisors Pty Ltd. We therefore have sufficient funding in place to continue our exploration activities and will continue to focus on our most prospective projects whilst minimizing costs.

In order to strengthen its corporate governance, the board of Bligh Resources appointed a non-executive chairman and appointed Rob Benussi (previously executive chairman) as CEO.

I thank Rob Benussi and the team for their efforts in what was a difficult first year. My Fellow Board Members have also contributed substantially and made their time available to guide the company during turbulent times, always pursuing the objectives of Bligh Resources.

Noel Halgreen
Non-Executive Chairman
28th August 2012

Bligh Resources Limited ("the Company" or "Bligh") is committed to implementing high standards of corporate governance.

Set out below are the fundamental corporate governance practices of Bligh.

Principle 1: The Board Lays Solid Foundations for Management and Oversight

Role of the Board

The Board's role is to govern Bligh rather than to manage it. In governing Bligh, the Directors must act in the best interests of Bligh as a whole. Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of Bligh; any candidate will confirm that they have the necessary time to devote to their Company Board position prior to appointment. In addition, Non-Executive Directors receive formal letters of appointment setting out the key terms, conditions and expectations of their appointment.

Responsibilities of the Board

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of Bligh. It is required to do all things that may be necessary to be done in order to carry out the objectives of Bligh.

The Board is responsible for governing Bligh and for setting the strategic direction of Bligh and has thereby established the functions reserved to the Board. Board responsibilities are set out in the Bligh Board Charter. The Board has established an Audit Committee to assist it in discharging its functions. The Board Charter and Committee Charters are available on the Bligh website (under "Corporate Governance").

The Board generally holds regular meetings including Circular Resolutions to confirm the board's decisions; however additional meetings may be called as required. Directors' attendance at meetings for the year is set out on in the Director Report section of this Annual Report.

The Executive Directors manage the day to day activities of the Company in accordance with the direction and delegations of the Board and the Board oversees the activities of the Executive Directors in carrying out these delegated duties.

In carrying out its governance role, the main task of the Board is to oversee the performance of Bligh. The Board is committed to Bligh's compliance with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body.

Independent Professional Advice and Access to Company Information

Each Director has the right of access to all Bligh information and to Bligh's executives. Further, the Board collectively and each Director, subject to informing the Chairman, has the right to seek independent professional advice from a suitably qualified advisor, at Bligh's expense, to assist them to carry out their responsibilities. Where appropriate, a copy of this advice is to be made available to all other members of the Board.

Education and Induction

New Directors undergo an induction process in which they are given a full briefing on Bligh. Where possible, this will include meetings with key executives, and a due diligence package and presentations from management.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development.

Performance Review/Evaluation

Senior Executive's performance is to be reviewed annually, with performance appraised by the Executive Directors. Performance reviews were not undertaken during the 2012 financial year given the Company's recent listing on the ASX in December 2011 and recently appointed personnel, however, the Company aims to review senior executives performance for the next financial year.

Principle 2: The Board is Structured to Add Value

Composition of the Board and details of Directors

Bligh currently has six Directors and three Alternate Directors at the date of this Annual Report: Mr Noel Halgreen holds the position of Non-Executive Chairman, Mr Robert J Benussi holds the role of CEO & Executive Director and CFO, and Mr Charles W Guy holds the position of Managing Director of Exploration and the remaining three Directors; Mr Hanjing Xu, Mr Peiqi Zhang and Mr Jinle Song are Non-Executive Directors.

All incumbent Directors bring a balanced judgment to bear in Board deliberations and the current representation is considered adequate given the stage of the Company's development. The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. It is the approach and attitude of each Non-Executive Director which determines independence and this must be considered in relation to each Director, while taking into account all other relevant factors.

In assessing independence, the Board has taken into consideration the relationships affecting independent status pursuant to the ASX Principles and Recommendations. The Chairman is an Independent Non-Executive Director and there is a clear division of responsibility between the Chairman and the CEO & Executive Director and the Managing Director of Exploration. Mr Hanjing Xu is considered independent. The CEO & Executive Director, and the Managing Director of Exploration, are not independent as they are employed in an executive capacity. Mr Pieqi Zhang and Mr Jinle Song are not independent because of their substantial shareholdings in the Company. The Company acknowledges that a majority of the board is not independent, however, considers that the composition of its board is appropriate for its stage of development as a mining exploration company.

Further details about the current Directors skills, experience and period of office are set out in the Directors' Report section of this Annual Report.

Remuneration & Nomination Committee

The Board has decided to temporarily suspend the appointment of the Remuneration & Nomination Committee (Committee), until equity market conditions improve and a necessity for the Committee to be active. The Committee's responsibilities, among other responsibilities, will be to assess the necessary competencies of the Board, review Board succession plans, develop processes for evaluation of the Board and the appointment and re-election of Directors with reference to the guidance set out in the Board Charter.

The Company did not undertake a formal performance review process of the Board and its individual directors throughout the financial year as the Company intends to perform this review for the next financial year.

Principle 3: The Board Promotes Ethical and Responsible Decision Making

Confidentiality

In accordance with legal requirements and agreed ethical standards, Directors and key executives of Bligh have agreed to keep confidential, information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

Company Code of Conduct and Ethics

As part of its commitment to recognising, the legitimate expectations of stakeholders and promoting practices necessary to maintain confidence in the Company's integrity, Bligh has an established Code of Conduct and Ethics (Code) to guide compliance with legal, ethical and other obligations to legitimate stakeholders and the responsibility and accountability required of the Company's personnel for reporting and investigating unethical practices or circumstances where there are beaches of the Code. These stakeholders include employees, clients, customers, government authorities, creditors and the community as whole. This Code governs all Bligh commercial operations and the conduct of Directors, employees, consultants, contactors and all other people when they represent Bligh.

The Board, management and all employees of Bligh are committed to implementing this Code and each individual is accountable for such compliance.

A copy of the Code is available on the Company's website under "Corporate Governance".

The Company has implemented a Diversity Policy which is available on its website. The Diversity Policy is a commitment to actively seek to maintain a diverse workforce to create a workplace that is fair and inclusive, applies fair and equitable employment practices and provides a working environment that will allow all employees to reach their full potential.

The Company is of the view that any measurable statistical objectives on a diverse workforce must be fit for purpose, in line with the Company's strategic objectives and ensure the Company is in compliance with all relevant legislative requirements. As at the date of this Annual Report, the Company is of the opinion that measurable objectives are not appropriate at its present stage of development, however, the Company will consider implementation of measurable objectives in future.

Due to the size and scale of operations of the Company, the Board believes that a longer term gender diversity objective is more appropriate.

As at the date of this Annual Report, 0% of Board, 50% of employees and 0% of senior executives are women. The Company will look to increase gender diversity at a Board and senior executive level in future years as the Company aims to progress from exploration to production.

Principle 4: The Board safeguards integrity in financial reporting

Audit Committee

The Board has established an Audit Committee to assist the Board. In compliance with the Audit Committee Charter, the members comprise of two Non-Executive Directors, Mr Noel Halgreen and Mr Hanjing Xu and comprised one Executive Director Mr Charles Guy. The Company then decided to appoint the Executive Director Mr Robert Benussi to the Audit Committee to increase the level of financial experience, given Mr Benussi's position as Chief Financial Officer with the Company and the availability of other board members to meet the Company's requirement for increased financial experience. Upon Mr Benussi's appointment to the Audit Committee Mr Bill Guy stepped down, and a majority of independent non-executive directors was maintained for the composition of the Audit Committee. The Board has considered that the composition of the Committee is appropriate for the Company's requirements at this time.

The Audit Committee Charter sets out the policy for the selection, appointment and rotation of external audit engagement partners.

Details of the members of the Audit Committee and their attendance at Committee Meetings are set out in the Director's Report section of this Annual Report.

Principle 5: The Board Makes Timely and Balanced Disclosure

Bligh's Continuous Disclosure Policy is designed to ensure that procedures are in place to ensure compliance with ASX Listing Rule disclosure requirements. The CEO & Executive Director and the Company Secretary have been designated as persons responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX.

A summary of the Continuous Disclosure Policy is available on the Company's website under "Corporate Governance."

Principle 6: The Board Respects the Rights of Shareholders

Shareholder Communication

Bligh respects the rights of its shareholders and to facilitate the effective exercise of those rights, Bligh communicates with its shareholders continually and periodically and encourages shareholder participation at annual general meetings. The independent external auditor attends the Annual General Meeting to respond to questions from shareholders on the conduct of the audit and the preparation and content of the audit report.

Principle 7: The Board Recognises and Manages Risk

The Board has accepted the role of identifying, assessing, monitoring, managing and mitigating wherever possible, any material business risks applicable to Bligh and its operations. It has not established a separate committee to deal with these matters as the Directors consider the size of Bligh and its operations does not warrant a separate committee at this time. The Audit Committee is charged with the responsibility of financial risk management.

The Company is committed to the identification, monitoring and management of material business risks of its activities. The Board has in place a number of policies that aim to manage specific risks that have been identified. The Company's personnel are responsible for adhering to the Occupational Health and Safety Policy as part of the risk management process. Further, the Board is aiming to develop an overall policy and reporting framework for the oversight and management of material business risks to accommodate its present and future stages of development.

In accordance with Recommendation 7.3 of the ASX Principles and Recommendations, the Chief Executive Officer and Chief Financial Officer has stated to the Board:

That:

- the statement given in accordance with section 295A of the Corporations Act, is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and

- the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects in relation to financial reporting risks.

Principle 8: The Board Remunerates Fairly and Responsibly

Remuneration Report and Remuneration Policies

In accordance with the Constitution of Bligh, shareholders determine the aggregate annual remuneration of the Non-Executive Directors. It is the Board's policy to consider the issue of options or rights packages to Non-Executive Directors after a pre-determined qualifying period of service on the Board, and with the approval of shareholders at a general meeting. The Board believes that this policy assists in attracting Non-Executive Directors who have the requisite skills to add value to the Board. Remuneration of all Directors paid during the year is set out in the Remuneration Report and in Note 5 to the Financial Statements.

Further details on the structure of Executive Directors and Non-executive Directors' remuneration are set out in the Remuneration Report on pages 19 to 25 of this Annual Report.

Hedging Policy

No Bligh employee is permitted to enter into transactions with securities (or any derivative thereof) which limit the economic risk of any unvested entitlements awarded under any Bligh equity-based remuneration scheme currently in operation or which will be offered by Bligh in the future.

As part of Bligh's due diligence undertaken at the time of half and full year results, Bligh's equity plan participants are requested to confirm that they have not entered into any such prohibited transactions.

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2012

Your directors present the annual financial report together with the financial statements of Bligh Resources Limited ("the Company or "Bligh") for the financial year ended 30 June 2012. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Principal Activities and Significant Changes in Nature of Activities

The principal activities of Bligh during the year was to identify, accumulate, evaluate and undertake initial exploration of the Company's tenements, as well as negotiating and preparing a joint venture agreement for one of Bligh's mineral exploration interest.

There were no other significant changes in the nature of the Company's principal activities during the financial year.

Operating Results

The net operating loss after tax for the year ended 30 June 2012 amounted to $614,152, (2011: net operating loss after tax $177,905).

Review of Operations

- The Company lodged its Prospectus for an Initial Public Offering to raise $5 million at $0.25 cents per share with ASIC on May 31st 2011.

- The Company issued a Replacement prospectus on June 8th 2011.

- The Company also reported that it had successfully completed its capital raising at $0.25 cents a share. $3,426,601, net of equity raising costs was raised for the issue of 14,000,388 shares.

- On November 25th 2011 the Australian Securities Exchange Admitted Bligh to the Official List.

- On November 30th 2011 the Australian Securities Exchange released the Company's:
  - Appendix 1A- ASX Listing application and agreement
  - Pre-Quotation disclosure statement
  - Top 20 Shareholders
  - Constitution
  - Distribution Schedule
  - Pro forma Balance Sheet & Statement of Commitments
  - Option & Escrow terms
  - Trading Policy and Annual Reports for 2008,2009,2010 & 2011

- The Company successfully listed on the ASX on December 1st 2011 and released an Exploration Update advising that all permits were granted for the Kumarina drilling program.

  On the 12th December the company released Geophysical work identifies 45 prospective anomalies at Manilla NSW.
  - Data sets processed included aeromagnetic, radiometrics, gravity and satellite data.
  - Anomalies divide into Alteration, structural and radiometric
  - 30 historical Manganese prospects in Manilla Project Area

- On January 10th 2012 the Company announced High Grade Manganese rock chip samples of up to 46.5% Manganese at the Manilla Project.

- The Company announced on January 13th 2012 that its 3,000 metre air core exploration drilling program at the Kumarina Project in Western Australia was delayed due to adverse weather conditions and would update Shareholders as soon as possible on the revised commencement date.

- The Company released an Exploration Update on its Leonora Gold Project in Western Australia on January 18th 2012, outlining the two prospect areas, Diorite King and Mt Davies. BM Geological Services Pty Ltd was engaged by Bligh to compile historical data, undertake field mapping and identify potential areas for further exploration. Using data from known proximal gold deposits, in particular the Tarmoola gold deposit, BMGS identified four main geological models for gold mineralisation within the Leonora project area.

- On February 2nd the Company significantly expanded its Bootu Creek Two manganese project with the:
  - Proposed acquisition of 546km2 exploration project in Northern Territory.
  - Option to acquire an 80% interest in EL 27651 which joins Bligh's Bootu Creek Two Project.
  - Bligh will have approximately 700km2 of ground 40kms south of OMH's Bootu Creek
  - Favourable transaction terms – scrip based payments based on project milestones.
  - Establishes partnership with proven Chinese manganese manufacturing and trading business.

- On March 6th 2012 the Company announced an Exploration Update for the following projects:
  - Leonora Gold Project
    Geophysical interpretations of regional radiometric and magnetic data sets were considered suitable for 1:25,000 interpretation maps. This has highlighted north south to north east structures at the Diorite King area for further exploration. The areas with high potassium count are interpreted as potential high level intrusions. The historical database, geological mapping and geological interpretation indicate that the central zone of the Diorite King Area is under-explored and that large scale geochemical program is warranted to test geological and geophysical anomalies identified.

  - Manilla Project
    At Manilla, 514 line kilometres of Variable Time Domain Electromagnetics (VTEM) has been completed. The data from the low level helicopter VTEM survey will be processed in the coming months to determine any if electromagnetic anomalies exist within Manilla survey area.

  - Kumarina Project
    Bligh has assessed weather conditions hampering aircore drilling at Kumarina and has determined that the program cannot proceed, the incomplete drill program will recommence when weather conditions are more stable.

- Noel Halgreen joined Bligh Resources as Chairman and Non-Executive Director in March 2012 to strengthen and enhance Board independence.

- Robert Benussi was appointed as CEO on May 10th 2012.

- Zhijie Li joined Bligh Resources on June 29th 2012 as an alternate director for Mr Peiqi Zhang,

- The Company announced in April 2012 that the Kumarina exploration program will continue for both manganese and copper.
  The reconnaissance air core drill program at Kumarina ceased in March due to adverse weather conditions. In total, 864 metres over 11 vertical holes was completed of the initial scheduled 44 holes). The drill program aimed to test the XTEM anomalies previously identified and tested only the manganese potential of the central area. The drill program intercepted elevated manganese ore values including:

  - Hole K12A004: 15m @ 17.52% MnO from 46m to 61m including 2m @ 24.6% MnO from 54-56m.
  - Hole K12A005: 12m @ 7% MnO from 58-70m.
  - Hole K12A006: 8m @ 10.37% MnO from 18-26m

- Bligh announced in May 2012 it had commenced gold exploration activities at the Leonora WA project including:
  - Near 1,000 soil samples taken
  - 179 rock chip samples collected – some small nuggets recovered
  - Leonora is a high priority target for Bligh – drill program planned
  - Highly prospective for gold and other precious metals

- The Company released the VTEM results on June 1st 2012 identifying manganese anomalies at the Manilla Project:
    - 15 VTEM anomalies identified for exploration at Manilla project in NSW
    - Priority 1-2 anomalies offer the best potential for manganese mineralisation

- On the 3rd July 2012 Bligh release VTEM Results for Bootu Creek Two Project:
    - 10 VTEM Anomalies Identified with potential manganese mineralisation
    - The Bootu Creek Two Project has similar geology and structural setting to the OMH Bootu Creek Mine

- Kumarina Project Update was released the 17 July 2012:
    - 432 Mobile Metal Ion (MMI) were collected along Butcherbird Shear Zone
    - One main anomalies zone detected 1351-1900 ppb copper anomaly

- Grenfell Project NSW Exploration Update 25 July 2012 :
    - 1:50 000 scale Aeromagnetic and Radiometric Interpretation
    - Detailed 1997 50m line spacing Aeromagnetic data capture
    - 28 geophysical area of interest identified

- Leonora Gold Project WA Exploration Update 27 July 2012:
    - Approximately 1,000 soil samples collected at the Diorite King Area
    - Two soil anomalies detected at Diorite king Area
    - 179 rock chip samples collected from Mt Davis Area peak 2.66g/t Au.

Financial Position

During the year, Bligh issued shares to a value of $3,426,601 (2011: $1,339,776) net of transaction costs. At 30 June 2012, Bligh held $3,528,788 in cash and cash equivalents compared with $2,110,586 at 30 June 2011 and had carried forward exploration expenditure of $1,866,373 compared with $509,574 at 30th June 2011.

The Directors believe the company is in a strong and stable financial position to expand and grow its current operations.

Significant Changes in State of Affairs

The following significant changes in the state of affairs of the Company occurred during the financial year:

A new Chairman was appointed in March 2012; refer to information on Directors section.

The following significant changes in the state of affairs of the Company occurred during the financial year:

Dividends Paid or Recommended

No dividends have been paid or declared during or since the financial year.

After Balance Date Events

- The Company secures a A$500,000 Convertible Note Facility with Aura Capital Pty Ltd
- Bligh announces it has entered into a strategic joint venture with Jiaocheng Yiwang Ferroalloy Co Ltd on its Grenfell Project in NSW.
  - Yiwang Ferroalloy to invest up to $3,600,000 to earn 50% interest of the Grenfell Project in five potential stages.
  - Yiwang is one of China's largest manganese alloy producers and exporters
  - Yiwang Chairman, Mr Jinle Song joins the board as Non–Executive Director
  - Yiwang Chairman, Mr Jinle song holds an 8.12% interest in Bligh's issued capital.
- Mr Jinle Song, Non-Executive Director appoints Mr Dinghao Song as his alternate Director
- Except as described above, there has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial year.

Future Developments, Prospects and Business Strategies

The Directors intend Bligh to proceed with the evaluation and exploration of Bligh's existing mineral interests and to consider participation in any complementary exploration and mining opportunities which may arise. In particular, Bligh may pursue further joint venture opportunities where appropriate.

Further information about likely developments in the operations of Bligh and the expected results of those operations on future financial years has been omitted from this Report because the directors believe it would be likely to result in unreasonable prejudice to Bligh.

Information on Directors

The following persons were Directors of the company during the financial year and up to the date of this report unless otherwise stated:

Noel Halgreen	-	Non-Executive Director and Chairman - appointed 19 March 2011.
Qualifications	-	Bsc. Eng (Mining Eng) Bsc Eng (Hons) M. Eng (Industrial Engineering)
Experience	-	• Vice President Business Development – BHP Billiton Coal (2001 – 2005) • Executive Director Business Development – Billiton Coal (1995 – 2001) • Executive Director – Trans Natal Coal Corporation (1991 – 1995) • Chief Operating Officer – Sasol Coal (1986 – 1991) • Various General Manager positions within the industry
Interest in Shares & Options	-	Nil - Fully Paid Ordinary shares.
Special Responsibilities	-	Audit Committee.
Directorships held in listed entities during the 3 years prior to the current year	-	Non-Executive Chairman

Robert Benussi	-	Non-Executive Director and Chairman - appointed 20 May 2011. Managing Director –Corporate/CFO – appointed 1 July 2011 Chief Executive Officer –appointed 10 May 2012
Qualifications	-	Diploma from the Institute of Public Accountants- MIPA.
Experience	-	Mr Benussi until recently held the positions of Chief Financial Officer, Company Secretary and General Manager, Corporate of Jupiter Mines Ltd (ASX: Code JMS) since 2006. Mr Benussi also assumed the role of Acting Chief Executive Officer within Jupiter during the period of May to December 2007. Mr Benussi has an extensive background in finance, corporate advisory, stockbroking and business development with companies such as Olin Corporation, Lend Lease, Dalgety and Lion Nathan.
Interest in Shares & Options	-	4,860,000 Fully Paid Ordinary shares. 3,900,000 Unlisted Options.
Special Responsibilities	-	n/a
Directorships held in listed entities during the 3 years prior to the current year	-	Non-Executive Director of Resource Star Limited (ASX: RSL) since 2009. Non-Executive Director of Aard Metals Limited since June 2011.

Hanjing Xu	-	Non-Executive Director - appointed 14 March 2011.
Qualifications	-	BA degree from Chengdu University of Electronic Sciences
Experience	-	Hanjing has more than 25 years with resource companies. The unique character of his mining career is that he has been a decision making executive in both Chinese state-owned conglomerates, as Director of China Nonferrous Metals Industry Corporation (CNNC), and international listed mining companies, as Executive Director of Sino Gold Ltd and Managing Director, Eldorado Gold China. His knowledge of China was instrumental to the success of Sino Gold. Hanjing worked as a teacher of English and editor of China Greater Encyclopaedia Publishing House before joining CNNC. He led the Chinese corporation in its opening to international resource industry with a number of first breakthroughs in Chinese mining industry, including first trade investment in alumina, first international project finance for mining, and first international company mining in China. He is now actively involved in research on Chinese mining reform and regarded as a leading authority in this area
Interest in Shares & Options	-	270,000 Fully Paid Ordinary shares. 83,334 Promoter shares.
Special Responsibilities	-	Audit Committee.
Directorships held in listed entities during the 3 years prior to the current year	-	Nil

Charles William Guy	-	Non-Executive Director - appointed 3 June 2011. Managing Director –Exploration – appointed 1 July 2011
Qualifications	-	BSc
Experience	-	Charles William (Bill) Guy is a member of the Geological Institute of Australia, has over twenty years' experience in the mining, exploration, and environmental industry inclusive of 10 plus years working within consulting firms, providing technical and consultancy services to the mining industry. His career has encompassed both Australian and overseas projects including Cockatoo Island Iron Ore Mine (Kimberley's WA) Nickel Laterite (Romblon Philippines), Exploration of Mabuhay Epithermal Gold Project Philippines, and numerous mineral exploration projects within WA. His most recent role has been as Exploration Manager at Jupiter Mines Ltd (ASX code: JMS). Here, he implemented a management style and set of exploration protocols which enabled some projects to progress from a grass roots enterprise through to a viable resource development phase. This approach led to the successful delineation of Mt Mason and Mt Ida
Interest in Shares & Options	-	4,600,000 Fully Paid Ordinary shares. 3,900,000 Unlisted Options.
Special Responsibilities	-	Audit Committee.
Directorships held in listed entities during the 3 years prior to the current year	-	Nil

Peiqi Zhang	-	Non-Executive Director - appointed 2 May 2011.
Qualifications	-	N/A
Experience	-	Mr Peiqi Zhang has more than 30 years' experience and knowledge in the Chinese mining industry. Mr Zhang is the Chairman and founder of China Shanxi Guxian Jin Yu Coking Co., Ltd, Chairman of Inner Mongolia Jiyuan Iron and Steel Company, a senior member of Shanxi Province Federation of Industry and the Standing Committee, and a senior member of the CPPCC Standing Committee of Linfen City. China Shanxi Guxian Jin Yu Coking Co., Ltd mining enterprise has annual sales income of more than one billion yuan, fixed assets of 500 million yuan, employs 650 workers and has an annual production of 800,000 tons of coal. He is also a fellow of world academy of productivity science, and the Vice President of Glory Institution, a well-known charity organisation in China. Mr Zhang is one of the prominent leaders in the mining industry of Shanxi Province.
Interest in Shares & Options	-	4,000,000 Fully Paid Ordinary shares.
Special Responsibilities	-	N/A.
Directorships held in listed entities during the 3 years prior to the current year	-	Nil

Liming Niu Alternate for Hanjing Xu	-	Non-Executive Director– appointed 5 May 2011
Experience	-	Mr Nui has 23 years' experience in the field of mining and mineral exploration. He is currently Chairman of Shanghai Chengming Corp Limited, a position he has held since 2003. His earlier experience includes senior management positions with Shanghai Yi Tak Industrial Company Limited and Able Lemon Distribution Pty Ltd (both as Chief Executive Officer) and as General Manager of MITSUI & Co., LTD (Beijing Office).
Interest in Shares & Options	-	4,483,334 Fully Paid Ordinary shares
Special Responsibilities	-	N/A
Directorships held in listed entities during the 3 years prior to the current year	-	Nil

Zhijie Li Alternate for Peiqi Zhang	-	Non-Executive Director– appointed 29 June 2012
Qualifications	-	Mr Li graduated from Tsinghua University in 2006, obtaining an MBA degree
Experience	-	Mr Li is experienced in management and project negotiations. He has worked for Hua Wei a leading global ICT solutions provider during the period of 2001 to 2003. Mr Li is the Chairman and the founder of Xinxiang Hua Jie vocational school, a position he has held since 2007. Mr Li has been the deputy general manager of Beijing Jin Yu Qi Zhen Investment Co,ltd. since September 2011
Interest in Shares & Options	-	Nil
Special Responsibilities	-	N/A
Directorships held in listed entities during the 3 years prior to the current year	-	Nil

Company Secretary

Adrian Di Carlo

- Mr Adrian Di Carlo was appointed to the position of Company Secretary on 29 May 2011.

Adrian has been appointed as the company secretary for numerous ASX listed entities. Adrian is employed by the firm, Company Matters Pty Limited. Previously, Adrian worked for the Barrick Gold Corporation/Antofagasta Minerals joint venture and prior to that, Adrian worked within the Wesfarmers Group for several years in various accounting, systems, project and commercial management positions. Adrian has completed a Bachelor of Business degree (Accounting) and a Master of Business Administration degree at Curtin University. Adrian has also completed a Graduate Diploma in Applied Corporate Governance, and is qualified as a Certified Practising Accountant and a Chartered Secretary.

Meetings of Directors

During the financial year, 11 meeting of Directors were held. Attendances by each Director during the year were as follows:

Director	Number eligible to attend	Number attended
Noel Halgreen	3	3
Robert Benussi	11	11
Charles Guy	11	11
Hanjing Xu	11	10
Peiqi Zhang	11	7
Liming Niu*	11	3
Zhijie Li*	-	-

- **Alternate Director**

Committee Meetings

The number of committee meetings and the number of meetings attended by each of the Directors of Bligh during the financial year under review are:

Director	Audit Committee meetings attended	Audit Committee meetings held during tenure
Noel Halgreen	1	1
Hanjing Xu	1	1
Charles Guy	-	-
Robert Benussi	1	1

Directors' Interests

Particulars of Directors' interests in securities as at the date of this report are as follows:

Director	Ordinary Shares	Options over Ordinary Shares
Noel Halgreen	Nil	Nil
Robert Benussi*	4,900,000	3,900,000
Charles Guy*	4,610,000	3,900,000
Hanjing Xu*	353,334	Nil
Peiqi Zhang	4,000,000	Nil
Liming Niu	4,483,334	Nil
Zhijie Li	Nil	Nil
Jinle Song	4166,667	Nil
Dinghao Song	500,000	Nil

*-includes related parties

Environmental Issues

Bligh's operations are subject to general environmental regulation under the laws of the States and Territories of Australia in which it operates. In addition, the various exploration interests held by Bligh impose environmental obligations on it in relation to site remediation following sampling and drilling programs.

The Board is aware of these requirements and management is charged to ensure compliance. The Directors are not aware of any breaches of these environmental regulations and licence obligations during the year.

Indemnifying Insurance of Officers

Under the Constitution of Bligh, Bligh indemnifies, to the extent permitted by law, each Director and Secretary of Bligh against any liability incurred by that person as an officer of Bligh. During the financial year, Bligh paid a premium of $20,375.52 (including GST and stamp duty) for Directors' and Officers' liability insurance policy, which covers all Directors and officers of Bligh.

Options

As at 30 June 2012 there were 16,000,000 (2011: 16,000,000) options over unissued shares in the capital of Bligh.
These options were granted during the financial year 30 June 2010.

Since 30 June 2012 to the date of this Annual Report, no options have been granted or exercised.

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

Non-audit Services

The company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company are important.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the Company, its related practices and non-related audit firms:

	2012 $	2011 $
Other services		
PwC Australian firm	-	35,000
Non-PwC audit firm	6,600	6,123
Total remuneration for other services	6,600	41,123
Total remuneration for non- audit services	**6,600**	**41,123**

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on page 26 of the financial report.

Remuneration Report

This report details the nature and amount of remuneration for each Director of Bligh Resources Limited and for the Key Management Personnel receiving the highest remuneration.

Remuneration Policies and Practices

In relation to remuneration issues, the Board has established policies to ensure that Bligh remunerates fairly and responsibly. The Remuneration Policy of the Board is designed to ensure that the level and composition of remuneration is competitive, reasonable and appropriate for the results delivered and to attract and maintain desirable directors and employees.

The remuneration structures reward the achievement of strategic objectives to achieve the broader outcome of creation of value for shareholders. The Board of Bligh Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the most suitably qualified and experienced executives and Directors to run and manage the consolidated group, as well as create goal congruence between Directors, executives and shareholders.

No amounts have been paid during the year to external parties for services in relation to the Company's remuneration policies and procedures.

Non-Executive Director Remuneration

Fees - Non-Executive Director Fees are determined within an aggregate Directors' fee pool limit, which are periodically approved by shareholders in general meeting. The current limit is $250,000. During the year ended 30 June 2012, $58,818 of the fee pool was paid to the Non-Executive Director.

Equity Participation - Non-Executive Directors' remuneration may be by way of a fixed annual fee supplemented by the issue of incentive options under the Bligh Resources Limited Employee Option Plan and is subject to the approval of shareholders in general meeting.

Retirement Benefits - Non-Executive Directors do not receive retirement benefits, other than statutory superannuation entitlements.

Other Key Management Personnel Remuneration

Other Key Management Personnel (including Executive Directors) are offered a base salary, which is reviewed on a periodic basis, having regard to market practices and the skills and experience of the Executive.

Other Key Management Personnel receive other benefits as part of their type of employment, which may include a mobile phone and laptop.

Selected Other Key Management Personnel are invited to participate in the Bligh Resources Limited Employee Option Plan.

There are no termination benefits payable to Other Key Management Personnel, other than payment of their statutory outstanding entitlements such as annual and long services leave.

Relationship between Remuneration Policy and Bligh's Performance

Details of the Bligh's Resources Limited Employee Option Plan (Plan) and specific information on the performance conditions are set out below:

Bligh Resources Limited Employee Option Plan	**Rationale**
Options are offered to select employees and Key Management Personnel of Bligh. Non-Executive Directors are entitled to participate in the Option Plan as well.	The Option Plan is designed to reward and retain directors, Key Management Personnel and select employees of Bligh.
Subject to the achievement of service conditions, options may vest and be converted into ordinary Bligh shares on a one-for-one basis. An exercise price is payable upon the conversion of options.	The vesting conditions have been designed to ensure correlation between Bligh's share price performance and value delivered to shareholders.
There are no voting or dividend rights attaching to the options until they are exercised by the employee, at which point ordinary shares which rank equally with all other Bligh shares are issued. All options expire on the earlier of their expiry date or termination of the individual's employment.	Only when the share price increases can options vest and be exercised; share price increases are one of the considerations of the consequences of Bligh's performance on shareholder wealth for the purposes of 300A(1AB) of the *Corporations Act.* The Plan therefore not only aligns the interests of shareholders and participants alike, but in turn assists in increasing shareholder value.

Anti-Hedging Policy

No Bligh employee is permitted to enter into transactions with securities (or any derivative thereof) which limit the economic risk of any unvested entitlements awarded under any Bligh equity-based remuneration scheme currently in operation or which will be offered by Bligh in the future.

As part of Bligh's due diligence undertaken at the time of half and full year results, Bligh's equity plan participants are requested to confirm that they have not entered into any such prohibited transactions.

Continuous Improvement

Bligh will continually review all elements of its remuneration philosophy to ensure that they are appropriate from the perspectives of governance, disclosure, reward and market conditions.

Remuneration Summary

Details of the remuneration of the Directors and key management personnel of Bligh (as defined in AASB 124 *Related Party Disclosures)* are set out in the following table:

Key Management Personnel Remuneration

2012

Key Management Personnel	Short-term Benefits				Post-employment Benefits
	Cash, salary and commissions	Cash profit share	Non-cash benefit	Other	Superannuation
Directors					
Mr Noel Halgreen [1]	13,818	—	—	—	—
Mr Robert Benussi [2]	220,000	—	—	—	—
Mr Charles Guy	197,630	—	—	—	23,333
Mr Hanjing Xu [3]	24,000	—	—	—	—
Mr Peiqi Zhang	21,000	—	—	—	—
Mr Liming Niu	—	—	—	—	—
Mr Zhijie Li	—	—	—	—	—
	476,448	—	—	—	23,333

[1] Directors fees were paid to Carianto Pty Ltd.
[2] Consultancy fees were paid to Intrepid Concepts Pty Ltd.
[3] Directors fees were paid to Resource Strategy Consultants Pty Ltd.

2012 (cont'd)

Key Management Personnel	Other Long-term Benefits	Share-based Payment		Total	Performance Related
	Other	Equity	Options		
Directors	$	$	$	$	%
Mr Noel Halgreen	—	—	—	13,818	—
Mr Robert Benussi	—	—	—	220,000	—
Mr Charles Guy	—	—	—	220,963	—
Mr Hanjing Xu	—	—	—	24,000	—
Mr Peiqi Zhang	—	—	—	21,000	—
Mr Liming Niu	—	—	—	—	—
Mr Zhijie Li	—	—	—	—	—
	—	—	—	499,781	—

Key Management Personnel Remuneration

2011

Key Management Personnel	Short-term Benefits				Post-employment Benefits
	Cash, salary and commis-sions	Cash profit share	Non-cash benefit	Other	Super-annuation
Directors					
Mr Robert Benussi	—	—	—	—	—
Mr Charles Guy	—	—	—	—	—
Mr Hanjing Xu	—	—	—	—	—
Mr Peiqi Zhang	—	—	—	—	—
Mr Liming Niu	—	—	—	—	—
Mr Andrew Bell	—	—	—	—	—
Mr Benjamin Jarvis	—	—	—	—	—
Mr Simon Tritton	—	—	—	—	—
Mr Bill Yang	—	—	—	—	—
Ms Sonia De Berardinis*	—	—	—	21,880	—
	—	—	—	21,880	—

* Consulting fees paid to Grandview Marketing for tenement administration and secretarial duties only.

2011(cont'd)

Key Management Personnel	Other Long-term Benefits	Share-based Payment		Total	Performance Related
	Other	Equity	Options		
Directors	$	$	$	$	%
Mr Robert Benussi	—	—	—	—	—
Mr Charles Guy	—	—	—	—	—
Mr Hanjing Xu	—	—	—	—	—
Mr Peiqi Zhang	—	—	—	—	—
Mr Liming Niu	—	—	—	—	—
Mr Andrew Bell	—	—	—	—	—
Mr Benjamin Jarvis	—	—	—	—	—
Mr Simon Tritton	—	—	—	—	—
Mr Bill Yang	—	—	—	—	—
Ms Sonia De Berardinis	—	—	—	21,880	—
	—	—	—	21,880	—

Options and Rights Over Equity Instruments Granted as Compensation

Details of entitlement to options over ordinary shares in Bligh that were granted as compensation to the key management personnel during the reporting period and details on options that vested during the reporting period are as follows:

Options Granted as Remuneration

2012	Vested No.	Granted No.	Grant Date	Value per Option at Grant Date $	Lapsed	Terms & Conditions for Each Grant: Exercise Price $	First Exercise Date	Last Exercise Date
Key Management Personnel	Nil							

Options Granted as Remuneration

2011	Vested No.	Granted No.	Grant Date	Value per Option at Grant Date $	Lapsed	Terms & Conditions for Each Grant: Exercise Price $	First Exercise Date	Last Exercise Date
Key Management Personnel	Nil							

No options were exercised during the year

Shares Issued On Exercise Of Compensation Options

2012	No. of Ordinary Shares Issued	Amount Paid per Share	Amount Unpaid per Share
Key Management Personnel			
Nil	—	—	—
2011	**No. of Ordinary Shares Issued**	**Amount Paid per Share**	**Amount Unpaid per Share**
Key Management Personnel			
Nil	—	—	—

Options Granted as Remuneration 2012

	Options Granted as Part of Remuneration $	Total Remuneration Represented by Options %	Options Exercised $	Options Lapsed $	Total $
Mr Noel Halgreen	—	—	—	—	—
Mr Robert Benussi	—	—	—	—	—
Mr Charles Guy	—	—	—	—	—
Mr Hanjing Xu	—	—	—	—	—
Mr Peiqi Zhang	—	—	—	—	—
Mr Liming Niu	—	—	—	—	—
Mr Zhijie Li	—	—	—	—	—
	—	—	—	—	—

Options Granted as Remuneration 2011

	Options Granted as Part of Remuneration $	Total Remuneration Represented by Options %	Options Exercised $	Options Lapsed $	Total $
Mr Robert Benussi	—	—	—	—	—
Mr Liming Niu	—	—	—	—	—
Mr Charles Guy	—	—	—	—	—
Mr Hanjing Xu	—	—	—	—	—
Mr Peiqi Zhang	—	—	—	—	—
Mr Andrew Bell	—	—	—	—	—
Mr Benjamin Jarvis	—	—	—	—	—
Mr Simon Tritton	—	—	—	—	—
Ms Sonia De Berardinis	—	—	—	—	—
	—	—	—	—	—

Exercise of Options Granted As Compensation

During the reporting period, no shares were issued to founders, and Directors or personnel on the exercise of options previously granted as compensation.

Analysis Of Options And Rights Over Equity Instruments Granted As Compensation

Details of the vesting profile of the entitlement to options granted as remuneration to each of the key management personnel are set out on the below:

	Details of Options-2012					Value yet to vest	
	Number	**Grant Date**	**% vested in year**	**% forfeited in year[1]**	**Financial year in which grant vests**	**Min ($)**	**Max ($)**
Directors							
Mr Noel Halgreen	-	-	-	-	-	-	-
Mr Robert Benussi	-	-	-	-	-	-	-
Mr Charles Guy	-	-	-	-	-	-	-
Mr Hanjing Xu	-	-	-	-	-	-	-
Mr Peiqi Zhang	-	-	-	-	-	-	-
Mr Liming Niu	-	-	-	-	-	-	-
Mr Zhijie Li	-	-	-	-	-	-	-

[1] The percentage forfeited in the year represents the reduction from the maximum number of options available to vest due to the highest performance criteria not being achieved.

	Details of Options-2011					Value yet to vest	
	Number	**Grant Date**	**% vested in year**	**% forfeited in year[1]**	**Financial year in which grant vests**	**Min ($)**	**Max ($)**
Directors							
Mr Robert Benussi	-	-	-	-	-	-	-
Mr Charles Guy	-	-	-	-	-	-	-
Mr Hanjing Xu	-	-	-	-	-	-	-
Mr Peiqi Zhang	-	-	-	-	-	-	-
Mr Andrew Bell	-	-	-	-	-	-	-
Mr Liming Niu	-	-	-	-	-	-	-
Mr Benjamin Jarvis	-	-	-	-	-	-	-
Mr Simon Tritton	-	-	-	-	-	-	-
Mr Bill Richie Yang	-	-	-	-	-	-	-
Ms Sonia De Berardinis	-	-	-	-	-	-	-

[1] The percentage forfeited in the year represents the reduction from the maximum number of options available to vest due to the highest performance criteria not being achieved.

Analysis of Movements On Options

The movement during the reporting period, by total number of entitlement to options over ordinary shares in Bligh held by key management personnel is detailed below:

2012

	Year	Entitlement to Options granted in year $	Exercised in Year $	Forfeited in Year $	Total Option Value in Year $
Directors					
Mr Noel Halgreen	2012	-	-	-	-
Mr Robert Benussi	2012	-	-	-	-
Mr Charles Guy	2012	-	-	-	-
Mr Hanjing Xu	2012	-	-	-	-
Mr Peiqi Zhang	2012	-	-	-	-
Mr Liming Niu	2012	-	-	-	-
Mr Zhijie Li	2012	-	-	-	-

2011

	Year	Entitlement to Options granted in year $	Exercised in Year $	Forfeited in Year $	Total Option Value in Year $
Directors					
Mr Robert Benussi	2011	-	-	-	-
Mr Charles Guy	2011	-	-	-	-
Mr Hanjing Xu	2011	-	-	-	-
Mr Peiqi Zhang	2011	-	-	-	-
Mr Andrew Bell	2011	-	-	-	-
Mr Liming Niu	2011	-	-	-	-
Mr Benjamin Jarvis	2011	-	-	-	-
Mr Simon Tritton	2011	-	-	-	-
Mr Bill Richie Yang	2011	-	-	-	-
Ms Sonia De Berardinis	2011	-	-	-	-

Loans to directors and executives

As at the reporting date the Company has not provided any loans to Directors or executives.

Summary Of Key Contracts Terms

As at reporting date, 30 June 2012 the following Directors or Other Key Management Personnel employed under contracts.

Contract Details	**Robert J Benussi - CEO and CFO**	
Duration of Contract	Unless modified by the mutual written agreement of the parties, shall continue until the satisfactory completion of the services.	
Base Salary including Superannuation	$220,000	
Termination notice period	Termination without notice	None specified
	Termination with notice	Three months' notice or payment in lieu
	Termination due to takeover	Six months' notice or payment in lieu
Termination Payments	None specified	

Contract Details	**Charles W Guy - Exploration Director**	
Duration of Contract	Unless modified by the mutual written agreement of the parties, shall continue until the satisfactory completion of the services	
Base Salary including Superannuation	$220,000	
Termination notice period	Termination without notice	None specified
	Termination with notice	Three months' notice or payment in lieu
	Termination due to takeover	Six months' notice or payment in lieu
Termination Payments	None specified	

Corporate Governance

The Directors aspire to maintain the standards of Corporate Governance appropriate to Bligh.

Auditor

PricewaterhouseCoopers was appointed as auditors of the Company by the Board on 17 June 2010 and in accordance with Section 327 of the *Corporations Act 2001*.

This report is signed in accordance with a resolution of the Board of Directors.

Noel Halgreen – Chairman

Robert Benussi – CEO

Dated this 28th day of August 2012

pwc

Auditor's Independence Declaration

As lead auditor for the audit of Bligh Resources Limited for the year ended 30 June 2012, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Bligh Resources Limited during the period.

Brett Entwistle
Partner
PricewaterhouseCoopers

Sydney
28 August 2012

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
DX 77 Sydney, Australia
T +61 2 8266 0000, F +61 2 8266 9999, www.pwc.com.au

BLIGH RESOURCES LIMITED
ABN 83 130 964 162

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 $	2011 $
Other income	2	170,449	70,460
Exploration and evaluation expenditure written off	14	(13,810)	(8,703)
Administration costs		(188,544)	(68,956)
Depreciation expense		(20,383)	(11,219)
Employee benefits expense		(75,110)	(6,228)
Occupancy expenses		(44,526)	(32,215)
Travelling expenses		(35,193)	(7,233)
Consulting & directors fees		(264,888)	(7,560)
IPO related costs		(136,702)	(104,026)
Other expenses	3	(5,445)	(2,225)
Loss from continuing operations before income tax		**(614,152)**	**(177,905)**
Income tax expense	4	-	-
Loss from continuing operations after income tax		**(614,152)**	**(177,905)**
Loss for the year is attributable to:			
Owners of the company		(614,152)	(177,905)
Other comprehensive income for the year		**-**	**-**
Total comprehensive income for the year		**(614,152)**	**(177,905)**
Total comprehensive income for the year is attributable to:			
Owners of the company		**(614,152)**	**(177,905)**
Basic loss per share	8	(0.012)	(0.005)
Diluted loss per share	8	(0.012)	(0.005)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

BLIGH RESOURCES LIMITED
ABN 83 130 964 162

BALANCE SHEET
AS AT 30 JUNE 2012

	Note	2012 $	2011 $
Current Assets			
Cash and cash equivalents	9	3,528,788	2,110,586
Trade and other receivables	11	1,090	28,848
Other assets	12	-	47,856
Total current assets		3,529,878	2,187,290
Non-current Assets			
Property, plant and equipment	13	29,655	35,572
Exploration and evaluation expenditure	14	1,866,373	509,574
Available for Sale financial asset	26	100,000	-
Total non-current assets		1,996,028	545,146
Total Assets		5,525,906	2,732,436
Current Liabilities			
Trade and other payables	15	182,512	201,491
Total current liabilities		182,512	201,491
Net Assets		**5,343,394**	**2,530,945**
Equity			
Issued capital	16	6,181,182	2,754,581
Option expense reserve	17	1,600	1,600
Accumulated losses	24	(839,388)	(225,236)
Total equity		**5,343,394**	**2,530,945**

The above balance sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

	Attributable to owners of Bligh Resources Limited					
	Issued Capital (Ordinary)	Reserves	Accumulated Losses	Total attributable to owners	Non Controlling Interest	Total Equity
	$	$	$	$	$	$
Balance at 30 June 2010	1,414,805	1,600	(47,331)	1,369,074	-	1,369,074
Balance at 1 July 2010						
Loss for the year	-	-	(177,905)	(177,905)	-	(177,905)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	(177,905)	(177,905)	-	(177,905)
Transactions with owners:						
Contribution of equity, net of transaction costs	1,339,776	-	-	1,339,776	-	1,339,776
Employee and non-employee share options	-	-	-	-	-	-
Balance at 30 June 2011	2,754,581	1,600	(225,236)	2,530,945	-	2,530,945
Balance at 1 July 2011						
Loss for the year	-	-	(614,152)	(614,152)	-	(614,152)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	(614,152)	(614,152)	-	(614,152)
Transactions with owners:						
Contribution of equity, net of transaction costs	3,426,601			3,426,601	-	3,426,601
Employee and non-employee share options	-	-	-	-	-	-
Balance at 30 June 2012	**6,181,182**	**1,600**	**(839,388)**	**5,343,394**	**-**	**5,343,394**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

BLIGH RESOURCES LIMITED
ABN 83 130 964 162

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 $	2011 $
Cash flows from Operating Activities			
Other Revenue		38,658	7,000
Payments to suppliers and employees (inclusive of GST)		(721,531)	(115,680)
Interest received		159,549	63,460
Net cash (outflow) from operating activities	10	(523,324)	(45,220)
Cash flows from Investing Activities			
Purchase of property, plant and equipment		(14,466)	(46,791)
Payments for exploration and evaluation		(1,370,609)	(390,761)
Payments for AFS financial asset		(100,000)	
Net cash (outflow) from investing activities		(1,485,075)	(437,552)
Cash flows from Financing Activities			
Proceeds from issue of shares (net of tranasction costs)		3,426,601	1,339,776
Net cash inflow from financing activities		3,426,601	1,339,776
Net increase in cash held		1,418,202	857,004
Cash at beginning of financial year		2,110,586	1,253,582
Cash at end of financial year	10	**3,528,788**	**2,110,586**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Note 1: Statement of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Corporate Information

The financial report of Bligh Resources Limited (the company) for the year ended 30 June 2012 was authorised to issue in accordance with a resolution of the Directors on 28th August 2011. (The directors have the power to amend and re-issue the financial report).

Bligh Resources Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Bligh Resource Limited
Suite 804
Level 8, 84 Pitt Street
SYDNEY NSW 2000

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*. Bligh is a for-profit entity for the purpose of preparing the financial statements.

Compliance with IFRS
The financial statements of Bligh Resources Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention
These financial statements are presented under historical cost convention.

Critical accounting estimates
The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The area involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 1(i).

Significant matters relating to on-going viability operations:

These financial statements are prepared on a going concern basis, which assumes that the Company will be able to source additional funding as required to fund forecast corporate operating costs and the planned exploration in 2012/2013. As is the case with all junior exploration companies, the Company is dependent on raising new capital from time to time in order to fund its operations. The Company successfully raised funds as disclosed at Note 16 and proposes to raise additional funds as required. The Company is adequately funded for the time being and accordingly will address funding for future operations at a future date as and when appropriate. Without successful capital raisings in the future uncertainty may arise in respect to the Company's ongoing operations.

The board has reasonable grounds to believe that capital will be achievable as and when required and that the Company will be in a position to realise its assets and settle its liabilities and commitments in the normal course of business and continue as a going concern. In addition the board believes that, if required, it could materially reduce the Company's operating costs, as it has done from time to time in the past, to suit available financial resources and the timing of anticipated new capital raisings.

a. Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill. Deferred income tax is also not recognised for if it arises from an initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

b. Exploration and Evaluation Expenditure

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

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Accumulated costs in relation to an abandoned area are written off in full to the statement of comprehensive income in the year in which the decision to abandon the area is made.

c. Impairment of Assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, 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.

d. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows 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, that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

e. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and specifics of each arrangement.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

All dividends received shall be recognised as revenue when the right to receive payment has been established.

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

f. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts as they are due for settlement. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss 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.

g. Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

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

i. Critical Accounting Estimates and Assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Key Estimates

i. Impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. If there is evidence of impairment for any of the company's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in profit or loss.

Key Judgements in applying the Company's Accounting Policies

i. Exploration and Evaluation Expenditure

The Company's accounting policy for exploration and evaluation expenditure results in certain items of expenditure being capitalised for an area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to the statement of comprehensive income.

j. Contributed Equity

Ordinary shares are classified as equity.

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

k. Earnings per Share

i Basic earnings per share

Basic earnings per share is calculated by dividing

- The profit attribute to equity holders of the company, excluding any costs of servicing equity other than ordinary shares
- By weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

ii Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- The weighted average number of additional shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

l. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

m. Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

- Furniture, fittings and equipment	3-8 years
- Leasehold improvements	3-8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of comprehensive income.

n. Investments and other financial assets

The company classifies its financial assets in the following categories: loans and receivables and available‑for‑sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held‑to‑maturity, re‑evaluates this designation at the end of each reporting date.

(i) Loans and receivables
Loans and receivables are non‑derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non‑current assets. Loans and receivables are included in trade and other receivables (note 11) in the balance sheet.

(ii) Available‑for‑sale financial assets
Available‑for‑sale financial assets, comprising principally marketable equity securities, are non‑derivatives that are either designated in this category or not classified in any of the other categories. They are included in non‑current assets unless the investment matures or management intends to dispose of the investment within 12 months of the end of the reporting period. Investments are designated as available‑for‑sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Financial assets – reclassification
The company may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held for trading or available‑for‑sale categories if the group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Recognition and derecognition
Regular way purchases and sales of financial assets are recognised on trade‐ date – the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

When securities classified as available‐ for‐ sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

Measurement
Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets are subsequently carried at fair value.

Details on how the fair value of financial instruments is determined are disclosed in note 25.

Impairment
The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

(i) Assets classified as available-for-sale
If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

o. New Accounting Standards for Application in Future Periods

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2012 reporting periods. The Company's assessment of these new standards and interpretations is set out below:

(i) AASB 9 *Financial Instruments*, AASB 2009-11 *Amendments to Australian Accounting Standards arising from* AASB 9 and AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (effective from 1 January 2013*)*

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013* but is available for early adoption. When adopted, the standard will affect in particular the company's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss.

There will be no impact on the company's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the company does not have any such liabilities. The derecognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed. The group has not yet decided when to adopt AASB 9.
* In December 2011, the IASB delayed the application date of IFRS 9 to 1 January 2015. The AASB is expected to make an equivalent amendment to AASB 9 shortly.

(ii) AASB 13 *Fair Value Measurement* and AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13* (effective 1 January 2013)

AASB 13 was released in September 2011. It explains how to measure fair value and aims to enhance fair value disclosures. The company has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements. The company does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

Note 2: Other Income

	2012 $	2011 $
Bank interest received	159,549	63,460
Rental income	10,900	7,000
	170,449	70,460

Note 3: Other Expenses

	2012 $	2011 $
Legal fees	5,445	2,225
	5,445	2,225

Note 4: Income Tax Expense

a. The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:

	2012 $	2011 $
Loss from ordinary activities	(614,152)	(177,905)
Prima facie tax payable on loss from ordinary activities before income tax at 30%	(184,246)	(53,372)
Taxable losses not recognised	184,246	53,372
Income tax expense	-	-
b. Unused tax losses for which no deferred tax asset has been recognised	839,388	225,236
Potential tax benefit @ 30%	251,816	67,571

The deferred tax asset is not recognised. The benefit will only be realised if the conditions set out in Note 1(a) occur.

Note 5: Key Management Personnel (KMP) Disclosures

(a) Directors
The Directors of Bligh Resources Limited during the year were:

Mr Noel Halgreen (Chairman-appointed on 19 March 2012)
Mr Robert John Benussi
Mr Charles William Guy
Mr Hanjing Xu
Mr Peiqin Zhang
Mr Liming Niu Alternate to Mr Hanjing Xu
Mr Zhijie Li Alternate to Mr Peiqi Zhang (appointed on 29 June 2012)

(b) Other Key Management Personnel
All Key Management Personnel of the Company are Directors of Bligh Resources Limited.

All of the above persons were also Key Management Personnel during the year ended 30 June 2010.

(c) Key Management Personnel compensation

	2012 $	2011 $
Short - term employee benefits	476,448	21,880
Post - employment benefits	23,333	-
Share - based payments	-	-
Termination / sign on benefits	-	-
Other long - term employee benefits	-	-
	499,781	21,880

Note 6: Auditor's Remuneration

Remuneration of the auditor of the company for:		
Auditing or reviewing the financial report	27,500	28,000
Other services	-	35,000
	27,500	63,000

Note 7: Dividends

No dividends were declared or paid in the financial year	-	-

Note 8: Earnings per Share

	2012 $	2011 $
a. Basic and diluted loss per share	(0.012)	(0.005)
b. Reconciliation of earnings to net loss		
Net loss	(614,152)	(177,905)
Losses used to calculate basic EPS and dilutive EPS	(614,152)	(177,905)
	Number	**Number**
c. Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS and dilutive EPS	49,382,181	37,595,116

There are no dilutive potential ordinary shares as the exercise of options to ordinary shares would have the effect of decreasing the loss per ordinary share and would therefore be non-dilutive.

Note 9: Cash and Cash Equivalent

	2012 $	2011 $
Cash at bank and in hand	3,528,788	2,110,526

a. Risk exposure

The Company's exposure to interest rate risk is discussed in Note 25. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

Note 10: Note to Statement of Cash Flows

a. Reconciliation of cash

For the purpose of the statement of cash flows, cash includes cash on hand and in banks and investments in many market instruments, net of outstanding bank over drafts. Cash at the end of the financial year as shown in the statement of cash flows in reconciled in the related items in the balance sheet as follows:

	2012 $	2011 $
Cash	3,528,788	2,110,526

b. Non cash financing and investing activities

	2012 $	2011 $
16,000,000 unlisted options issued to the founding Bligh Resources Limited shareholders	-	-
	-	-

	2012 $	2011 $
c. Reconciliation of loss after income tax to net cash outflow from operating activities		
Loss for the year	(614,152)	(177,905)
Non-cash flows in loss for the year		
Depreciation expense	20,383	11,219
Exploration and evaluation expenditure writren off	13,810	8,703
Changes in operating assets and liabilities		
Decrease in receivables	27,758	(25,872)
Decrease in other assets	47,856	(47,856)
Decrease in payables	(18,979)	186,491
Net cash outflow from operating activities	**(523,324)**	**(45,220)**

Note 11: Trade and Other Receivables

Current		
Other debtors	1,090	28,848
Trade and other receivables	1,090	28,848

Other debtors are non-interest bearing and are generally on 30 -90 day terms.

a. Fair value and credit risk

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above. Refer to Note 25 for more information on the risk management policy of the company.

Note 12: Other Assets

Current		
Other assets	-	47,856

Note 13: Plant and Equipment

Plant and equipment:		
At cost	31,863	24,597
Accumulated depreciation	(11,782)	(2,896)
	20,081	21,701
Leasehold Improvements:		
At cost	22,194	22,194
Accumulated depreciation	(19,420)	(8,323)
	2,774	13,871
Software:		
At cost	7,200	-
Accumulated depreciation	(400)	-
	6,800	-
Total plant, equipment & softwware	29,655	35,572

a. Movements in Carrying Amounts

Movemnt in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Leasehold Improve-ments	Software	Total
Balance as at 30 June 2011	21,701	13,871		35,572
Additions	7,266	-	7,200	14,466
Disposals	-	-	-	-
Depreciation expense	(8,886)	(11,097)	(400)	(20,383)
Balance as at 30 June 2012	20,081	2,774	6,800	29,655

Note 14: Exploration and Evaluation Expenditure

	2012	2011
Exploration and evaluation costs carried forward in respect of mining areas of interest	$	$
Preproduction areas		
At cost	1,866,373	509,574
Accumulated impairment	-	-
Net carrying amount	1,866,373	509,574
Movement in deferred exploration and evaluation expenditure		
Balance brought forward	509,574	127,516
Additions	1,370,609	390,761
Expenditure written off	(13,810)	(8,703)
At 30 June net of accumulated impairment	1,866,373	509,574

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas. Amortisation of the costs carried forward for the development phase is not recognised pending the commencement of production.

	2012 $	2011 $

Note 15: Trade and Other Payables

	2012 $	2011 $
Current		
Trade creditors	205,610	182,875
Sundry creditors and accrued expenses	(63,894)	16,563
Employee benefits	40,796	2,053
	182,512	201,491

Trade creditors, sundry creditors and accruals are non interest bearing and generally on 30 day terms. Due to the short term nature of these payables, their carrying value approximates their fair value.

Note 16: Issued Capital

	2012 $	2011 $
2,500,000 (2011: 2,500,000) fully paid founder shares	50,100	50,100
57,475,332 (2011: 39,945,332) fully paid ordinary shares	6,131,082	2,704,481
1,030,000 (2011: 1,030,000) fully paid promoter shares	-	-
	6,181,182	2,754,581

All the above founder and promoter shares issued are classified as ordinary shares. Fully paid ordinary shares carry one vote per share and carry the right to dividends. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

i) Movement in Ordinary Share Capital

		2012 $	2011 $
At the beginning of the financial year		2,754,581	1,414,805
Shares issued during the year			
Founders shares			
Nil		-	-
		-	-
Ordinary Shares			
- 6,939,000 issued on 30/04/2011	$0.20	-	1,387,776
- 14,000,388 issued on 1/12/2011	$0.25	3,500,097	-
		3,500,097	1,387,776
Promoter Shares			
- 250,000 issued on 02/07/2010	$0.15	-	37,500
		-	37,500
Transaction costs relating to share issues		(73,496)	(85,500)
Balance at the end of the financial year		6,181,182	2,754,581

	2012	2011
	$	$

ii) Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to maintain an optimal capital structure to reduce the cost of capital. The Company monitors capital on a regular basis in order to maintain the objectives. The Company's strategy has remained unchanged from the prior year.

Note 17: Reserves

	2012 $	2011 $
Share based payments reserve		
Balance at the beginning of the financial year	1,600	1,600
Option expense	-	-
Balance at the end of the financial year	1,600	1,600

The share based payment reserve is used to recognise the fair value of options issued.

Note 18: Contingent Liabilities

There are no contingent liabilities at the end of the financial year (2011: $Nil).

Note 19: Segments Information

(a). Description of Segments
The Company operates solely in the mining industry within Australia.

The Company has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision makers (the Board of directors) in assessing performance and determining the allocation of resources.

The Company segments are structured primarily on the basis of areas of interest as Leonora Gold, Grenfell Manganese, Bootu Creek Managanese, Kumarina Manganese and Manilla Manganses. Expenses and assets are allocated to segments based on the tenement to which they directly relate. Information is not readily available for allocating the remaining items of revenue, expenses, assets and liabilities, or these items are not considered part of the core operations of any segment.

						2012 $	2012 $

(b) Segment information provided to the strategic steering committee

30 June 2012

	Leonora	Grenfell	Bootu Creek	Kuma-rina	Manilla	Other & un-allocated	Total
Revenue from continuing operations	-	-	-	-	-	170,449	170,449
Exploration and evaluation expenditure written off	-	-	-	-	-	(13,810)	(13,810)
Administration costs	-	-	-	-	-	(188,544)	(188,544)
Depreciation expense	-	-	-	-	-	(20,383)	(20,383)
Employee benefits expense	-	-	-	-	-	(75,110)	(75,110)
Occupancy expenses	-	-	-	-	-	(44,526)	(44,526)
Travelling expenses	-	-	-	-	-	(35,193)	(35,193)
Consulting & directors fees	-	-	-	-	-	(264,888)	(264,888)
IPO related costs	-	-	-	-	-	(136,702)	(136,702)
Other expenses	-	-	-	-	-	(5,445)	(5,445)
Loss from continuing operations	**-**	**-**	**-**	**-**	**-**	**(614,152)**	**(614,152)**
	-	-	-	-	-		
Cash and cash equivalents	-	-	-	-	-	3,628,788	3,628,788
Trade and other receivables	-	-	-	-	-	1,090	1,090
Exploration and evaluation expenditure	443,124	263,367	348,084	358,822	452,976	-	1,866,373
Total segment assets	**443,124**	**263,367**	**348,084**	**358,822**	**452,976**	**3,629,878**	**5,496,251**
Trade and other payables	-	-	-	-	-	182,512	182,512
Total segment liabilities	**-**	**-**	**-**	**-**	**-**	**182,512**	**182,512**

30 June 2011	Leonora	Grenfell	Bootu Creek	Kuma-rina	Manilla	2011 $ Other & un-allocated	2011 $ Total
Revenue from continuing operations	-	-	-	-	-	70,460	70,460
Exploration and evaluation expenditure written off	-	-	-	-	-	(8,703)	(8,703)
Administration costs	-	-	-	-	-	(175,717)	(175,717)
Depreciation expense	-	-	-	-	-	(11,219)	(11,219)
Employee benefits expense	-	-	-	-	-	(6,228)	(6,228)
Occupancy expenses	-	-	-	-	-	(32,215)	(32,215)
Travelling expenses	-	-	-	-	-	(7,233)	(7,233)
Other expenses	-	-	-	-	-	(7,050)	(7,050)
Loss from continuing operations	**-**	**-**	**-**	**-**	**-**	**(177,905)**	**(177,905)**
Cash and cash equivalents	-	-	-	-	-	2,110,586	2,110,586
Trade and other receivables	-	-	-	-	-	28,848	28,848
Exploration and evaluation expenditure	198,374	86,683	47,113	60,114	117,290	-	509,574
Total segment assets	**198,374**	**86,683**	**47,113**	**60,114**	**117,290**	**2,139,434**	**2,649,008**
Trade and other payables	-	-	-	-	-	201,491	201,491
Total segment liabilities	**-**	**-**	**-**	**-**	**-**	**201,491**	**201,491**

Note 20: Related Party Transactions

(a). Key Management Personnel
Disclosures relating to Key Management Personnel are set out in Note 5.

Note 21: Share Based Payments

(a) Employee Option Plan
Options are granted under the plan for no consideration. Options granted under that plan carry no dividend or voting rights. Each option entitles the holder to subscribe for and be allotted one ordinary fully paid share in the capital of the Company. The exercise price is determined by the Directors at the time of issuing an invitation to participate in the plan.

Set out below are summaries of options granted under the plan:

	Listed	Unlisted	Total Options
Exercise Price	-	Same as share price at listing	-
Number on Issue 01/07/2010	-	16,000,000	16,000,000
Granted during the financial year	-	-	-
Transferred during the financial year	-	-	-
Expired during the financial year	-	-	-
Number on Issue 30/06/2011	-	16,000,000	16,000,000
First Exercise Date	-	30 November 2013	
Expiry Date	-	30 November 2016	

(b) Fair value of options granted

During the current financial year ended 30 June 2012 no options were granted.
The assessed fair value at grant date of options granted during the year ended 30 June 2011 was determined by the Directors to equate: $0.0001 per option.
All options were granted for nil consideration.

(c) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year as part of employee benefit expense were as follows:

	2012 $	2011 $
Share-based payments reserve		
Balance at the beginning of the year	1,600	1,600
Option expenses	-	-
Balance at the end of the year	1,600	1,600

Note 22: Commitments for Expenditures

	2012 $	2011 $
Lease Commitments		
Payable:		
Not later than one year	58,935	40,000
Later than one year but not later than five years	67,869	11,667
	126,804	51,667
Tenement Commitments		
Tenement commitments required under tenement licences		
Payable:		
Not later than one year	757,620	610,987
Later than one year but not later than two years	428,800	353,987
Later than five years	374,120	482,887
	1,560,540	1,447,861

Note 23: Events Subsequent to Reporting Date

Except as described above, there has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial year.

Note 24: Accumulated Losses

	2012 $	2011 $
Accumulated losses at beginning of financial year	(225,236)	(47,331)
Net loss for the financial year	(614,152)	(177,905)
Accumulated losses at end of financial year	(839,388)	(225,236)

Note 25: Financial Risk Management

The Company's activities expose it to a variety of financial risks; market risk, credit risk, liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. Risk management is carried out by the Board and the financial risks faced by the Company are considered minimal at this stage.

Cash is held at one of the big four banks in Australia that is exposed to variable rates. This is managed through holding the cash in a high interest bearing account and is transferred to ordinary account as required.

	Note	2012 $	2011 $
Financial Assets			
Cash and cash equivalents	9	3,528,788	2,110,586
Trade and other receivables	11	1,090	28,848
		3,529,878	2,139,434
Financial Liabilities			
Trade and other payables	15	182,512	201,491
		182,512	201,491
Weighted average interest rate p.a.		4.75%	5.09%

(a) Market Risk

i) Interest Rate Risk

The Company's main interest rate risk raised form cash and cash equivalents and deposits with banks.

ii) Foreign Exchange Risk

The Company operates domestically and are not exposed to significant foreign exchange risk.

iii) Price Risk

The company is exposed to equity securities price risk. This arises from investments held by the company on the ASX and classified in the balance sheet as available-for-sale financial assets. To manage this price risk from investments in equity securities, the company monitors the investment, index and market.

(b) Credit Risk

Credit risk arises from cash and cash equivalents and deposits with banks, as well as credit exposures in respect of outstanding receivables and committed transactions.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. Cash deposits are held with major Australian Banks, thse banks have quality grade credit ratings.

(c) Liquidity Risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company manages this risk through the following mechanisms:

- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- investing only in surplus cash with major financial institutions; and
- preparing forward looking cash flow analysis in relation to its operational, investing, and financing activities;
- the Company does not have any borrowing facilities in place at the reporting date.

The Company's expectation regarding the timing of cash flows from the realisation of financial assets and the settling of financial liabilities are that they will fall within 1 year.

(d) Capital Risk Management

The Company has no long term debt therefore capital is raised as and when it is required to do further exploration activities.

(e) Fair Value Measurements

The fair value of financial assets must be estimated for recognition and measurement or for disclosure purposes.

The fair values disclosed in this report has been determined based on the following methodology:

Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value.

AASB7 Financial instruments :

Disclosures require disclosure of fair value measurements by level of the following fair value measurement hierarchy:

For available for sale financial assets are estimated based on:
*Quoted prices (unadjusted) at the reporting date in an active market for identical assets (Level1).
As at 30 June 2012 the fair value of the available for sale financial assets was $100,000
(June 2011; Nil)

Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arms length transaction.

Sensitivity Analysis

The following table illustrates sensitivity to the Company's exposure to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

		Carrying Amount		Profit $		Other Equity $
Year ended 30 June 2012	+/- 1% in interest rates					
Financial Assets						
Cash		3,528,788	+/-	35,288	+/-	35,288
Receivables		1,090	+/-	-	+/-	-
Available for Sale financial asset		100,000	+/-	-	+/-	-
Financial Liabilities						
Other (non interest bearing payables)		(182,512)	+/-	-	+/-	-
Year ended 30 June 2011	+/- 1% in interest rates					
Financial Assets						
Cash		2,110,586	+/-	21,106	+/-	21,106
Receivables		28,848	+/-	-	+/-	-
Financial Liabilities						
Other (non interest bearing payables)		(201,491)	+/-	-	+/-	-

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

No sensitivity analysis has been performed on foreign exchange risk, as the Company is not exposed to foreign currency fluctuations.

Note 26: Available-for-sale financial Asset

Available -for sale assets includes the following financial asset:

	2012 $	2011 $
Listed equity securities	100,000	-

Available-for-sale financial assets consists of investments in an ASX listed companies ordinary shares, and therefore have no fixed maturity date or coupon rate. The fair value has been determined directly by reference to public price quotations in an active market.

(a) **Impairment and Risk Exposure**

None of the financial assets are either past due or impaired. All available -for- sale financial assets are denominated in Australian currency. For an analysis of the sensitivity of available for- sale financial asset an interest rate risk refer to Note 25.

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2012

In the Directors' opinion:

(a) the financial statements and notes set out on pages 27 to 50 are in accordance with the *Corporations Act 2001*, including

i. complying with Accounting Standards, *the Corporations Regulations 2001* and other mandatory professional reporting requirements, and

ii. giving a true and fair view of the Company's financial position as at 30 June 2012 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Noel Halgreen – Chairman

Robert Benussi – CEO

Dated this 28th day of August 2012

Independent auditor's report to the members of Bligh Resources Limited

Report on the financial report

We have audited the accompanying financial report of Bligh Resources Limited (the company), which comprises the balance sheet as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

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, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards.*

Auditor's responsibility

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

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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal 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 procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

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

Independence

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

pwc

Auditor's opinion

In our opinion:

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

   (i) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and

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

(b) the company's financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the remuneration report included in pages 17 to 25 of the directors' report for the year ended 30 June 2012. 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 Bligh Resources Limited for the year ended 30 June 2012, complies with section 300A of the *Corporations Act 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers

Brett Entwistle
Partner

Sydney
28 August 2012

Shareholder Information

Shareholder Information required by the ASX Limited (ASX) Listing Rules and not disclosed elsewhere in the Report is set out below. All information is correct as at 21 August 2012.

Substantial shareholders

The following shareholders have notified the Company that pursuant to the provisions of section 671B of the Corporations Act they are substantial shareholders.

Name	Number of fully paid ordinary shares	%
Intrepid Concepts Pty Ltd and related parties	4,900,000	8.53
Jinle Song and related parties	4,666,667	8.12
Mineral Rock Pty Ltd –SEBC Family Trust and related parties	4,610,000	8.02
Benjamin William Jarvis and related parties	4,600,000	8.00
Rubicon Nominees Pty Ltd	4,628,000	8.05
Keen Source Holdings Limited and related parties	4,483,334	7.80
Hong Kong-Henan International Holdings Limited	4,000,000	6.96

Number of security holders and securities on issue

Quoted equity securities

Bligh has issued 57,475,720 fully paid ordinary shares and these are held by 389 shareholders of which 33,256,720 are quoted on the ASX.

Details regarding escrow

There are 24,219,000 ordinary shares held in escrow until November 30th 2013.

Unquoted equity securities

The unlisted securities currently on issue are set out below.

- 24,219,000 ordinary shares held in escrow until November 30th 2013.
- 16,000,000 unlisted $0.25 options expiring on 30/11/2017 have been issued to 6 option holders and remain unexercised

Voting rights

Ordinary shares
The voting rights attached to ordinary shares are that on a show of hands, every member present, in person or proxy has one vote and upon a poll, each share shall have one vote.

Options
Option holders do not have any voting rights on the options held by them.

BLIGH RESOURCES LIMITED
ABN 83 130 964 162

ASX ADDITIONAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2012

Distribution of security holders

Category	Fully paid Ordinary shares		
	Holders	*Shares*	*%*
1 - 1,000	-	-	0.00
1,001 - 5,000	4	11,800	0.02
5,001 - 10,000	207	1,689,545	2.94
10,001 - 100,000	124	4,959,654	8.63
100,001 and over	62	50,814,721	88.41
Total	**397**	**57,475,720**	**100.00**

Unmarketable parcel of shares

The number of shareholders holding less than a marketable parcel of ordinary shares is 4.
5,000 shares comprise a marketable parcel at the Bligh closing share price of $0.10.

On market buy-back

There is no current on market buy-back.

Twenty largest shareholders

Details of the 20 largest shareholders by registered shareholding are:

	Name		No. of shares	%
1	MINERAL ROCK PTY LTD	SEBC FAMILY	4,602,000	8.01%
2	BENJAMIN WILLIAM JARVIS		4,600,000	8.00%
3	INTREPID CONCEPTS PTY LTD		4,531,000	7.88%
4	RUBICON NOMINEES PTY LTD		4,500,000	7.83%
5	JINLE SONG		4,166,667	7.25%
6	HONG KONG-HENAN INTERNATIONAL HOLDINGS LTD		4,000,000	6.96%
7	KEEN SOURCE HOLDINGS LIMITED		4,000,000	6.96%
8	BLONDE MILE INTERNATIONAL LIMITED(BVI)		2,000,000	3.48%
9	V CAPITAL INVESTMENTS PTY LTD	THE EXPONENTIAL FAMILY	1,125,000	1.96%
10	GOLDBONDSUPER PTY LTD	GOLDBOND SUPERFUND	1,005,800	2.50%
11	MRS QIUFANG HU		1,000,000	1.74%
12	BRISPOT NOMINEES PTY LTD	<HOUSE HEAD NOMINEE NO 1 A/C>	939,042	1.63%
13	MIGHTY RIVER INTERNATIONAL LIMITED		800,000	1.39%
14	MS XIAOYU HOU		800,000	1.39%
15	MR ANTONY DAVID FITZGIBBON		750,000	1.30%
16	MR PAUL BALSARINI & MRS ANNETTE BALSARINI	<A & K MERC P/L PROVIDENT A/C>	666,667	1.16%
17	SEA PRINCE RESOURCES LIMITED		600,000	1.04%
18	MR JASON HOU		575,000	1.00%
19	TEMOREX PTY LTD		530,000	0.92%
20	MR DINGHAO SONG		500,000	0.87%
		TOTAL	**41,691,176**	**73.27%**

Tenement List

Project	Tenement Number	Current Holders	Granted / Application	Expires	Status	Area (ha)
Leonora						
Diorite King WA	P37/7782	Bligh	24/06/2010	23/06/2014	Granted	200
Diorite King WA	P37/7783	Bligh	24/06/2010	23/06/2014	Granted	200
Diorite King WA	P37/7784	Bligh	24/06/2010	23/06/2014	Granted	200
Diorite King WA	P37/7785	Bligh	24/06/2010	23/06/2014	Granted	179
Diorite King WA	P37/7786	Bligh	24/06/2010	23/06/2014	Granted	182
Diorite King WA	P37/7787	Bligh	24/06/2010	23/06/2014	Granted	199
Diorite King WA	P37/7788	Bligh	24/06/2010	23/06/2014	Granted	74
Diorite King WA	P37/7789	Bligh	24/06/2010	23/06/2014	Granted	191
Diorite King WA	P37/7790	Bligh	24/06/2010	23/06/2014	Granted	118
Diorite King WA	P37/7791	Bligh	24/06/2010	23/06/2014	Granted	108
Diorite King WA	P37/7792	Bligh	24/06/2010	23/06/2014	Granted	117
Diorite King WA	P37/7793	Bligh	24/06/2010	23/06/2014	Granted	120
Diorite King WA	P37/7794	Bligh	24/06/2010	23/06/2014	Granted	98
Diorite King WA	P37/7795	Bligh	24/06/2010	23/06/2014	Granted	112
Diorite King WA	P37/7796	Bligh	24/06/2010	23/06/2014	Granted	106
Diorite King WA	P37/7797	Bligh	24/06/2010	23/06/2014	Granted	111
Diorite King WA	P37/7798	Bligh	24/06/2010	23/06/2014	Granted	104
Diorite King WA	P37/7799	Bligh	24/06/2010	23/06/2014	Granted	56
Diorite King WA	P37/7800	Bligh	24/06/2010	23/06/2014	Granted	180
Diorite King WA	P37/7801	Bligh	24/06/2010	23/06/2014	Granted	200
Diorite King WA	P37/7802	Bligh	24/06/2010	23/06/2014	Granted	174
Diorite King WA	P37/7807	Bligh	24/06/2010	23/06/2014	Granted	120
Diorite King WA	P37/7808	Bligh	24/06/2010	23/06/2014	Granted	120
Diorite King WA	P37/7809	Bligh	24/06/2010	23/06/2014	Granted	182
Diorite King WA	P37/7810	Bligh	24/06/2010	23/06/2014	Granted	120
Diorite King WA	P37/7811	Bligh	24/06/2010	23/06/2014	Granted	120
Diorite King WA	P37/7812	Bligh	24/06/2010	23/06/2014	Granted	95
Diorite King WA	P37/7813	Bligh	24/06/2010	23/06/2014	Granted	120
Diorite King WA	P37/7814	Bligh	24/06/2010	23/06/2014	Granted	109
Diorite King WA	P37/7815	Bligh	24/06/2010	23/06/2014	Granted	73
Diorite King WA	P37/7816	Bligh	24/06/2010	23/06/2014	Granted	122
Diorite King WA	P37/7828	Bligh	20/10/2010	19/10/2014	Granted	113
Diorite King WA	P37/7829	Bligh	20/10/2010	19/10/2014	Granted	199
Diorite King WA	P37/7830	Bligh	20/10/2010	19/10/2014	Granted	30
Diorite King WA	P37/7831	Bligh	20/10/2010	19/10/2014	Granted	161
Diorite King WA	P37/7832	Bligh	20/10/2010	19/10/2014	Granted	67
Mt Davis WA	P37/7803	Bligh	24/06/2010	23/06/2014	Granted	41
Mt Davis WA	P37/7804	Bligh	24/06/2010	23/06/2014	Granted	149
Mt Davis WA	P37/7820	Bligh	24/06/2010	23/06/2014	Granted	117

Project	Tenement Number	Current Holders	Granted / Application	Expires	Status	Area (ha)
Mt Davis WA	P37/7821	Bligh	24/06/2010	23/06/2014	Granted	119
Mt Davis WA	P37/7824	Bligh	20/10/2010	19/10/2014	Granted	90
Mt Davis WA	P37/7825	Bligh	20/10/2010	19/10/2014	Granted	200
Mt Davis WA	P37/7826	Bligh	20/10/2010	19/10/2014	Granted	182
Mt Davis WA	P37/7827	Bligh	20/10/2010	19/10/2014	Granted	160
Kumurina Project						
Kumurina WA	E52/2462	Bligh	1/10/2010	30/09/2015	Granted	136
Bootu Creek Project						
Bootu Creek TWO NT	EL27654	Bligh	14/07/2010	13/07/2016	Granted	136.3
USI JV	EL27651		29/07/2010	28/07/2016	Granted	177
Manllia Project						
Manllia NSW	EL7584	Bligh	30/07/2010	29/07/2012	Granted	277.2
Manllia NSW	EL7585	Bligh	30/07/2010	29/07/2012	Granted	268.9
Manllia NSW	EL7586	Bligh	30/07/2010	29/07/2012	Granted	241.6
Grenfell Project						
Grenfell NSW	EL7492	Bligh	31/03/2010	30/03/2012	Granted	108
Grenfell NSW	EL7556	Bligh	26/05/2010	25/05/2012	Granted	205