RAWSON RESOURCES LIMITED ABN 69 082 752 985

2012 ANNUAL REPORT

YEAR ENDED 30TH JUNE 2012

Results for Announcement to the Market

	2012 $000	2011 $000	Movement %
Revenues from ordinary activities	68	52	31%
Losses before income tax	(572)	(1,266)	(55%)
Income tax benefit	-	-	-
Loss attributable to owners of the Company	(572)	(1,266)	(55%)
Other comprehensive income for the year, net of income tax	(778)	(2,349)	(67%)
Total comprehensive income attributable to owners of the Company	(1,350)	(3,615)	(63%)
Cash and cash equivalents	947	1,874	(49%)
Net assets	4,524	5,874	(23%)
	Cents	Cents	
Net Tangible Assets per share (NTA Backing)	4.8	6.2	(23%)
Loss per share – basic	(0.6)	(1.6)	(63%)
Loss per share – diluted	(0.6)	(1.6)	(63%)

Dividends	Amount per security	Franked amount per security at 30%
2012 interim dividend	-	-
2011 final dividend paid	-	-
Record date for determining entitlements to the interim dividend:	N/A	-

Brief explanation of any figures reported above or other items of importance not previously reported to the market:

Refer to the Directors' Report included in the annual financial report for explanations.

Discussion and Analysis of the results for the year ended 30th June 2012:

Refer to the Directors' Report included in the annual financial report for commentary.

RAWSON RESOURCES LIMITED
ABN 69 082 752 985
and its controlled entities

ANNUAL REPORT
FOR THE YEAR ENDED
30th JUNE 2012

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CHAIRMAN'S LETTER

Dear Shareholder,

Rawson Resources Limited (the Company or Rawson) has successfully completed another year of operations.

The Company has continued to expand its exploration activities in four core areas: the Surat Basin, Otway and Pedirka Basins, and onshore in New Zealand.

The Company maintained its:

- 5.4% shareholding in Kea Petroleum Plc., a company registered in the United Kingdom and listed on the UK Alternative Investment Market (AIM); and
- 37.5% shareholding in Otway Energy Limited, an Australian public company formed to raise funds to explore the Otway Basin.
- Continued with its business core objective, which is to apply for and operate frontier exploration permits and then to farm out and/or sell these on to larger companies.

During the year ending 30 June 2012:

- The Company continued its exploration in its permits in the Surat Basin.
- Rawson concluded a farm-in agreement with Kea Petroleum Plc for a two well drilling program in the Surat Basin at ATP 837P.
- Hoadleys 1, in the Surat Basin has been cased and suspended at a depth of 2,149m. A deep target Cabawin South 1 is planned to be drilled in early 2012 to evaluate potential deeper Permian reservoirs. Discussions are continuing with new potential partners to join us in drilling this.
- A regional review of ATP 893P and ATP 901P by an independent consultant was completed and has assisted in its application for renewal for another four years exploration.
- EP97 Simpson Block – Rawson's interest 20% (Operator: Central) and 100% for the remainder of EP97 (Operator: Rawson). This permit has been renewed with the Northern Territory Government for another five years. The work program includes the drilling of another well in the permit by Central Petroleum Limited at no cost to Rawson as part of a farm-in agreement.
- Central Petroleum has stepped up exploration activity in the Simpson and Pellinor exploration blocks. A 96km seismic program has been acquired over the Pellinor structural trend where a large feature thought to be a buried reef complex has been interpreted from previous seismic data. The Pellinor Reef trend is presumed to be sourced with oil from rocks of a similar age to those that sourced the Mereenie oil field and the recent Surprise discovery in the Amadeus Basin. Drilling of the Pellinor complex is one of Central Petroleum's priorities in its ongoing exploration program. Rawson has a 20% carried interest in this project.

Otway Energy Ltd (37% owned by Rawson)

- Both exploration licences PEL154 and PEL155 have been renewed for five years following a 75% relinquishment at the end of the first term. The area remaining covers 3-D surveys and the areas prospective for shale gas. Discussions are continuing with prospective joint venture partners.

NEW ZEALAND

In New Zealand's Canterbury basin, during February 2012 the Rawson Zeanco joint venture completed a 1,000 sample infill soil-gas geochemical survey over prospective leads in the Waitaki Valley and interpretation and mapping of the reprocessed offshore seismic. In the north of New Zealand's South Island on 7 March 2012, the joint venture was awarded PEP 52676 covering the southern extension of the East Coast Basin. A 700 sample soil-gas geochemical survey was completed in the permit during March 2012.

In New Zealand's North Island the joint venture partners were awarded PEP 53674 on 15 March 2012 in the Waiarapa region of the East Coast Basin.

Subsequent to the financial year , Rawson Taranaki Limited and joint venture partner Zeanco (NZ) Ltd have sold their three frontier exploration permits (PEPs 52589, 52676, and 53674) to TAG Oil (NZ) Ltd for NZD 2,788,893 (NZD 1,394,447 net to Rawson). Rawson Taranaki will continue to look for new opportunities onshore New Zealand.

Kea Petroleum Ltd.

- During the last quarter Kea drilled the Puka oil discovery in PEP 51153. Oil indications were clearly seen on the logs and the well flowed at rates of up to 290 barrels of oil per day and up to 2.2 million cubic feet of gas. The first shipment of oil was sent to market on 8 August 2012.

Although the ultimate potential of the Puka Oilfield is not yet known, it could be a significant underpinning of the Rawson share price and an important part of the Rawson portfolio.

Rawson Taranaki Ltd. holds 27,307,692 shares in Kea Petroleum Ltd. giving Rawson a 5.4 percent interest in Kea

The Company has a 10% interest in the Udacha Gas Field in PELS 106/107 in the Cooper Basin, South Australia. Negotiations are continuing with Drillsearch and Beach Energy to commercialise this gas field.

The Company has some coal seam gas potential at ATP837 P in the Surat Basin. The coal seam gas potential here is at depths greater than 1,000m, which could be commercially viable with increasing gas demand.

Rawson is guided by an experienced exploration team with an extensive database. In addition the Company is participating in new joint ventures with highly experienced technical operators such as Central Petroleum in the Simpson Desert Northern Territory, Kea Petroleum in the Taranaki Basin New Zealand, and Otway Energy in the Otway Basin South Australia.

Following initial low cost exploration in new areas, Rawson funds by farm-out to industry partners more expensive seismic and drilling phases. This is an ongoing business plan, which leaves the Company with residual interests that are still large enough to make an economic and material impact on discovery.

Yours sincerely

John Conolly
Executive Chairman

DIRECTORS' REPORT

The Directors present their report together with the financial report of Rawson Resources Limited (the Company) and of the consolidated entity, being the Company and its controlled entities for the financial year ended 30th June 2012, and the Auditor's report thereon.

Directors

The following persons held office of director during and subsequent to the financial year:

John Robert Conolly
John Addison Doughty
Nicholas Paul Adams
Keith Skipper

No other person was a Director during and subsequent to the financial year.

Company Secretary

Ian Morgan held the position of Company Secretary during and subsequent to the financial year.

Net Loss after Income Tax

Total comprehensive income for the financial year ended 30th June 2012 and attributable to owners of the Company was $1,349,585 loss (2011 $3,615,597 loss).

Principal Activity

The principal activity of the Consolidated Entity during the course of the financial year was exploration for oil and gas in Australia.

There were no significant changes in the nature of the Consolidated Entity's principal activity during the financial year.

Operating and Financial Review

Rawson is currently exploring for oil and gas in four core areas, the Surat Basin, the Otway Basin, the Pedirka Basin in Australia, and the Taranaki Basin in New Zealand. Further details of the Company's operations are included in the Chairman's letter attached to this report.

Future Developments

The Company will continue to work on its other permits and review new opportunities as and when they arise.

Environmental Issues

The Company's operations comply with the environmental regulation under the laws of the Commonwealth of Australia, or an Australian State or Territory, and New Zealand.

State of Affairs

No significant changes in the state of affairs of the Consolidated Entity occurred during the financial year.

Dividends

There were no dividends or distributions paid to members since the end of the previous financial year.

There were no dividends or distributions recommended or declared for payment to members, but not paid since the end of the previous financial year.

Subsequent Events

There are no matters or circumstances that have arisen since the end of the financial year which significantly affect, or may significantly affect, the operations, results, state of affairs of the economic entity that have not otherwise been disclosed elsewhere in this report, excepting:

KEA Petroleum Plc

At the date of this report, Rawson Taranaki Limited controlled 27,307,692 shares representing 5.4% ownership of KEA Petroleum Plc (KPP). These shares are currently listed on AIM.

KPP's latest available share price at the date of this report is GBP 8.75 pence or AUD 11.18 cents per share.

KPP's share price at 30th June 2012 was GBP 8.00 pence or AUD 12.30 cents (2011 GBP 10.39 pence or AUD 15.14 cents).

Sale of New Zealand Exploration Permits

Subsequent to year end, the Company's wholly owned subsidiary, Rawson Taranaki Limited, agreed to sell all its direct interest in three New Zealand exploration permits PEP 52589, 52676 and 53674 to TAG Oil (NZ) Ltd. Settlement occurred on 22nd August 2012 and gross proceeds paid to Rawson Taranaki Limited totalled NZD 1,394,447 (AUD 1,091,294).

Relinquishment of Exploration Permit

Application has been made to relinquish exploration permit ATP873P due to its lack of prospectivity (Rawson 15% interest).

Options

During the financial year ended 30th June 2011 the following options were granted for no consideration over unissued shares of the Company.

These options were granted with a share placement, granting one option for no consideration for every two shares issued to placement investors. The placement was approved by members at the Company's extraordinary general meeting held 18th April 2011.

Number of Options Granted	Exercise price per share	Expiry Date
6,250,000	15 cents	1st June 2012

No options granted were exercised and all expired on their Expiry Date (1st June 2012).

The terms of each option included:

(a) The right to acquire one ordinary fully paid share; and
(b) Exercisable any time between the grant date (9th May 2011) and the Expiry Date.

No options were granted during the financial year ended 30th June 2012 and no options have been granted since 30th June 2012.

Actions

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 these proceedings.

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

Information on Directors

Dr John Conolly, the executive chairman of the Company, has 30 years of experience in the oil and gas industry in Australian and international arenas. Between 1980 and 1988 he was an executive director of Sydney Oil Company Limited which participated in the discovery of new oil fields including the South Pepper-North Herald trend on the North West Shelf and the Fairymount, Bodalla South and Nockatunga trends in Queensland. Since 1988, he has been an independent consultant creating new ventures in the North West Shelf and other basins in Australia. His early academic career included a Postdoctoral Fulbright Grant to study at Columbia University, New York; a Queen Elizabeth II Postdoctoral Fellowship at the University of Sydney; a visiting Professor of Geology at Louisiana State University, and Professor at the University of South Carolina where he specialised in sedimentary basins and marine geology. He has a Bachelor of Science from the University of Sydney and MSc and PhD degrees from the University of New South Wales. He is a member of the American Association of Petroleum Geologists and the Petroleum Exploration Society of Australia; and an associate of the Energy & Geoscience Institute at the University of Utah's College of Engineering. Throughout his career he has published widely and has consulted to Australian Government agencies and the oil industry. Other than Rawson Resources Limited, he is a director of KEA Petroleum Plc (commenced 15th February 2010).

Mr Paul Adams is Director of the Company with over 30 years experience in the oil and gas industry, working for a variety of companies in Australia and the United Kingdom. Since 1987 he has provided drafting, digital mapping and database services to the oil and gas industry. He has a Certificate in Cartography from Oxford Polytechnic. He is a member of the Petroleum Exploration Society of Australia and the Australian Society of Exploration Geophysicists and is an associate member of the Mapping Sciences Institute of Australia. Other than Rawson Resources Limited, he has not been a director of any other listed company in the past three years.

Mr John Doughty is a Director and General Manager of the Company with 25 years of experience in the stock broking industry in Australia. He has independently participated in four oil exploration wells in Queensland. Mr Doughty has presented at the Australian Securities Exchange on oil and gas investments. He has assisted in raising funds for oil companies in Australia. He is a member of Petroleum Exploration Society of Australia. Other than Rawson Resources Limited, he has not been a director of any other listed company in the past three years. Mr Doughty is a director of Otway Energy Limited, an unlisted public company.

Mr Keith Skipper is a seasoned and successful global explorationist, company executive and corporate non-executive director with over 30 years of diverse industry experiences. He holds a B.Sc. (Hons) degree in geology from Reading University (U.K.) and a M.Sc. (Geology) from McMaster University (Ontario, Canada).

He is an Australian citizen who began his career with AMOCO Canada in Calgary, Alberta with subsequent technical and management appointments in AMOCO's domestic and international operations. Early in 1982, Mr Skipper was appointed Exploration Manager of Bridge Oil Limited in Sydney, Australia and involved with that company's growth during the 1980's.

He returned to Calgary in 1992 as part of a core team to build an international portfolio for PanCanadian Petroleum Limited, now part of EnCana; and became General Manager Eastern Hemisphere, which included the United Kingdom, North Africa and the Middle East.

Since 1998, Mr Skipper's subsequent appointments have been: Antrim Energy Inc, latterly as Executive Vice President; and non-executive director of Hedong Energy Inc and Avery Resources Limited. Since November 2005 he has been the managing director of NorthStar Energy Limited, an unlisted public company and co-founder of Petrosedex Pty Limited. He is also the owner of Petrosedex Energy International Inc, an oil and gas company registered in Alberta, Canada. Other than Rawson Resources Limited, he is currently a director of the publicly listed company Samson Oil and Gas Limited (appointed 10 September 2008). During the last 5 years, he has also served as a director of RedSky Energy Limited (resigned December 2009) and Circumpacific Energy Corporation (resigned November 2010). Mr Skipper advises and consults to various academic, financial and corporate entities on oil and gas exploration, including coalseam gas ("CSG") and shale resource projects.

Mr Skipper is a member of the Australian Institute of Company Directors, member of the American Association of Petroleum Geologists, the Petroleum Exploration Society of Australia and a registered Professional Geologist in Alberta, Canada.

Information on Company Secretary

Mr Ian Morgan B Bus (NSWIT) Grad Dip App Fin (SIA) M Com Law (Macquarie) ACIS ACSA (CSA) CA (ICAA) F Fin (FINSIA) MAICD (AICD), is a Chartered Accountant and Chartered Company Secretary with over 30 years experience. He provides secretarial and advisory services to a range of companies, and is company secretary of other publicly listed companies.

Remuneration Report (Audited)

Key Management Personnel Compensation

(a) Names and positions held of the Company's key management personnel in office at any time during the financial year are:

Name	Position
Dr John Conolly	Executive Chairman
Mr John Doughty	Director and General Manager
Mr Paul Adams	Non-Executive Director
Mr Keith Skipper	Non-Executive Director

(b) Compensation Practices

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

The remuneration structure for Directors is based on a number of factors including: length of service, particular experience of the individual concerned, and overall performance of the Company. Currently, due to the financial position of the Consolidated Entity and the Company's start up position, the Directors are paid only a fixed remuneration component. The Board expects that performance based remunerations, which will more closely align the interests of the Board and the shareholders will be implemented as the operations of the Company become more solid. Upon retirement, specified Directors are paid employee benefit entitlements accrued to date of retirement. No options are held by the Directors or Executives.

The remuneration for each Director during the year was as follows:

2012	Salary and Directors fees	Superannuation Contributions	Consulting Fees	Total
	$	$	$	$
Dr J.R. Conolly	13,995	2,180	92,753	108,928
Mr J.A. Doughty	84,000	7,560	-	91,560
Mr N.P. Adams	-	26,160	87,255	113,415
Mr K. Skipper	-	34,335	-	34,335
	97,995	70,235	180,008	348,238
2011				
Dr J.R. Conolly	-	26,160	120,000	146,160
Mr J.A. Doughty	144,000	12,960	-	156,960
Mr N.P. Adams	-	26,160	132,300	158,460
Mr K. Skipper	18,000	21,240	-	39,240
	162,000	86,520	252,300	500,820

Dr J R Conolly and Mr J A Doughty are the specified executives of the Company. Their remuneration details are displayed above.

Other than as reported in this Directors' Report, Directors of the Company do not receive any performance based or share based payments.

(c) Consequences of performance on shareholders' wealth

Executives receive their base pay and superannuation benefits, which may be delivered at the executives' discretion, plus any consulting fees.

Executives are not entitled to any remuneration based on performance.

Executives are offered a competitive base pay that comprises a fixed component of pay. Base pay for executives is reviewed annually to ensure the executive's pay is competitive with the market. There is no guaranteed base pay increase included in any executives' contracts.

During the year ended 30th June 2012, the Company's Directors made an internal strategic review of the Company's costs. Following this review, it was resolved to reduce total salary, fees and superannuation effective 1st October.

End of Remuneration Report (Audited)

Directors' Interests

2012	Security	Held at 1st July 2011 Number	Sold on Market Number	Held at 30th June 2012 Number
Mr N.P. Adams	Ordinary fully paid shares	3,480,000	-	3,480,000
Dr J.R. Conolly	Ordinary fully paid shares	6,730,000	-	6,730,000
Mr J.A. Doughty	Ordinary fully paid shares	4,390,000	-	4,390,000
Mr K Skipper	Ordinary fully paid shares	20,000	-	20,000
Mr K Skipper	Partly paid ordinary unlisted 20.0 cent shares. 0.1 cents per share paid.	250,000	-	250,000

2011	Security	Held at 1st July 2010 Number	Sold on Market Number	Held at 30th June 2011 Number
Mr N.P. Adams	Ordinary fully paid shares	3,480,000	-	3,480,000
Dr J.R. Conolly	Ordinary fully paid shares	6,730,000	-	6,730,000
Mr J.A. Doughty	Ordinary fully paid shares	4,590,000	200,000	4,390,000
Mr K Skipper	Ordinary fully paid shares	20,000	-	20,000
Mr K Skipper	Partly paid ordinary unlisted 20.0 cent shares. 0.1 cents per share paid.	250,000	-	250,000

Meetings of Directors

	Board meetings		Audit Committee Meetings	
	Eligible to attend	Attended	Eligible to attend	Attended
Dr J.R. Conolly	8	8	-	-
Mr J.A. Doughty	8	8	5	5
Mr N.P. Adams	8	8	-	-
Mr K. Skipper	8	8	5	5

Indemnification and Insurance of Officers and Auditors

(a) Indemnification

Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Company.

(b) Insurance Premiums

During the financial year the Consolidated Entity has not paid premiums in respect of Directors' and Officers' liability insurance contracts for the year ended 30th June 2012 (2011 $Nil)

Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 11 and forms part of the Directors' Report for the financial year ended 30th June 2012.

Non-Audit Services

Details of amounts paid to the Auditor for non-Audit services provided during the year are set out in Note 7 of these financial statements. The Directors are satisfied that the provision of these non Audit services is compatible with the general standard of independence for the auditors imposed by the Corporations Act 2001 because:

- all non-audit services were subject to the corporate governance procedures adopted by the Company and have been reviewed by the audit committee to ensure they do not impact the integrity and objectivity of the auditor; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board by:

John Doughty

Director

Sydney

21st September 2012

nexia
australia

the next solution

The Board of Directors
Rawson Resources Limited
PO Box R1868
Royal Exchange NSW 1225

21st September 2012

Dear Board Members

Auditor's Independence Declaration under section 307C of the Corporations Act 2001

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Rawson Resources Limited.

As lead audit partner for the audit of the financial statements of Rawson Resources Limited for the financial year ended 30th June 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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

Yours sincerely

Nexia Court & Co

Nexia Court & Co
Chartered Accountants

Robert Mayberry
Partner

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CORPORATE GOVERNANCE STATEMENT

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30th June 2012. The Company is a small company with limited operations. Accordingly the Board considers that many of the corporate governance guidelines intended to apply to larger companies are not practical for the Company.

ASX Principles/Recommendations	Compliance	Details	Disclosure Requirement for Non Compliance
Principle 1			
Principle 1 – Lay solid foundations for management and oversight. Companies should establish and disclose the respective roles and responsibilities of board and management.			
Recommendation 1.1: Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	Comply	The Board is accountable to shareholders for the performance of the Company and has overall responsibility for its operations. The Board's primary objective is to protect and enhance shareholder value within a defined, informed structure which protects the rights and interests of shareholders and other stakeholders by ensuring that the Company and its controlled entities are properly managed. The Board, together with senior management, is responsible to shareholders and other stakeholders for the Company's total business performance. Management of the business of the Company is conducted by the General Manager as designated by the Board and by officers and consultants to whom the management function is delegated by the General Manager.	Not Applicable
Recommendation 1.2: Companies should disclose the process for evaluating the performance of senior executives.	Comply	The General Manager reviews the performance of consultants.	Not Applicable

Corporate Governance Statement (continued)

ASX Principles/Recommendations	Compliance	Details	Disclosure Requirement for Non Compliance
Recommendation 1.3: Companies should provide the information indicated in the Guide to reporting on Principle 1.	Comply		Not Applicable
Principle 2			
Principle 2 – Structure the board to add value Companies should have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties.			
Recommendation 2.1: A majority of the board should be independent directors.	Does not comply	The Board is composed of four Directors, of which the Chairman and General Manager are executive Directors: There is not a majority of independent directors.	The Board considers that the Board's structure is still appropriate to the Company's size; and each Director-independent or not- brings an independent judgement to bear on Board decisions. Directors may obtain independent professional advice at the Company's expense, subject to prior agreement and direction by the Board, on matters arising in the course of Company business. Directors also have access to senior Company managers and Company documents at all times.
Recommendation 2.2: The chair should be an independent director.	Does not comply	The Chairman is an executive Director and not independent.	The Company is a small company with limited operations. Accordingly, the Board considers that maintaining an executive Chairman who is not independent is appropriate to the Company's size.
Recommendation 2.3: The roles of chair and chief executive officer should not be exercised by the same individual.	Comply	The Chairman and General Manager are different individuals.	Not Applicable

Corporate Governance Statement (continued)

ASX Principles/Recommendations	Compliance	Details	Disclosure Requirement for Non Compliance
Recommendation 2.4: The board should establish a nomination committee.	Does not comply		The size of the Company does not warrant the formation of a Nomination or Remuneration Committee at this time. Appointments have been considered by the full Board.
Recommendation 2.5: Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	Comply	The Board reviews the performance of the General Manager. Details of Directors' qualifications, experience, term of office and special responsibilities are in the Directors Report included in this Annual Report. Potential nominations to the Board are assessed by the full Board. The Board may appoint a nominations or remuneration committee. The Board undertakes self assessment of its collective performance. Individual performance is evaluated by the full Board.	Not Applicable
Recommendation 2.6: Companies should provide the information indicated in the Guide to reporting on Principle 2.	Comply		Not Applicable
Principle 3			
Principle 3 – Promote ethical and responsible decision-making. Companies should actively promote ethical and responsible decision-making.			

Corporate Governance Statement (continued)

ASX Principles/Recommendations	Compliance	Details	Disclosure Requirement for Non Compliance
Recommendation 3.1: Companies should establish a code of conduct and disclose the code or a summary of the code as to: • the practices necessary to maintain confidence in the company's integrity • the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders • the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	Does not comply		The Company does not have a formal code of conduct, reflecting the Company's small size and close interaction of the small number of individuals throughout the organisation.
Recommendation 3.2: Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.	Comply	The Company intends to make each staff appointment after consideration of each candidate's qualifications, experience and proven competence, whilst conscientiously avoiding any discrimination on the basis of, but not limited to, race, creed, colour, gender, age, marital status, religion or physical impairment.	Not applicable
Recommendation 3.3: Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	Does not comply		The Company will apply its best endeavours to disclose in each annual report the measureable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them.
Recommendation 3.4: Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	Comply	The Company has no women employees.	Not Applicable
Recommendation 3.5: Companies should provide the information indicated in the Guide to reporting on Principle 3.	Comply		Not Applicable

Corporate Governance Statement (continued)

ASX Principles/Recommendations	Compliance	Details	Disclosure Requirement for Non Compliance
Principle 4			
Principle 4 – Safeguard integrity in financial reporting Companies should have a structure to independently verify and safeguard the integrity of their financial reporting.			
Recommendation 4.1: The board should establish an audit committee.	Comply		Not Applicable
Recommendation 4.2: The audit committee should be structured so that it: • consists only of non-executive directors • consists of a majority of independent directors • is chaired by an independent chair, who is not chair of the board • has at least three members.	Does not comply	The Company is a small company with limited operations. Accordingly, the Board considers that maintaining an Audit Committee constituting the General Manager and a non-executive Director is appropriate to the Company's size.	This Audit Committee structure is considered to be commercially cost effective.
Recommendation 4.3: The audit committee should have a formal charter.	Does not comply	The Company does not have a formal audit committee charter, reflecting the Company's small size and close interaction of the small number of individuals throughout the organisation.	The primary role of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities by monitoring and reviewing, on behalf of the Board, the effectiveness of the Company's control environment in the areas of operational risk, legal compliance, regulatory compliance and financial reporting.
Recommendation 4.4: Companies should provide the information indicated in the Guide to reporting on Principle 4.	Comply		Not Applicable
Principle 5			
Principle 5 – Make timely and balanced disclosure. Companies should promote timely and balanced disclosure of all material matters concerning the company.			

Corporate Governance Statement (continued)

ASX Principles/Recommendations	Compliance	Details	Disclosure Requirement for Non Compliance
Recommendation 5.1: Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	Comply	The Board's policy is that shareholders are informed of all material developments that impact on the Company. Detailed continuous disclosure policy is intended to maintain the market integrity and market efficiency of the Company's shares listed on the ASX. This policy sets out the requirements to report to the General Manager, any matter that may require disclosure under the Company's continuous disclosure obligations. The General Manager is also required to report at each Board meeting on this issue. The continuous disclosure process ensures compliance with the Company's continuous disclosure and reporting obligations, consistent with the Australian Securities Exchange Listing Rules, and the Corporations Act 2001 *(Clth).*	Not Applicable
Recommendation 5.2: Companies should provide the information indicated in the Guide to reporting on Principle 5.	Comply		Not Applicable
Principle 6			
Principle 6 – Respect the rights of shareholders. Companies should respect the rights of shareholders and facilitate the effective exercise of those rights.			

Corporate Governance Statement (continued)

ASX Principles/Recommendations	Compliance	Details	Disclosure Requirement for Non Compliance
Recommendation 6.1: Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.	Comply	The Company aims to convey to its shareholders pertinent information in a detailed, regular, factual and timely manner. The Board ensures that the annual report includes relevant information about the operations of the Company during the year, and changes in the state of affairs of the Company, in addition to the other disclosures required by the Corporations Act 2001. Information is communicated to shareholders by the Company through: 1. Placement of market announcements on the Company's web-site http://www.rawsonresources.com; 2. The annual and interim financial reports (for those shareholders who have requested a copy); 3. Disclosures to the Australia Securities Exchange; 4. Notices and explanatory memoranda of annual general meetings; and 5. All Shareholders are invited to attend and raise questions at the Annual General Meeting. All shareholders are welcome to communicate directly with the Company.	Not Applicable
Recommendation 6.2: Companies should provide the information indicated in the Guide to reporting on Principle 6.	Comply		Not Applicable
Principle 7			
Principle 7 – Recognise and manage risk Companies should establish a sound system of risk oversight and management and internal control.			

Corporate Governance Statement (continued)

ASX Principles/Recommendations	Compliance	Details	Disclosure Requirement for Non Compliance
Recommendation 7.1: Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Comply	The Board meets regularly to evaluate, control, review and implement the Company's operations and objectives. Regular controls established by the Board include: • Delegated authority to the General Manager to ensure approval of expenditure; and • Procedures allowing Directors to seek independent professional advice by utilising various external technical consultants. The Board recognises the need to identify areas of significant business risk and to develop and implement strategies to investigate these risks.	Not Applicable
Recommendation 7.2: The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	Comply	The General Manager manages the Company's material business risks and reports to the Board. Materiality thresholds The Company regularly reviews procedures, and ensures timely identification of disclosure material and materiality thresholds. Materiality judgments can only be made on a case by case basis, when all the facts are available. The Board would consider an amount which is: 1. Equal to or greater than 10 per cent of the appropriate base amount as material, unless there is evidence or convincing argument to the contrary; and 2. Equal to or less than 5 per cent of the appropriate base amount not to be material unless there is evidence, or convincing argument, to the contrary.	Not Applicable

Corporate Governance Statement (continued)

ASX Principles/Recommendations	Compliance	Details	Disclosure Requirement for Non Compliance
Recommendation 7.3: The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act 2001 is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Comply	The Company requires that these statements are certified by the General Manager, as chief executive officer and chief financial officer.	Not Applicable
Recommendation 7.4: Companies should provide the information indicated in the Guide to reporting on Principle 7.	Comply		Not Applicable
Principle 8			
Principle 8 – Remunerate fairly and responsibly. Companies should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.			
• Recommendation 8.1: The board should establish a remuneration committee.	Does not comply		The full Board would act as a Remuneration Committee, as required.
Recommendation 8.2: The remuneration committee should be structured so that it: • consists of a majority of independent directors • is chaired by an independent chair • has at least three members.	Does not comply		The Board would operate as a remuneration committee, as required. This structure is considered to be commercially cost effective, and appropriate to the Company's size and structure.

Corporate Governance Statement (continued)

ASX Principles/Recommendations	Compliance	Details	Disclosure Requirement for Non Compliance
• Recommendation 8.3: Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	Comply	Non-executive Directors' fees are determined by the Board within the aggregate amount approved by shareholders. Any structure for equity based executive remuneration must be commercially cost effective, and appropriate to the Company's size and structure. The Board has regard in the performance of the duties set out herein to any published guidelines or recommendations regarding the remuneration of directors of listed companies and formation and operation of share option schemes which the Board considers relevant or appropriate. Fees for non-executive directors reflect the demands on and responsibilities of our Directors. Non-executive Directors are remunerated by way of base fees and statutory superannuation contributions and do not participate in schemes designed for the remuneration of executives. Non-executive directors do not receive any bonus payments nor are they provided with retirement benefits other than statutory superannuation. There are no schemes for retirement benefits, other than statutory superannuation, for non-executive directors.	Not Applicable
• Recommendation 8.4: Companies should provide the information indicated in the Guide to reporting on Principle 8.	Comply		Not Applicable

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30th June 2012

	Note	2012 $	2011 $
Revenue			
Revenue from continuing activities	5	67,958	51,624
		67,958	51,624
Expenses			
Administration expenses		(186,978)	(203,709)
Directors' remuneration expense		(168,230)	(253,181)
Exploration expenditure written off	6	(269,267)	(626,762)
Impairment loss	6, 10	(15,000)	(234,418)
		(639,475)	(1,318,070)
Loss before income tax		(571,517)	(1,266,446)
Income tax benefit	16	-	-
Loss attributable to owners of the Company		(571,517)	(1,266,446)
Other comprehensive income for the year, net of income tax			
Revaluation decrement for available for sale financial asset		(772,393)	(2,349,151)
Foreign currency translation gain on revaluation		(5,674)	-
		(778,067)	(2,349,151)
Total comprehensive income attributable to owners of the Company		(1,349,584)	(3,615,597)
		Cents	Cents
Basic and diluted loss per share attributable to ordinary equity holders	8	(0.6)	(1.6)

The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Auditor's Report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30th June 2012

	Note	2012 $	2011 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	947,286	1,873,857
Receivables	10	14,224	19,902
Financial Instruments	12	3,587,931	4,360,324
TOTAL CURRENT ASSETS		4,549,441	6,254,083
NON-CURRENT ASSETS			
Other assets	11	12,000	12,000
Plant and equipment	13	117	214
TOTAL NON-CURRENT ASSETS		12,117	12,214
TOTAL ASSETS		4,561,558	6,266,297
CURRENT LIABILITIES			
Trade and other payables	14	32,120	388,078
Provision	15	5,464	4,661
TOTAL CURRENT LIABILITIES		37,584	392,739
TOTAL LIABILITIES		37,584	392,739
NET ASSETS		4,523,974	5,873,558
EQUITY			
Share capital	17	10,299,131	10,299,131
Accumulated losses		(8,830,847)	(8,434,306)
Reserves	18	3,055,690	4,008,733
TOTAL EQUITY		4,523,974	5,873,558

The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Auditor's Report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30th June 2012

	Share Capital Ordinary	Accumulated Losses	Foreign Exchange Reserve	Fair Value Reserve	Total Reserves	Total Equity
	$	$	$	$		$
Balance at 1st July 2010	8,653,256	(7,167,860)	-	6,357,884	6,357,884	7,843,280
Total comprehensive income attributable to owners of the Company	-	(3,615,597)	-	-	-	(3,615,597)
Shares issued during the year	1,645,875	-	-	-	-	1,645,875
Net change in fair value of available-for-sale financial assets, net of tax	-	2,349,151	-	(2,349,151)	(2,349,151)	-
Balance at 30th June 2011	10,299,131	(8,434,306)	-	4,008,733	4,008,733	5,873,558
Balance at 1st July 2011	10,299,131	(8,434,306)	-	4,008,733	4,008,733	5,873,558
Total comprehensive income attributable to owners of the Company	-	(1,349,584)	-	-	-	(1,349,584)
Net change in fair value of available-for-sale financial assets, net of tax	-	772,393	-	(772,393)	(772,393)	-
Foreign currency translation gain on revaluation	-	180,650	(5,674)	(174,976)	(180,650)	-
Balance at 30th June 2012	10,299,131	(8,830,847)	(5,674)	3,061,364	3,055,690	4,523,974

The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Auditor's Report.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30th June 2012

	Note	2012 $	2011 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		67,402	50,897
Payments to suppliers			
Exploration costs		(603,616)	(297,389)
Other costs		(372,880)	(459,290)
Net cash used in operating activities	20	(909,094)	(705,782)
CASH FLOWS FROM INVESTING ACTIVITIES			
Loans advanced		(15,000)	(91,875)
Loans repaid		1,152	-
Payments for acquisition of investments		(3,629)	(1,939)
Net cash used in investing activities		(17,477)	(93,814)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	1,645,875
Net cash provided by financing activities		-	1,645,875
Net (decrease) / increase in cash held		(926,571)	846,279
Cash and cash equivalents at beginning of financial year		1,873,857	1,027,578
Cash and cash equivalents at end of financial year	9	947,286	1,873,857

The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Auditor's Report.

PARENT ENTITY DISCLOSURES

For the year ended 30th June 2012, the parent company of the Consolidated Entity was Rawson Resources Limited.

	The Company	
	2012	2011
	$	$
Results of the parent entity		
Loss attributable to members of the Parent Entity	(429,921)	(1,187,111)
Total comprehensive income for the period	(429,921)	(1,187,111)
Financial position of parent entity at year end		
Current assets	1,310,653	2,093,178
Non-current assets	241,685	238,153
Total assets	1,552,338	2,331,331
Current liabilities	35,564	384,636
Total liabilities	35,564	384,636
Net Assets	1,516,774	1,946,695
Total equity of the parent entity comprising of:		
Share capital	10,299,131	10,299,131
Accumulated Losses	(8,782,357)	(8,352,436)
Total Equity	1,516,774	1,946,695

The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Auditor's Report.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30th June 2012

1. Reporting entity

Rawson Resources Limited (the Company) is a company domiciled in Australia. The address of the Company's registered office is Suite 2 163 Burns Bay Road, Lane Cove NSW 2066. The consolidated financial statements of the Company for the year ended 30th June 2011 comprise the Company and subsidiaries (together referred to as the "Consolidated Entity" or "Group") and the Consolidated Entity's interest in associates and jointly controlled entities. The Consolidated Entity is primarily involved in the exploration for oil and gas in Australia and New Zealand.

2. Basis of preparation

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Interpretations) adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The consolidated financial report of the Consolidated Entity and the financial report of the Company also complies with the IFRSs and interpretations adopted by the International Accounting Standards Board.

The financial statements were approved by the Board of Directors on 21st September 2012.

(b) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except where otherwise indicated.

(c) Going Concern

Notwithstanding the Company's operating loss for the year, negative cash flows from operations and historical performance, the financial report has been prepared on a going concern basis. This assessment is based on the cash on hand balance at year end and outstanding payables. If required, the Company does have the ability to raise extra funds through a placement. However, should sufficient and appropriate capital not be available on a timely basis to the Company, the Directors would require the cessation of operational activities and a further reduction in expenditure. The business would, under this scenario, continue to operate with existing cash reserves. The Directors are satisfied that the Company would be able to continue on a going concern basis.

(d) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the functional currency of the Consolidated Entity.

(e) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by the Consolidated Entity.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

In the Company's financial statements, investments in subsidiaries are carried at cost.

(ii) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Consolidated Entity's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Gains and losses are recognised when the contributed assets are consumed or sold by the equity accounted investees or, if not consumed or sold by the equity accounted investee, when the Consolidated Entity's interest in such entities is disposed.

(iii) Investments in associates and jointly controlled entities (equity accounted investees)

Investments in associates and jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. In the Company's financial statements, investments in associates are classified as non-financial assets (Refer Note 3 (d)(ii)).

In the Company's financial statements, investments in jointly controlled entities are carried at cost.

(iv) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary assets and liabilities denominated in foreign currencies that are

3. Significant accounting policies (continued)

measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments, a financial liability designated as a hedge of the net investment in a foreign operation (see Note 3 (a) (vi) below), or qualifying cash flow hedges, which are recognised in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(v) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Australian dollars at exchange rates at the reporting date. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to Australian dollars at exchange rates at the dates of the transactions.

The income and expenses of foreign operations in hyperinflationary economies are translated to Australian dollars at the exchange rate at the reporting date. Prior to translating the financial statements of foreign operations in hyperinflationary economies, their financial statements for the current period are restated to account for changes in the general purchasing power of the local currency. The restatement is based on relevant price indices at the reporting date.

Foreign currency differences are recognised in other comprehensive income. Since 1 July 2004, the Group's date of transition to AASBs, such differences have been recognised in the foreign currency translation reserve (translation reserve, or FCTR). When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to profit or loss as part of the profit or loss on disposal.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented within equity in the FCTR.

(vi) Hedge of net investment in foreign operation

The Group applies hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the parent entity's functional currency (AUD), regardless of whether the net investment is held directly or through an intermediate parent.

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in other comprehensive income to the extent that the hedge is effective, and are presented within equity in the FCTR. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged part of a net investment is disposed of, the relevant amount in the FCTR is transferred to profit or loss as part of the profit or loss on disposal.

(b) <u>Financial Instruments</u>

(i) Non-derivative financial instruments

3. Significant accounting policies (continued)

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

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Consolidated Entity becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Consolidated Entity's contractual rights to the cash flows from the financial assets expire or if the Consolidated Entity transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Consolidated Entity commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Consolidated Entity's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Consolidated Entity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(ii) Held-to-maturity investments

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

(iii) Share capital

Ordinary shares

Incremental costs directly attributable to issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit.

(c) Plant and Equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

3. Significant accounting policies (continued)

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Depreciation

Useful lives

All plant and equipment has limited useful lives and is depreciated using the diminishing value method over their estimated useful lives.

Assets are depreciated from the date of acquisition.

Depreciation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only. Depreciation is expensed.

The depreciation rates used for each class of asset are as follows:

	Depreciation Rates		Depreciation Method
	2012	2011	
Plant and equipment	5% - 33%	5% - 33%	Diminishing Value

(d) Impairment

(i) Financial Assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

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

3. Significant accounting policies (continued)

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

(ii) Non Financial Assets

The carrying amounts of the Consolidated Entity's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

(e) <u>Employee Benefits</u>

Provision is made for the Company's liability for employee benefits arising from services rendered to balance date by employees. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

3. Significant accounting policies (continued)

(f) Revenue Recognition

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST). Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Interest Revenue

Interest revenue is recognised as it accrues.

Other Income

Income from other sources is recognised when the fee in respect of other products or service provided is receivable.

(g) Income Tax

Income tax expense or benefit comprises current and deferred tax. Income tax expense or benefit is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

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

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

3. Significant accounting policies (continued)

(h) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as a current asset or liability in the statement of financial position. Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(i) Segment Reporting

A segment is a distinguishable component of the Consolidated Entity that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Consolidated Entity's primary format for segment reporting is based on business segments.

(j) Exploration, Concession and Development Expenditure

Exploration, concession, 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.

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

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

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

(k) New Standards & Interpretations not yet adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application.

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2011, and have not been applied in preparing these consolidated financial statements.

3. Significant accounting policies (continued)

Standard name	Effective date for entity	Requirements	Impact
AASB 2010-8 Amendment to Australian Accounting Standards – Deferred tax: Recovery of underlying assets	30 June 2013	Adds a presumption to AASB 112 that the recovery of the carrying amount of an investment property at fair value will be through sale.	No impact expected.
AASB 13 Fair Value Measurement. AASB 2011-8 - Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	30 June 2014	AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted. There are a number of additional disclosure requirements.	Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required. The entity has not yet determined the magnitude of any changes which may be needed. Some additional disclosures will be needed.
AASB 2011 – 4 - Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]	30 June 2014	Remove individual key management personnel disclosure requirements (i.e. components of remuneration) for disclosing entities.	Since the entity is a disclosing entity, the KMP remuneration note in the financial statements will not include individual components of remuneration.
AASB 2011-9 - Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income.	30 June 2013	Entities will be required to group items presented in other comprehensive income on the basis of whether they are potentially re-classifiable to profit or loss subsequently (reclassification adjustments).	The items shown in other comprehensive income will be separated into two categories.
AASB 119 Employee Benefits (September 2011) AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements	30 June 2014	The main changes in this standard relate to the accounting for defined benefit plans and are as follows: - elimination of the option to defer the recognition of gains and losses (the 'corridor method'); - requiring re-measurements to be presented in other comprehensive income; and - enhancing the disclosure requirements.	Since the entity does not have a defined benefit plan, the adoption of these standards will not have any impact.

3. Significant accounting policies (continued)

(l) Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Trade and other receivables

The fair value of trade and other receivables, excluding construction work in progress, but including any service concession receivables, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purpose or when acquired in a business combination.

(ii) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. In respect of the liability component of convertible notes, the market rate of interest is determined by reference to similar liabilities that do not have a conversion option. For finance leases the market rate of interest is determined by reference to similar lease agreements.

4. Financial Risk Management

(a) Financial Risk Management Policies

The Consolidated Entity's financial instruments consist mainly of deposits with banks and accounts payable.

Treasury Risk Management

The Board regularly analyses financial risk exposure and evaluates treasury management strategies in the context of prevailing economic conditions and forecasts.

The overall risk management strategy seeks to maintain a sufficient capital whilst minimising potential adverse effects on financial performance.

Risk management issues are considered by the Board on a regular basis, including future cash flow requirements.

4. Financial Risk Management (continued)

(b) Financial Risks

The main risks the Consolidated Entity is exposed to through its financial instruments are interest rate risk and liquidity risk.

(i) Interest rate risk

Interest rate risk arises from the potential for change in interest rates to have an adverse effect on the net earnings of the Consolidated Entity. The Consolidated Entity has no borrowings and monitors interest rates on its cash balances.

The Consolidated Entity's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in Note 27. For interest rates applicable to each class of asset or liability, refer to individual notes to the financial statements. Exposures arise predominantly from assets and liabilities bearing variable interest rates as the Consolidated Entity intends to hold fixed rate assets and liabilities to maturity.

Refer to Note 27 (c) for a sensitivity analysis of the Company's exposure to interest rate risk

(ii) Liquidity risk

Liquidity risk is the risk that the Consolidated Entity will not be able to meet its financial obligations as they fall due.

The Consolidated Entity's approach to managing risk is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Consolidated Entity's reputation. The Consolidated Entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash and access to cash is maintained

(iii) Market risk

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

(iv) Foreign currency risk

The Consolidated Entity is exposed to fluctuations in foreign currencies arising from exploration costs in currencies other than the Consolidated Entity's measurement currency.

5. Revenue from continuing activities

	Note	2012 $	2011 $
Interest received-other persons		66,921	51,624
Foreign currency gain		1,037	-
		67,958	51,624

6. Expenses

	Note	2012 $	2011 $
Exploration expenditure written off		269,267	626,762
Depreciation expense		97	179
Superannuation expense		70,235	86,520
Impairment loss	10	15,000	234,418

7. Auditors' remuneration

	2012 $	2011 $
Amounts paid/payable to Nexia Court & Co for audit or review of the financial report for the entity or any entity in the Group	34,800	33,494
Amounts paid/payable to Nexia Court & Co for non-audit taxation services performed for the entity or any entity in the Group:	-	3,000
Amounts paid/payable to subsidiary auditor who is un-related to Nexia Court & Co for audit or review of the financial report for the entity or any entity in the Group	3,143	3,457
Amounts paid/payable to subsidiary auditor who is un-related to Nexia Court & Co for non-audit taxation services performed for the entity or any entity in the Group:	1,170	1,652
	39,113	41,603

8. Basic Loss per share

The calculation of basic earnings per share for the year ended 30th June 2012 is as follows:

	2012	2011
Loss attributable to ordinary shareholders	(571,517)	(1,266,446)
	Number of shares	Number of shares
Issued ordinary shares at 1st July 2011	94,247,150	76,747,150
Effect of shares issued to 30th June 2012	-	4,602,740
Weighted average number of ordinary shares at 30th June 2012	94,247,150	81,349,890
	Cents per Share	Cents per Share
Basic and diluted loss per share attributed to ordinary equity holders – continuing operations	(0.6)	(1.6)

9. Cash and Cash Equivalents

	Note	2012 $	2011 $
Cash at bank		947,286	1,873,857

10. Receivables - Current

	Note	2012 $	2011 $
Loan to associate	19 (c), 22	249,418	234,418
Impairment loss	6	(249,418)	(234,418)
		-	-
Other receivables		2,024	4,232
GST receivable		12,200	15,670
		14,224	19,902

11. Other Assets – Non Current

	Note	2012 $	2011 $
Deposits		12,000	12,000
		12,000	12,000

12. Financial Instruments

Held to maturity investments

	Note	2012 $	2011 $
Term deposits		229,568	225,939
		229,568	225,939

The term deposits are held as security for the bank guarantees required for the exploration leases and permits. Refer Note 19 (a).

Available for sale financial assets

	Note	2012 $	2011 $
Investment in KEA Petroleum Plc (KPP)			
Cost		125,652	125,652
Revaluation increment to fair value		3,232,711	4,008,733
		3,358,363	4,134,385
		3,587,931	4,360,324

At 30th June 2012, Rawson Taranaki Limited controlled 27,307,692 shares representing 5.4% ownership of KPP. These shares are currently listed on AIM.

KPP's share price at 30th June 2012 was GBP 8.00 pence or AUD 11.95 cents (2011 GBP 10.39 pence or AUD 15.14 cents).

For further details of the Company's transaction with Rawson Taranaki Limited and Kea Petroleum Ltd, refer Note 24.

13. Plant and Equipment

	2012 $	2011 $
At cost	2,299	2,299
Less: Accumulated depreciation	(2,182)	(2,085)
	117	214
Movement in Carrying Amounts		
Plant and equipment:		
Balance at the beginning of the year	214	393
Depreciation expense	(97)	(179)
Balance at the end of the year	117	214

14. Trade and Other Payables - Current

	2012 $	2011 $
Trade Payables and Accruals	32,120	388,078

15. Provision - Current

	2012 $	2011 $
Provision for long service leave	5,464	4,661

16. Income Tax

	2012 $	2011 $
Numerical reconciliation between tax benefit and pre-tax net loss		
Loss before income tax	(571,517)	(1,266,446)
The prima facie tax on loss before income tax is reconciled to income tax expense as follows :		
Prima facie tax benefit on loss before income tax at 30% (2011: 30%)	171,455	379,934
	171,455	379,934
Add tax effect of:		
Effect of New Zealand's prima facie tax rate at 28% (2011 30%)	(2,826)	-
Impairment loss	(4,500)	(70,325)
Increase provision for long service leave	(241)	(1,398)
Entertainment	(79)	(343)
Write downs	(38,606)	-
Less tax effect of:		
Change in un-recognised temporary differences	3,600	11,960
Capital raising costs	10,008	-
Current year deferred tax asset not brought to account	(138,811)	(319,828)
Income tax expense	-	-
Deferred tax assets not bought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 3 (g) occur:		
- tax losses:		
- operating losses	2,754,082	2,457,376
	2,754,082	2,457,376

17. Issued Capital

		2012 $	2011 $
Ordinary fully paid shares			
1st July	94,247,150 shares on issue (2011: 76,747,150)	10,298,381	8,652,506
15th June 2010	5,180,000 shares issued		-
7th December 2010	5,000,000 shares issued	-	400,000
9th May 2011	12,500,000 shares issued	-	1,250,000
		10,298,381	10,302,506
	Less capital raising costs	-	(4,125)
30th June	94,247,150 shares on issue (2011: 94,247,150)	10,298,381	10,298,381
Partly paid ordinary unlisted 20.0 cent employee shares with 19.9 cents per share unpaid			
1st July	750,000 shares on issue (2011 750,000)	750	750
30th June	750,000 shares on issue (2011 750,000)	750	750
Unlisted Options with a strike price 15c per share - expired 1st June 2012			
1st July	6,250,000 options (2011 Nil)	-	-
9th May 2011	6,250,000 free attaching options granted to placement investors - one option for every two shares issued.	-	-
1st June 2012	6,250,000 options expired	-	-
30th June	Nil (2011 6,250,000)	-	-
		10,299,131	10,299,131

18. Fair Value Reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognised or impaired.

19. Commitments

(a) Bank Guarantees

	Consolidated 2012 $	Consolidated 2011 $	Company 2012 $	Company 2011 $
Westpac holds bank guarantees on behalf of the Company, as follows:				
Guarantee in respect of EP97	50,000	50,000	50,000	50,000
Guarantee in respect of ATP 837	40,000	40,000	40,000	40,000
Guarantee in respect of ATP 893	12,000	12,000	12,000	12,000
Guarantee in respect of ATP 901	12,000	12,000	12,000	12,000
Guarantee in respect of PEL 154/155	100,000	100,000	100,000	100,000
	214,000	214,000	214,000	214,000

19. Commitments (continued)

These guarantees are secured by Company's term deposits totalling $229,568 (2011 $225,939) Refer Note 12.

(b) Commitments

At 30th June 2012, material expenditure commitments existed in relation to exploration leases and permits. The commitments are tabulated below. The actual expenditure may be more or less than the amounts indicated and will depend on, amongst other factors, actual costs at the time the expenditure becomes payable, foreign exchange rates, any variations to the terms of exploration leases granted by lessors, whether or not the entity relinquishes its right to hold any lease, any decrease in interest of the entity in any lease or the sale or farm-out of any lease. Failure to meet any or part of the expenditure commitments in relation to an exploration permit or lease is likely to result in the cancellation of the subject exploration permit or exploration lease.

			Consolidated		Parent Entity	
			2012	2011	2012	2011
		Interest	$	$	$	$
(i)	Exploration Lease EP97	100.0%				
	Exploration costs payable with one year		300,000	-	300,000	-
	Exploration costs payable after one year and no later than five years		600,000	900,000	600,000	900,000
(ii)	Exploration Lease ATP837	50.0%				
	Exploration costs payable with one year		1,000,000	1,000,000	1,000,000	1,000,000
	Exploration costs payable after one year and no later than five years		-	-	-	-
(iii)	Exploration Lease ATP873[1]	15.0%				
	Exploration costs payable with one year		-	15,500	-	15,500
	Exploration costs payable after one year and no later than five years		-	45,000	-	45,000
(iv)	Exploration Lease ATP893[2]	25.0%				
	Exploration costs payable with one year		-	4,500,000		4,500,000
	Exploration costs payable after one year and no later than five years		-	-		-

[1] After 30th June 2012, application was made to fully relinquish ATP873.
[2] At 30th June 2012, renewals for ATP 893 an ATP 901 are pending.

19. Commitments (continued)

		Interest	Consolidated 2012 $	Consolidated 2011 $	Parent Entity 2012 $	Parent Entity 2011 $
(v)	Exploration Lease ATP901[2]	25.0%				
	Exploration costs payable with one year		-	4,500,000		4,500,000
	Exploration costs payable after one year and no later than five years		-	-		-
(vi)	Exploration Lease PEP 52589, PEP 52676, PEP 53674[3]	25.0%				
	Exploration costs payable with one year		-	108,033	-	108,033
	Exploration costs payable after one year and no later than five years		-	3,314,299	-	3,314,299
(vii)	Udacha Block	10.0%				
	Exploration costs payable with one year		25,000	-	25,000	-
	Exploration costs payable after one year and no later than five years		-	-	-	-
	Total Expenditure commitments arising from interest in joint ventures and exploration leases:					
	Within one year		1,325,000	10,123,533	1,325,000	10,123,533
	After one year and no later than five years		600,000	4,259,299	600,000	4,259,299

(c) Loan Facility provided to Associate

On 4th May 2010, the Company agreed to provide a non-interest bearing non-recourse loan facility totalling $187,500 to the Company's associate Otway Energy Limited. On 4th August 2010 this facility was increased by $121,875 to $309,375.

	Note	2012 $	2011 $
Loan drawn down at 30th June	10	249,418	234,418
Loan facility undrawn at 30th June		59,957	74,957
Total loan facility at 30th June		309,375	309,375

[3] New Zealand permits were sold after 30th June 2012. Refer Note 26.

20. Reconciliation of Loss to Net Cash used in Operating Activities

	2012	2011
	$	$
Loss attributable to members of the Parent Entity	(571,517)	(1,266,446)
Depreciation expense	97	179
(Decrease) / Increase in payables	(355,957)	324,404
Increase in provision	803	4,661
Decrease in receivables	5,678	231,420
Impairment Loss	17,477	-
Foreign exchange gains	(5,675)	-
Net cash used in operating activities	(909,094)	(705,782)

21. Controlled Entities

Company		Ownership by the Company		Place of incorporation	Date of Incorporation
		2012 %	2011 %		
Rawson Resources Limited	Parent Entity	-	-	Australia	27th May 1998
Lonman Pty Ltd	Subsidiary	100	100	Australia	14th October 1983
Rawson Uranium Pty Ltd	Subsidiary	100	100	Australia	3rd August 2007
Rawson Taranaki Ltd	Subsidiary	100	100	New Zealand	13th May 2008

22. Equity Accounted Investee

On 4th May 2010, the Company's wholly owned subsidiary Rawson Otway Pty Ltd (incorporated on 9th April 2010 in Australia) was assigned the Company's 37.5% interests in petroleum exploration licences in the Otway Basin, South Australia (PEL 154 and PEL 155). On 6th May 2010, the Company transferred all the ordinary shares it owned in Rawson Otway Pty Ltd to Otway Energy Limited. Consideration for this share transfer, also received on 6th May 2010 by the Company, was 37.5% share ownership in Otway Energy Limited.

During the years ended 30th June 2012 and 30th June 2011 the Company and Group did not receive dividends from its investment in an equity accounted investee.

Name	Principal activities	Date of Incorporation	Country of incorporation	Reporting date	Ownership interest 2012	Ownership interest 2011
Otway Energy Limited	Oil and gas exploration in the Otway Basin, South Australia	16th March 2010	Australia	30th June	37.5%	37.5%

In the financial statements of the Company, investments in associates are accounted for at fair value.

Otway Energy Limited has a net asset deficiency, but the Company has no further commitment to invest in Otway Energy Limited. The Company has provided a loan facility commitment to Otway Energy Limited (refer Note 19 (c)) and made a loan under this facility (refer Note 10).

23. Business Details

As at 30th June 2012 the Consolidated Entity's principal place of business was:

Rawson Resources Limited
31 Centennial Rd
Bowral NSW 2576

As at 30th June 2012 the principal activities of the Consolidated Entity were exploration for oil and gas energy resources.

24. Related Party Disclosures

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties. The following transactions with related entities occurred during the financial year:

1. Consultancy fees totalling $92,753 (2011 $120,000) were paid to Petrofocus Consulting Pty Ltd, a company controlled by Dr J.R. Conolly.
2. Consultancy fees totalling $87,255 (2011 $132,300) were paid to Oil on Film Pty Ltd, a company controlled by Mr N. P. Adams.

Company	Transaction value year ended 30th June		Balance outstanding as at 30th June	
	2012	2011	2012	2011
	$	$	$	$
Amounts receivable from a wholly owned subsidiaries:				
Rawson Taranaki Limited	149,724	71,877	349,143	199,419
Lonman Pty Ltd	447	438	10,454	10,007
Rawson Uranium Pty Ltd	227	438	1,209	982
	150,398	72,753	360,806	210,408

The amount receivable from a wholly owned subsidiary is a loan by the Company to Rawson Taranaki Limited. This loan is a cash advance paid direct to Kea Petroleum Limited (a co-joint venturer with the Consolidated Entity) for petroleum exploration licenses and funding of those licenses on behalf of Rawson Taranaki Limited. Terms of this loan are:

(a) Principal $349,143 (2011 $199,409);
(b) Unsecured;
(c) Interest rate Nil% (2011 Nil%); and
(d) Payable on demand on or before the end of a 10 year period commencing 2009.

For further details of the Company's transaction with Rawson Taranaki Limited and Kea Petroleum Ltd, refer Note 12.

25. Contingent Liabilities

There were no contingent liabilities at 30th June 2012 (2011 $Nil).

26. Subsequent Events

There are no matters or circumstances that have arisen since the end of the financial year which significantly affect, or may significantly affect, the operations, results, state of affairs of the economic entity that have not otherwise been disclosed elsewhere in this report, excepting:

KEA Petroleum Plc

At the date of this report, Rawson Taranaki Limited controlled 27,307,692 shares representing 5.4% ownership of KEA Petroleum Plc (KPP). These shares are currently listed on AIM.

KPP's latest available share price at the date of this report is GBP 8.75 pence or AUD 11.18 cents per share.

KPP's share price at 30th June 2012 was GBP 8.00 pence or AUD 12.30 cents (2011 GBP 10.39 pence or AUD 15.14 cents).

Sale of New Zealand Exploration Permits

Subsequent to the financial year, the Company's wholly owned subsidiary, Rawson Taranaki Limited, agreed to sell all its direct interest in three New Zealand exploration permits PEP 52589, 52676 and 53674 to TAG Oil (NZ) Ltd. Settlement occurred on 22nd August 2012 and gross proceeds paid to Rawson Taranaki Limited totalled NZD 1,394,447 (AUD 1,091,294).

Relinquishment of Exploration Permit

Application has been made to relinquish exploration permit ATP873P due to its lack of prospectivity (Rawson 15% interest).

27. Financial Risk Management

(a) Financial Instrument Composition and Maturity Analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments.

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest – Maturing within one year		Non-interest Bearing		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	%	%	$	$	$	$	$	$	$	$
Financial Assets										
Cash and cash equivalents	4.78	4.84	947,286	1,873,857	-	-	-	-	947,286	1,873,857
Financial instruments	-	-	-	-	229,568	225,939	-	-	229,568	225,939
Available for sale financial assets	-	-	-	-	-	-	3,358,363	4,134,385	3,358,363	4,134,385
Financial Liabilities										
Trade payables and accruals	-	-	-	-	-	-	32,120	388,078	32,120	388,078

27. Financial Risk Management (continued)

(b) Net Fair Values

The carrying amounts of all financial assets and financial liabilities approximate their fair value.

(c) Sensitivity Analysis

The Consolidated Entity has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current financial year results and equity which could result from a change in these risks.

As at 30th June 2012, the estimated effect on loss and equity as a result of changes in the interest rate with all other variables remaining constant would be as follows:

	2012	2011
	$	$
Change in loss		
Increase in interest rate by 1%	+9,473	+20,998
Decrease in interest rate by 1%	-9,473	-20,998
Change in equity		
Increase in interest rate by 1%	+9,473	+20,998
Decrease in interest rate by 1%	-9,473	-20,998

As at 30th June 2012, the estimated effect equity as a result of changes in GBP/AUD with all other variables remaining constant would be as follows:

	2012	2011
	$	$
Change in equity		
Decrease in GBP/AUD by 1%	+33,923	+43,331
Increase in GBP/AUD by 1%	-33,251	-42,473

28. Segment Reporting

Primary Reporting - Geographical Segments	Australia $	New Zealand $	Total $
2012			
Revenue from continuing activities	66,921	1,037	67,958
Total revenue	66,921	1,037	67,958
Administration expenses	(182,441)	(4,537)	(186,978)
Directors' remuneration expense	(168,230)	-	(168,230)
Exploration expenditure written off	(131,390)	(137,877)	(269,267)
Impairment loss	(15,000)	-	(15,000)
Expenses	(497,061)	(142,414)	(639,475)
Loss before income tax expense	(430,140)	(141,377)	(571,517)
Income tax expense			-
Net loss			(571,517)
Segment assets	1,203,195	3,358,363	4,561,558
Segment liabilities	(35,784)	(1,800)	(37,584)
Net Assets	1,167,411	3,356,563	4,523,974
Depreciation and amortisation of segment assets	97	-	97
2011			
Revenue from continuing activities	51,624	-	51,624
Total revenue	51,624	-	51,624
Administration expenses	(198,407)	(5,302)	(203,709)
Directors' remuneration expense	(253,181)	-	(253,181)
Exploration expenditure written off	(550,485)	(76,277)	(626,762)
Impairment loss	(234,418)	-	(234,418)
Expenses	(1,236,491)	(81,579)	(1,318,070)
Loss before income tax expense	(1,184,867)	(81,579)	(1,266,446)
Income tax expense			-
Net loss			(1,266,446)
Segment assets	2,131,912	4,134,385	6,266,297
Segment liabilities	(384,636)	(8,103)	(392,739)
Net Assets	1,747,276	4,126,282	5,873,558
Depreciation and amortisation of segment assets	179	-	179

DIRECTORS' DECLARATION

For the year ended 30th June 2012

The directors of the Company declare that:

1. in the Directors' opinion, the financial statements and accompanying notes set out on pages 22 to 48 are in accordance with the Corporations Act 2001 and:

   (a) comply with Australian Accounting Standards and the Corporations Regulations 2001; and

   (b) give a true and fair view of the Company's financial position as at 30th June 2012 and of its performance for the year ended on that date;

2. Note 2 confirms that the financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);

3. in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

4. the remuneration disclosures included in pages 7 to 8 of the directors' report (as part of the audited Remuneration Report), for the year ended 30th June 2012, comply with section 300A of the Corporations Act 2001; and

This declaration is made in accordance with a resolution of the Board of Directors pursuant to section 295(4) of the Corporations Act 2001 and is signed for and on behalf of the directors by:

John Doughty

Director

Sydney
21st September 2012

nexia australia

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAWSON RESOURCES LIMTED

Report on the Financial Report

We have audited the accompanying financial report of Rawson Resources Limited, which comprises the statement of financial position as at 30 June 2012, 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 of the consolidated entity comprising the disclosing entity and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the disclosing entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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.

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

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

Nexia Court & Co
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Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001 would be in the same terms if it had been given to the directors at the time that this auditor's report was made.

Auditor's Opinion

In our opinion:

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

  (i) giving a true and fair view of the disclosing entity'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 financial report also complies with International Financial Reporting Standards as disclosed in note 2.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 8 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 Rawson Resources Limited for the year ended 30 June 2012, complies with section 300A of the Corporations Act 2001.

Nexia Court & Co

Nexia Court & Co
Chartered Accountants

Robert Mayberry
Partner

Sydney
21stSeptember 2012

SHAREHOLDER INFORMATION

At 13th September 2012 issued capital was 94,247,150 ordinary shares held by 442 holders.

Subject to the Listing Rules, the Company's constitution and any special rights or restrictions attached to a share, at a meeting of shareholders:

(a) on a show of hands, each shareholder present (in person, by proxy, attorney or representative) has one vote; and
(b) on a poll, each shareholder present (in person, by proxy, attorney or representative) has:
  i one vote for each fully paid share they hold; and
  ii a fraction of a vote for each partly paid share they hold. The fraction must be equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited). Amounts paid in advance of a call are ignored.

20 Largest Holders of Ordinary Shares and their Holdings at 13th September 2012

		Shares Held	% of Total
1	HARDIE OCEANIC PTY LTD	12,701,400	13.5
2	UBS WEALTH MANAGEMENT	9,770,000	10.4
3	HARDIE ENERGY PTY LTD	5,704,073	6.1
4	NAVIGATOR AUSTRALIA LTD	4,721,166	5.0
5	MR WILLIAM RICHARD TREUREN	2,839,300	3.0
6	DIXSON TRUST PTY LIMITED	2,800,000	3.0
7	MR ROSS DI BARTOLO	2,187,736	2.3
8	MR JOHN ROBERT CONOLLY	2,115,000	2.2
9	MR LEONARD DIEKMAN	2,005,000	2.1
10	HARDIE ENERGY PTY LTD	2,000,000	2.1
11	MS WENDY RUTH CONOLLY	1,855,000	2.0
12	BELL POTTER NOMINEES LTD	1,837,143	1.9
13	MRS VICKI ANNE DIEKMAN	1,725,000	1.8
14	MRS PENELOPE JANE DOUGHTY	1,650,000	1.8
15	MR NICHOLAS PAUL ADAMS	1,533,334	1.6
16	QUAYPORT TRUSTEES LIMITED	1,500,000	1.6
17	RTR HOLDINGS PTY LTD	1,300,000	1.4
18	CITICORP NOMINEES PTY LIMITED	1,244,377	1.3
19	MR CHRISTOPHER BECK &	1,100,000	1.2
20	NATIONAL NOMINEES LIMITED	1,050,000	1.1
	Total	61,638,529	65.4

Distribution of Holders and Holdings at 13th September 2012

Holdings Ranges	Holders	Shares Held	% of Total
1-1,000	9	2,585	0.0
1,001-5,000	36	138,234	0.1
5,001-10,000	107	978,694	1.0
10,001-100,000	185	7,096,502	7.5
100,001-9,999,999,999	105	86,031,135	91.3
Rounding	-	-	0.1
Totals	442	94,247,150	100.0%
Holders of less than a $500 marketable parcel (7,936 shares at 6.3 cents per share)	69	297,130	0.3%

Shareholder Information (continued)

Substantial shareholders at 13h September 2012

	Shares Held	% of Total
DUNCAN JOHN HARDIE	13,722,887	17.88%
THORNABY LIMITED	9,750,000	10.3%
JOHN ROBERT CONOLLY	6,730,000	7.1%

Unquoted Securities

Employee Scheme Shares

At 13th September 2012, a total of 750,000 unquoted ordinary partly paid shares were on issue. Each of these shares is partly paid to 0.1 cents and 19.9 cents is unpaid. These shares are issued to Mr K Skipper (250,000), Shorewash Pty Ltd (250,000) and Mr RS Moffitt (250,000).

Petroleum Tenements

The Company holds the following petroleum licences:

	Interest %
EP 97 Block 1	20
EP 97 Remainder	100
ATP 837P	50
ATP 873P	15
ATP 893P	25
ATP 901P	25
Udacha Unit Area in PEL 91 and PEL 106	10

Securities Exchange Listing

The Company's ordinary shares are listed on the Australian Securities Exchange.

On-Market Buy Back

There is no on-market buy-back.

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Telephone: +61 2 9290 9600
Facsimile: +61 2 9279 0664
Email: enquiries@boardroomlimited.com.au
Web site: www.boardroomlimited.com.au

Registered Office
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Auditor
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