BLACKWOOD
ENERGY TO GROW

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28 October 2013

Manager of Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
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By E-Lodgement

2013 Annual Report to Shareholders

Attached is a copy of the Company's 2013 Annual Report that will be dispatched to shareholders today.

For and on behalf of the Board

Patrick McCole
Company Secretary

For more information, please contact

Todd Harrington - Chief Executive Officer
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BLACKWOOD
ENERGY TO GROW

ANNUAL REPORT 2013

ENERGY


BWD Projects
BWD Key Projects
SOUTH PENTLAND PROJECT
Bowen
Mackay
GALILEE BASIN
BOWEN BASIN
DINGO PROJECT
Gladstone
TAROOM PROJECT
SURAT BASIN
CLARENCE MORETON BASIN
BRISBANE
QLD

CONTENTS

Blackwood Corporation Limited (ASX: BWD) is an emerging Australian energy and resources company, with a primary focus on the exploration and development of its coal tenement portfolio in Queensland, Australia.

Through its wholly owned subsidiary, Matilda Coal Pty Ltd, Blackwood Corporation holds tenure of over 5,500km^2 in world class and internationally recognised coal basins, such as the Bowen Basin, Galilee Basin, Surat Basin and Clarence-Moreton Basin. Many of its assets are adjacent to proven coal reserves of significant size and export quality, as well as excellent infrastructure.

TO DELIVER

OUR VISION

EXPLORE · ENHANCE · EXPAND · ACQUIRE

OUR STRATEGY FOR DEVELOPMENT

EXPLORE	ENHANCE	EXPAND	ACQUIRE
Our priority Queensland projects, aiming to deliver JORC resource confirmation, accelerate coal to market and establish project pipeline.	Our tenement portfolio, through rationalisation of existing tenements, and accumulation of prospective tenements.	Our business through M&A opportunities and present synergies, utilising accumulated value and complimentary assets to Blackwood's projects.	High value coal prospects for market diversification and growth.

OUR TENURE OPPORTUNITY

Basin	Project	BWD Ranking
Galilee	South Pentland	Priority
Bowen	Dingo	Priority
Surat	Taroom	Priority
Bowen	South Rolleston	Priority
Bowen	Capella	Priority
Surat	Bymount	Priority
Surat	Chinchilla	Pipeline
Galilee	North Hughenden	Pipeline
Galilee	North Carmichael	Pipeline
Bowen	North Rolleston	Pipeline
Bowen	Springsure	Pipeline
Bowen	Calen	Pipeline
Bowen	Biloela	Pipeline
Surat	Dalby	Pipeline
Clarence-Moreton	Milmerran	Pipeline
Clarence-Moreton	Warwick North	Pipeline
Clarence-Moreton	Warwick South	Pipeline

100%

OWNED BY BLACKWOOD

17

PROJECTS AREAS

ENERGY TO DELIVER

Blackwood continued to advance and progress its asset portfolio during the financial year, throughout difficult economic and corporate climates. The South Pentland Project continues to present an outstanding opportunity, remaining a clear focus for the Company to pursue. Resources were delineated at the South Pentland Project and Taroom Project subsequent to year end, with some exciting exploration results being made at Dingo.

1. SOUTH PENTLAND

- 322mt JORC compliant Inferred resource announced
- Coal Quality results indicate an export thermal coal product
- Ongoing dialogue with Queensland Rail & the Port of Townsville for infrastructure access
- Commencement of Concept and Pre-Feasibility study imminent

2. TAROOM

- 52mt JORC compliant Inferred resource announced
- Broader exploration target of 1.0 to 1.3 billion tonnes[B] remains across four separate project areas of Broadmere, Juandah Creek, Tarana Crossing and Raka Hills

3. DINGO

- PCI coal intersected at depths amenable to open cut mining
- Historical mining province, in close proximity to existing operations and infrastructure
- Exploration program being planned to define JORC resources and Exploration Targets

4. RAIL

- Request for Access submitted to Queensland Rail for Mt Isa System capacity
- Ongoing dialogue with Aurizon Networks for Central Queensland Coal System planning
- Discussions with Queensland Rail continuing for West Moreton System to Brisbane

5. PORT

- Expression of Interest for 10mtpa submitted to Port of Townsville over Berth 12
- Ongoing dialogue with Port continuing, with submission to be made into Port led process for determination of capacity

Note: All references to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004). As such it is conceptual in nature and there has been insufficient exploration drilling to define a coal resource on the tenement and it is uncertain if further exploration will result in discovery of a coal resource on the tenement.

CHAIRMAN'S REPORT

Dear Shareholder,

It is with great pleasure that I present this third annual report to you on behalf of the Board of Directors of Blackwood Corporation ("**Blackwood**").

The past 12 months has seen very good progress made by the Blackwood team in light of difficult corporate and economic circumstances. The Board is pleased to have settled the financing issues with Mulsanne Resources Pty Ltd ("Mulsanne") with Blackwood receiving $12m from Mulsanne without any equity issued. I'm happy that the Company has been able to finalise this issue, and is poised to capitalise on the solid project foundations built during the year.

Of particular note within the Blackwood portfolio, the South Pentland Project continued to deliver excellent results. The announcement of an export quality thermal coal Inferred Resource of 322 million tonnes enhances this opportunity for the Company, given its strategic position in relation to rail and port infrastructure.

Exploration programmes at South Pentland continued, with the intention of further expanding and defining the coal deposit and to feed into robust studies aimed at proving the financial parameters of the project. Blackwood has continued to strengthen its ties with its regional partners in the Northern Galilee, working very closely with Queensland Rail and the Port of Townsville to unlock the infrastructure required to deliver the project. The Board is delighted with the positioning of Blackwood and believes this will result in your Company being able to take maximum advantage of the opportunity.

THE ANNOUNCEMENT OF AN EXPORT QUALITY THERMAL COAL INFERRED RESOURCE OF 322 MILLION TONNES AT SOUTH PENTLAND ENHANCES THIS OPPORTUNITY FOR BLACKWOOD

The remainder of the Blackwood portfolio continued to progress well during the year. The Board is very pleased by the recent encouraging PCI drill intersections found at the Dingo Project, and believes that this presents another strong prospect for Blackwood to evaluate and further enhance over the next 12 months. High value, open cut, metallurgical opportunities are not common and we aim to develop these to generate value for Blackwood shareholders and create a significant point of difference to some of our peers. Additionally a JORC compliant Inferred Resource was announced at the Taroom project, where a longer term opportunity remains to be fully assessed.

By selectively accelerating exploration at some of our key development opportunities we have also created additional options in corporate activity. As these opportunities are explored their value increases, risks decrease and they become attractive company assets. Corporate transactions can be an attractive way of enhancing or consolidating shareholder value, particularly when the market outlook is uncertain and access to development capital is constrained.

The Board is also pleased with the progress and development of the Blackwood management team. Todd Harrington and his team have managed the business very well, delivering on projects with a tight scrutiny on expenditure. During the year, a 100% owned subsidiary was formed to provide technical consulting services to the resource sector and this has helped offset staff costs. It is initiatives like this that demonstrate the enthusiasm of the Blackwood team for developing and maximising shareholder value. It is the Board's belief that Blackwood has one of the best management teams in the coal exploration sector and we look forward to strong progress and outperformance throughout the coming year.

I take this opportunity to thank my fellow Board members, our management team and all employees for their commitment, enthusiasm and achievements throughout the year. On behalf of the board, I thank the Blackwood shareholders for your maintained support and look forward to your continuing participation in the development of the Company.

Sincerely,

Barry Bolitho
Chairman

CEO'S REPORT

Dear Shareholder,

I welcome you to the 2013 Blackwood Corporation Annual Report.

Health & Safety

'Zero Harm' embodies Blackwood's attitude to safety. It is a core value of the Company, and is reflected in the way we operate to ensure that all employees, contractors and stakeholders are injury and illness free. We have a strong and robust Safety & Health Management System (SHMS) implemented across all projects and workers. Our Senior Site Executive leads by example in this regard, not only maintaining and overseeing the implementation of the SHMS and driving a risk-based culture, but is also regularly on site to challenge and test systems and processes for compliance. I am pleased to report that Blackwood remained lost time incident free throughout the year.

Projects & Resources

Blackwood's exploration team advanced the Company's exploration programs on a large portion of its tenure throughout the year. The 2012/13 exploration programs were completed at minimal cost, ensuring tenure compliance and maintenance with Government requirements, whilst delivering asset certainty to our shareholders.

Blackwood announced its maiden JORC compliant Resources at South Pentland (322 million tonnes inferred) and Taroom (52 million tonnes inferred), which are exciting milestones for the Company.

Substantial beneficiation and coal quality analysis was undertaken on the core samples received from the South Pentland Project, displaying an Export Thermal Coal with encouraging quality parameters with low ash, low sulphur and export quality calorific value properties. We have also refined our South Pentland business case on a smaller annualised tonnage for a lower capital intensity project, aimed at accelerating programs and attracting strategic funding partners to unlock value for Blackwood shareholders. I continue to believe this is a unique opportunity for the Company and an exciting asset for us to possess.

Blackwood also completed scout exploration at the Dingo Project, with the intention of confirming the presence and quality of coal within the project following an encouraging geological review of the historic data contained within its boundaries. Dingo provides Blackwood with a potential high quality, open cut PCI coal project. The intersections encountered at Dingo are at shallow depths, and within the infrastructure catchment area of the Blackwater/Gladstone system. Despite the relatively small size of the Project area, we believe the Project has plenty of potential. Industry focus on smaller tonnage business cases of lower capital intensity has seen some projects progress on a single sub-block basis. The Dingo Project consists of 24 sub blocks, giving Blackwood multiple chances at producing similar results.

We have continued our strategy of utilising existing data to optimise our geological models and drilling targets, with the goal of understanding our portfolio better. Through the use of non-intrusive, wide cast surveys such as those performed on the Southern Surat and Clarence-Moreton Basin tenures throughout the year, we have been able to acquire a comprehensive data set to complement our existing models. We have used this information to focus on those projects where we can extract the most value for our shareholders. In doing so, we have managed to maintain our portfolio in good standing, thereby giving us many opportunities moving forward to realise value, regardless of macro and micro economic environments. Also, in light of the current Surat Basin Rail delays, we continue to assess our exploration options to optimise programs in the area and will deploy capital as judiciously as possible to deliver shareholder value. Additionally, the Taroom and greater Surat projects provide a great pipeline of potential opportunities for Blackwood to deliver shareholder value

Infrastructure

Our infrastructure programs continued to advance during the year, with Blackwood being an active and vocal participant in planning & access discussions with the State's Port & Rail providers. South Pentland's proximity to the Mt Isa to Townsville railway system continues to be a competitive advantage and we continued to work with Queensland Rail & the Port of Townsville during the year to unlock the opportunities present. I also believe that the recent delineation of an Inferred Resource at the South Pentland Project will assist in advancing our formal discussions with both Infrastructure providers.

Furthering our work with infrastructure providers, Blackwood was selected as a panel member on the North Queensland Resources Supply Chain Steering Committee ("NQRSCSC"). This body, administered by the Queensland Department of State Development, Infrastructure and Planning, has been allocated A$1.66m by the Australian Federal Government for planning, co-ordination, capacity and demand analysis work to be carried out by the major supply chain stakeholders. I view our appointment as one of the original panel members as a vote of confidence by both the State and Federal Governments in the transparent and methodical way in which Blackwood conducts is business.

The NQRSCSC has been a great mechanism for forward planning of the Mt Isa to Townsville supply chain and access capacity on these systems.

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Corporate & Capital Management

I am pleased to advise that a settlement agreement was reached with Mulsanne Resources Pty Ltd regarding the share placement during the year. With this issue behind us, I look forward to Blackwood being able to refocus on delivering further value for shareholders. The funds that were received from the settlement have been deployed prudently, with aggressive negotiation undertaken with exploration services providers to generate large cost savings for Blackwood. We were able to complete the recent program at South Pentland at a significant cost saving to last year's pricing, due in part to our excellent relationships with these providers. This has enabled us to undertake our exploration programs on time and well under budget through the utilisation of fixed price contracts.

The Queensland and Federal governments have enacted several changes to the regulatory environment for mining and recently we have encountered a new Federal Government as well. I am confident in the fundamental value of the Company's projects and believe that Queensland will continue to benefit from long term global competitive advantages in terms of coal quality and freight differentials to the global markets.

Blackwood's Board and management also spent significant time during the year identifying and assessing potential M&A opportunities in the coal sector. Blackwood always applies a strict set of investment criteria to any potential opportunities to determine whether there is adequate value creation for Blackwood shareholders.

We have also completed comprehensive strategic reviews of our portfolio and our corporate structure throughout the year. Our ongoing focus consists of a multi-pronged approach, consisting of

- Protecting the core assets of the Company, especially South Pentland
- Particular focus upon assets that have excellent 'coal to market' characteristics, such as existing unrestrained

KEY PROJECTS

GALILEE BASIN PROJECTS

Project Overview

BLACKWOOD'S BOARD AND MANAGEMENT ALSO SPENT SIGNIFICANT TIME DURING THE YEAR IDENTIFYING AND ASSESSING POTENTIAL M&A OPPORTUNITIES IN THE COAL SECTOR. BLACKWOOD ALWAYS APPLIES A STRICT SET OF INVESTMENT CRITERIA TO ANY POTENTIAL OPPORTUNITIES TO DETERMINE WHETHER THERE IS ADEQUATE VALUE CREATION FOR BLACKWOOD SHAREHOLDERS.

infrastructure opportunities, and those unencumbered by land access issues

- Focus on program expenditure reduction and better utilisation of working capital to meet Government mandated work program commitments
- Maximisation of results per dollar invested
- Refinement of existing programs to pursue mining opportunities of a lower capital intensity
- Corporate overhead reduction and better deployment of employees where opportunities may arise to effect cost recovery
- Pursuit of joint venture partners to unlock project value

Sustainable Development & Environment

Blackwood recognises that sustainable exploration and development underpins everything we do. We are proud to be a part of the communities in which we operate, and seek to give something back to the local community. Our rehabilitation programs continued throughout the year on projects where exploration occurred, working with landholders to ensure disturbances were minimised and rehabilitated to best practise standards.

The Next 12 Months

It is my belief that Blackwood's asset portfolio continues to present an outstanding opportunity. We have delivered on targeted areas of our portfolio over the past 12 months, and I remain confident that our projects are well positioned for future development. The strength in possessing a diverse portfolio has become apparent recently, with Blackwood able to deploy resources into its best prospects regardless of the broader conditions. The broader coal sector continues its recent recovery and I believe that our work has positioned Blackwood to benefit from an improved sector. We will continue to carefully assess our programs in the next 12 months, with the goal of delivering the greatest value to our projects and shareholders as possible.

The team at Blackwood remains enthusiastic as we strive to build value for shareholders over the next 12 months. I would like to thank you for your support throughout the year, and look forward to exceeding your expectations in the future.

Sincerely

Todd Harrington
Chief Executive Officer

Galilee Basin Projects

SOUTH PENTLAND PROJECT

Location: 54km south of Pentland, 270km west of Townsville

Area: 1,734km^2

Ownership: 100% Blackwood Corporation

Targets: Export Thermal Coal

Resource: 322 million tonne JORC compliant Inferred Resource

GALILEE BASIN PROJECTS (CONTINUED)

The projects coal seams are regionally consistent and are correlatable for many hundreds of kilometres and, the project presents as the northern extension of GVK-Hancock's "Alpha" & "Kevin's Corner" projects, and Adani's "Carmichael" project.

Following the completion of the first phase of the recent drilling program, a maiden JORC compliant Inferred Resource was estimated for the Lauderdale project, covering a targeted footprint in the north-west of EPC 1486 part of the larger South Pentland Project. A total JORC Inferred Resource of 322 million tonnes has been defined, from three potential mining horizons.

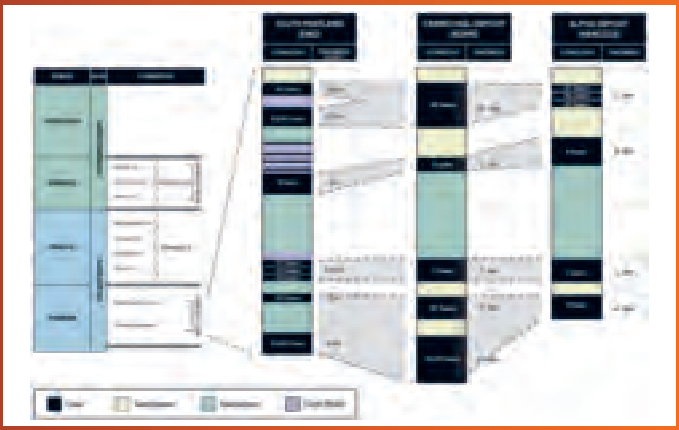
Encouragingly, all holes have demonstrated continuity of coal seams, depths and thicknesses, proving to be relatively congruent with the existing geological model. Results show that while seams in general are thin to the south-east, the seams thicken and improve in quality to the north-west which is the Company's area of focus. Additional drilling within the "Lauderdale" Project and the defined resource area is ongoing, with the intention of upgrading the resource.

Three potential working sections with good mining potential have been included in the Inferred Resource estimate. Working sections for the A, B and C seams are included and the D seam has not been included in the current resource estimate, as the D seam intersections were found to have split and thin to non-mineable thicknesses. Historic and 2011 drilling indicate that the D seam is better developed in the "Longton" area to the south-east of the project

The 2012/2013 drilling has increased the confidence in the greater Exploration Target of the South Pentland Project, which remains at 3.6 to 5.0 billion tonnes[A], inclusive of the new JORC compliant Inferred tonnage.

Note: All references to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004 & 2012). As such it is conceptual in nature and there has been insufficient exploration drilling to define a coal resource on the tenement and it is uncertain if further exploration will result in discovery of a coal resource on the tenement.

Regional Coal Seam Correlations



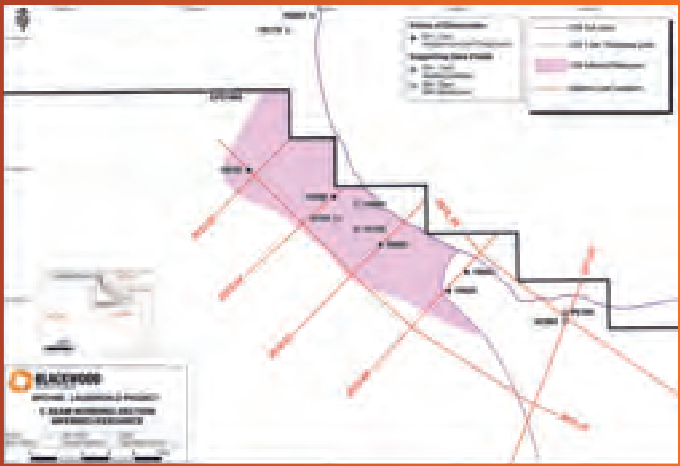
Total JORC Coal Resource Table

Working Section	Resource Category	Tonnes (Mt)	Volume (1,000 m³)	Area (Km²)	Av Thickness (m)	Insitu Density (t/m³)
AW	Inferred	107	70,800	31,000	2.28	1.52
BW	Inferred	102	68,246	26,000	2.66	1.50
CW	Inferred	113	76,695	30,000	2.55	1.48
Total	**Inferred**	**322**				

Table 1: Total JORC Coal Resource Table.

Drill hole locations

C seam working section inferred resource



JORC Coal Resource Washability Data by Working Section

Cumulative RD Fraction	Seam	Resource Category	Tonnes (Mt)	Ash % (ad)	Calorific Value Kcal/kg (ad)	Inherent Moisture % (ad)	Total Sulpher % (ad)	Yield %
CF 1.55	AW	Inferred	107 Mt	17.4	5514	8.3	0.43	63.2
	BW	Inferred	102 Mt	12.8	5906	7.9	0.29	58.4
	CW	Inferred	113 Mt	11.3	6027	8.1	0.29	73.7
CF 1.60	AW	Inferred	107 Mt	18.6	5419	8.1	0.42	70.5
	BW	Inferred	102 Mt	14.7	5776	7.9	0.28	66.9
	CW	Inferred	113 Mt	12.4	5942	8	0.29	79
CF 1.80	AW	Inferred	107 Mt	21.5	5177	7.7	0.4	82.9
	BW	Inferred	102 Mt	18.3	5437	7.5	0.26	83.2
	CW	Inferred	113 Mt	15.1	5708	7.7	0.28	89.6

Table 2: Total JORC Coal Resource Table.

South Pentland Coal Quality

The coal quality sample results display parameters that are consistent with an export quality thermal coal product. Encouragingly, the C seam result of 6,027 kcal (air dried) and 11.3% ash (air dried) at a 1.55 float display yield characteristics greater than 70%. Table 2 presents the float/sink analysis across a range of relative density fractions; this gives the project optionality regarding beneficiation opportunities to achieve greater yields or better quality.

FORWARD PLANS

Exploration is continuing at South Pentland, completing the drilling and coal quality analysis on the six hole program, with the aim of converting part of the deposit to JORC compliant Indicated Resource status. Blackwood is also completing a concept study at the South Pentland Project, looking at alternative mining methods and tonnage options to optimise the possible mining parameters. Blackwood expects this concept study will transition into a Feasibility Study, pending positive outcomes. Future drilling will focus on the north-west areas as these appear to have optimal thickness and improving coal quality whilst being closer to existing rail infrastructure.

Infrastructure

Blackwood has also been progressing its infrastructure initiatives aimed at unlocking the South Pentland project's potential. Memoranda of Understanding have been signed between Blackwood and Queensland Rail ("QR", owner and operator of the Mt Isa to Townsville Railway System) as well as Port of Townsville Limited ("POTL", owner and operator of the Port of Townsville). These agreements have seen Blackwood work very closely with both QR and POTL towards securing a freight export solution for the South Pentland project. The Company has also been proactive in developing strong relationships with local governments and communities in the region.

SURAT BASIN PROJECTS

BLACKWOOD RELEASED A 52 MILLION TONNE JORC COMPLIANT INFERRED RESOURCE AT ITS BROADMERE SUB-PROJECT, PART OF THE WIDER TAROOM PROJECT*.

Surat Basin Projects

Note: Refer to the Maiden Resources at South Pentland & Taroom Projects ASX Announcement dated 12 September 2013.*

TAROOM PROJECT

Location: Four sub-project areas near Taroom and Wandoan

Area: 590km²

Ownership: 100% Blackwood Corporation

Targets: Export Thermal Coal

Resources: 52 million JORC tonne Inferred Resource at Broadmere sub-project

The Taroom project is 100% owned by Blackwood, and is located in the north-eastern edge of the Surat Basin. The project is in close proximity to GlencoreXstrata's Surat Basin projects (primarily Wandoan), as well as Cockatoo Coal's "Taroom" and "Collingwood" projects. The region is serviced by the Leichhardt Highway which passes through the townships of Wandoan & Taroom and part of the project is intersected by the proposed Surat Basin Railway to the Port of Gladstone. Blackwood announced a 1.0 to 1.3 billion tonne[B] Exploration Target at Taroom in March 2012.

Blackwood completed its drill program and coal quality testing in early 2013. A maiden JORC compliant Inferred Resource has been estimated for the Taroom project, covering a targeted footprint within the "Broadmere" sub-project in the north-west part of the Surat Basin (EPC1465). A total Inferred resource of 51.8 million tonnes has been defined over 8% of the project.

Blackwood's drilling campaigns across the Taroom project have generally been scout drilling to establish seam presence and thickness in relation to known adjacent deposits. The "Broadmere" sub-project was the main focus of this campaign, with intersections of 7.7m of coal at less than 64m depth recorded. 2012/13 drilling added a total of 4,430m of drilling throughout 51 boreholes within the project. Following further historical drill intersection correlation, as well as coal quality testing, the JORC compliant Inferred resource of 51.8 million tonnes has recently been established. The coal is interpreted to be held within correlatives of Taroom Coal Measures, and has been found in three principal seams of the measures (Auburn, Bulwer & Condamine seams).

The Resources have been reported for the Bulwer and Condamine seam groups. Coal quality data is indicating a potential bypass thermal coal product of export grade.

Forward Plans

Broadmere presents one opportunity within the Taroom project for Blackwood, with the three other sub-project areas of Raka Hills, Juandah Creek and Tarana Crossing remaining predominantly unexplored. The ongoing focus for Blackwood is continued regional data correlation based on historical drill intersections within the project.

The current status of infrastructure relating to coal in the Surat Basin remains uncertain. Due to this, Blackwood will continue to explore its Surat Basin projects as cost-effectively as possible, with the strategy of defining projects to an adequate level where they may access this infrastructure, if and when it becomes available. Blackwood continues to monitor the situation and has aligned its exploration programs with potential timeframes for infrastructure development.

Resource classification in accordance with JORC code (2012) guidelines – Raw coal quality

Seam	Resource Category	Tonnes (t)	Ash% (ad)	CV Kcal/kg (ad)	FC% (ad)	IM% (ad)	Moisture%	Relative Density g/cm³ (ad)	In-situ Density g/cm³	TS% (ad)	VM% (ad)
A51	Inferred	1,672,144	10.9	6,420	39.6	8.0	12.5	1.33	1.31	0.47	41.5
A52	Inferred	4,414,083	17.6	5,837	37.1	8.3	12.5	1.38	1.36	0.46	36.9
B12	Inferred	3,544,143	18.7	5,834	36.0	7.6	12.5	1.40	1.37	0.46	37.7
B20	Inferred	1,095,019	9.8	6,662	41.2	7.4	12.5	1.32	1.30	0.46	41.7
B21	Inferred	6,823,845	10.6	6,554	40.9	7.6	12.5	1.33	1.31	0.47	40.8
B221	Inferred	266,126	27.7	4,973	32.1	8.2	12.5	1.46	1.43	0.53	31.9
B231	Inferred	4,962,740	18.2	5,924	36.1	7.0	12.5	1.40	1.37	0.44	38.6
B232	Inferred	1,978,479	18.4	5,924	36.1	7.2	12.5	1.39	1.36	0.42	38.3
B3	Inferred	13,696,135	12.9	6,209	39.7	8.5	12.5	1.35	1.33	0.50	38.9
C1	Inferred	1,996,206	12.8	6,409	39.6	7.0	12.5	1.34	1.31	0.57	40.6
C3	Inferred	1,198,570	10.2	6,587	41.7	7.6	12.5	1.31	1.29	0.53	40.5
C7	Inferred	2,562,877	21.9	5,543	35.4	7.2	12.5	1.44	1.40	0.51	35.6
C8	Inferred	7,607,365	13.4	6,252	38.9	7.5	12.5	1.36	1.33	0.53	40.2
		51,817,731									

Table 3 – Resource Classification in accordance with JORC Code (2012) Guidelines – Raw Coal Quality.

Note: All references to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004 & 2012). As such it is conceptual in nature and there has been insufficient exploration drilling to define a coal resource on the tenement and it is uncertain if further exploration will result in discovery of a coal resource on the tenement.

BYMOUNT PROJECT

Location: 50km north of Roma

Area: 148km²

Ownership: 100% Blackwood Corporation

Targets: Export Thermal Coal

Exploration target: 300 to 420 million tonne[C]

Blackwood's Bymount Project is located in the Western Surat Basin. The Company had previously released a 300 to 420 million[C] tonne Exploration Target.

The coal quality of seams is assumed to be consistent with other "Northern Surat" coals, as delineated on the adjacent Cornwall deposit (466mt JORC compliant) owned by Aquila.

Over 340 drill holes have been included in the modelling of the Exploration Target, providing a detailed and conservative Exploration Target.

Blackwood is exploring avenues to commercialise this project and benefit from the infrastructure initiatives for the region. A comprehensive drilling program has been developed to further define the project, and will be executed throughout the next year.

Raw Coal Analysis – air dried basis (ad)	From	To
Moisture %	5.7	9.9
Ash %	9.8	31.3
Volatile Matter %	28.7	43.9
Fixed Carbon %	27	40
Sulphur %	0.22	0.51
Specific Energy (Calorific Value) Mj/kg	21.62	28.10
Specific Energy (Calorific Value) kcal/kg	5162	6709
HGI	36	48

Table details the parameters and the ranges reported in Aquila Resources Cornwall Deposit which is within the geological model area, as announced by Aquila Resources to the ASX on 4th May 2012.

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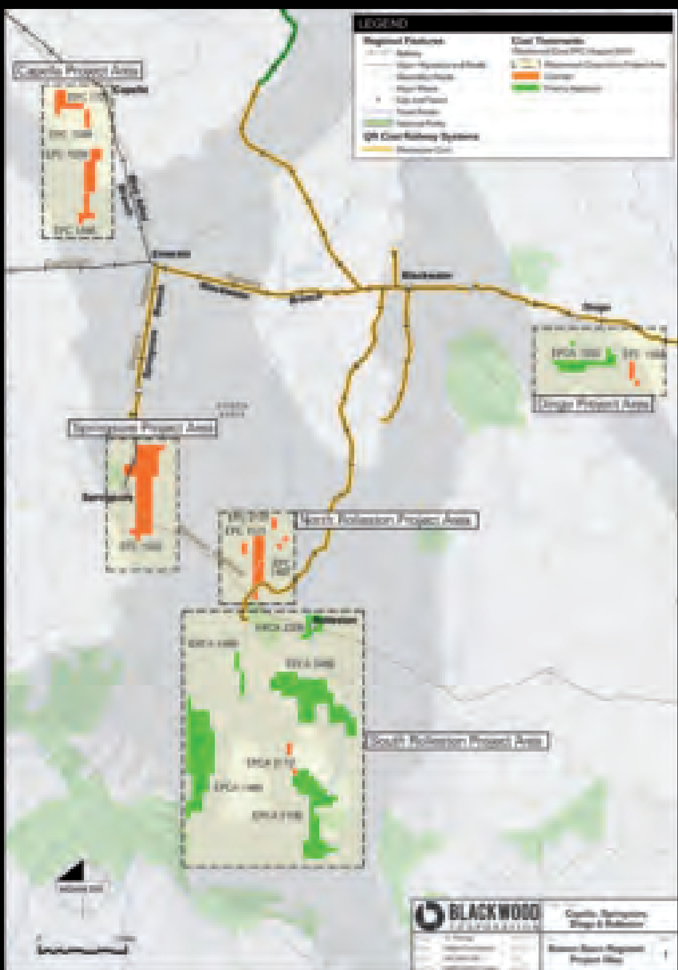
Bowen Basin Projects



BOWEN BASIN PROJECTS

DINGO PROJECT

Location: 20km southwest of Duringa

Area: 75km²

Ownership: 100% Blackwood Corporation

Targets: Export PCI Coal

The scout drilling program at the Dingo Project (EPC 1562) was designed to identify the presence and quality of potential PCI coal mineralisation located within the tenure. A historical interception of coal was noted in the northern portion of EPC 1562, however no coal quality data was available. Regional 2D seismic was processed and correlated, showing encouraging signs of sub-cropping coal measures throughout most of EPC 1562.

CHINCHILLA PROJECT

Location: Various permits around township of Chinchilla

Area: 169km^2

Ownership: 100% Blackwood Corporation

Targets: Export Thermal Coal

Blackwood previously announced a 190 to 220 million toned JORC Exploration Target[D] for the Chinchilla Project. The Exploration Target was derived through the re-evaluation and geological modelling of the historic and new data, providing a cost effective result for shareholders. The reinterpretation has enabled Blackwood to focus and optimise its exploration efforts to achieve the best possible outcomes.

Several constraining factors were considered in the calculation of the Chinchilla Exploration Target:

- Coal seams were modelled to greater than 0.1 meter thick and greater than 1000 meters depth, however only seams with an average thickness greater than 0.25 meters and less than 150 meters in depth were used in the estimation of the Exploration Target
- Coal seams are not weathered or intruded
- An appropriate geological loss factor of 20% was applied to all seams to account for unexpected seam splitting and thinning

Blackwood will continue to investigate opportunities to further define the Chinchilla project throughout the next year, including the analysis of various infrastructure solutions.

Raw Coal analysis – air dried basis (ad)	From	To
Moisture %	8.0	10.4
Ash %	13.8	28.8
Volatile Matter %	34.1	40.1
Fixed Carbon %	32.0	35.7
Sulphur %	0.31	0.43
Specific Energy (Calorific Value) Mj/kg	20.16	24.36
Specific Energy (Calorific Value) kcal/kg	4814	5817
HGI	38	48

Table details the parameters and the ranges reported in historical data set of drilling across the project area

Note: All references to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004 & 2012). As such it is conceptual in nature and there has been insufficient exploration drilling to define a coal resource on the tenement and it is uncertain if further exploration will result in discovery of a coal resource on the tenement.

The drilling campaign consisted of a two holes, encountering cumulative coal intersections up to 4.9 metres to a depth of 76 metres, with further coal identified at a greater depth. Coal quality results were obtained from one hole indicating an Ultra-Low Volatile Pulverized Coal Injection (PCI) style of coal, similar to Cockatoo Coal's "Baralaba" mine.

Seam	Depth From	Thickness	Moisture	Ash	Volatile Matter	Total Sulfur	Calorific Value		CSN
	(m)	(m)	(%ad)	(%ad)	(%ad)	(%ad)	MJ/Kg	Kcal/kg	
Seam 1	30.16	0.26	1.5	27.1	14	0.63	24.97	5964	2
Seam 1	30.42	1.56	1.9	13.2	14.1	0.94	30.63	7316	7
Seam 2	46.16	0.36	1.8	19.8	12.6	0.62	28.28	6754	3
Seam 2	46.53	0.59	2.1	12	13.9	0.64	31.13	7436	7
Seam 2	47.11	0.26	1.9	33.1	12.2	0.5	23.21	5544	3.5
Seam 3	74.39	1.21	1.5	34.8	15.5	0.36	21.19	5062	1.5

Table 4 – Dingo Drill Intersections and Coal Quality Results.

In addition to the drilling, historical seismic data shows seams rising close to the surface within EPC 1562. The southern portion of the tenure is of interest and the Company intends to investigate, a possible coal corridor within the boundaries of EPC 1562. Data indicates that it is likely that the project contains complex geological structures, much like the surrounding projects of the region (such as Cockatoo Coal's "Baralaba" mine & "Lochinvar" project, as well as Whitehaven/Cockatoo's "Dingo" project).

Blackwood intends to further review the historical seismic and regional drill data in conjunction with the recent drilling results, with the intention of optimising drill target selection and potentially more 2D seismic for forward programs.

KEY PROJECTS (CONTINUED)

ROLLESTON NORTH AND SOUTH PROJECT

Location: 20km north and 20km south of Rolleston

Area: 78km^2 (North), 703km^2 (South, including 510km^2 under application)

Ownership: 100% Blackwood Corporation

Targets: Export Thermal Coal, Export Semi-Soft Coking Coal

Blackwood previously drilled at the Rolleston North project, intercepting the same coal measures as at the Xstrata "Rolleston" mine located to the south of the project. Exploration results confirmed Blackwood's reinterpretation of the regional geology in this area, and a single prospective coal target of 1.92m was identified at 82m. This has assisted with drill target selection for future drilling campaigns on the Northern project and justifying continued exploration over the next year.

Blackwood still awaits the grant of certain key Rolleston South tenures from the Queensland State Government. The Company has been awarded priority applicant status over EPC 1468, the largest of these, and has a detailed campaign planned for the area upon full grant from the State Government. Desktop assessment and geological review of historical information has resulted in the Company forming the opinion that the area may potentially yield access to a semi-soft style of coking coal.

CAPELLA PROJECT

Location: 20km southwest of Duaringa

Area: 101km^2

Ownership: 100% Blackwood Corporation

Targets: Export Thermal Coal, Export Semi-Soft Coking Coal

The Company has extensively modelled and analysed the Capella tenure, utilising adjacent data from Rio Tinto's "Valeria" deposit, and believes there to be an extension of the "Valeria" coal measures into the Capella project area. Capella remains a priority for Blackwood.

OTHER PROJECTS

Blackwood possesses an extensive portfolio of exploration opportunities throughout Queensland. Projects have been evaluated and prioritised by the exploration team, with a focus upon drilling those projects that possess the best opportunity of delivering quality results to shareholders.

The Company has attempted to utilise re-correlation of historical drill data across its portfolio to assist in drill target selection, and minimise cost to shareholders. This has resulted in full geological models of coal basins being built internally, providing a wealth of information. From this information, exploration targets have been assembled across an array of projects, without the Company incurring a large financial cost in the process.

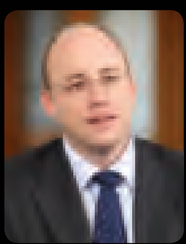
BOARD OF DIRECTORS

Mr Barry Bolitho
Non-Executive Chairman
(B App Sc, Dip App Chem, FAusIMM)

Mr Bolitho has many years experience in senior executive roles in the resources industry, including experience as chairman, executive and non-executive directorships on ASX and TSX listed companies. He has tertiary qualifications in metallurgy and chemistry, and has extensive operational experience in a number of metals and minerals, including base metals, precious metals, iron ore and mineral sands.

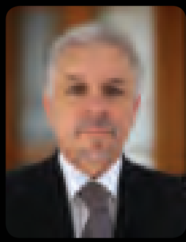
Mr Andrew Simpson
Non-Executive Director
(Grad Dip Bus, MAICD)

Mr Simpson is a senior corporate executive, with extensive global marketing and business development experience in the resources industry, including more than 30 years in international marketing and distribution of minerals and metals. He is a professional company director and is also the managing director of Resource & Technology Marketing Services Pty Ltd, a company providing specialist marketing and business assessment advisory to the mineral resources and technology industries, both in Australia and internationally.



Mr William Randall
Non-Executive Director
(B Bus)

Mr. Randall's career started with Noble Group in Australia in February 1997, transferring to Asia in 1999 where he established Noble's coal operations, mining and supply chain management businesses. He served as a Director of Noble Energy Inc before being appointed Global Head of Coal & Coke in 2006, and a member of the Noble Group internal management Board in 2008. He was appointed an Executive Director and Head of Hard Commodities in 2012, prior to which he was Head of Energy Coal & Carbon Complex.



Mr Rex Littlewood
Non-Executive Director
(B Sc [Geology], MAICD)

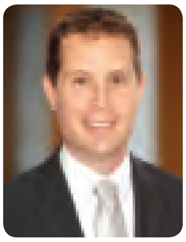
Mr Littlewood has more than 30 years experience in the international coal market, and well versed in all aspects of the mining industry; from exploration, development and production, through to export and delivery to customer. As Vice President of Noble Energy, a subsidiary of Noble Group, Mr Littlewood was responsible for their Asian coal & coke platform, developing mines as well as mining and export infrastructure. Mr Littlewood is a highly respected coal industry figure, who currently consults in most facets of the industry through his company, Australian Carbon Assets.

Mr Patrick McCole
Company Secretary
(LLB, B Com)

Mr McCole has a broad range of company secretariat experience, and he is also currently the Company Secretary of Territory Resources Limited.

Mr McCole has previously held Company Secretary positions at Alinta Limited and Monarch Gold Mining Company Limited, prior to which he was Assistant Company Secretary at Foodland Associated Limited.

SENIOR MANAGEMENT



Mr Todd Harrington

Chief Executive Officer (BSc [Geology] {Hons}, MBA, MAusIMM, GAICD)

Mr Harrington is the former Head of Xstrata Coal Queensland's Geological Services division, and was in involved in the delivery of 5 currently operational coal mines from greenfield exploration through to production. Mr Harrington also has over 17 years operational, technical, & managerial experience, having worked at 3 underground & 6 open-cut coal mine operations in Queensland and New South Wales, for Xstrata, Rio Tinto & Billiton. Mr Harrington also has extensive global M&A experience, performing asset development for Xstrata's Australian, Asian, African and North American coal & iron ore projects.

Mr David Smith

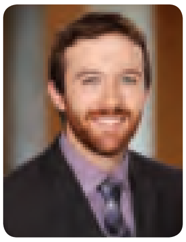
Chief Financial Officer (CA, BCom, Grad Dip App Finance & Investment, Grad Dip Adv Acctg, MAICD)

Mr Smith has more than 17 years financial and project development expertise, in both listed companies and public practice. Prior to joining Blackwood, Mr Smith was General Manager – Finance at Aston Resources Limited, where his experience included the successful completion of Australia's largest coal IPO, equity sell-downs in the Maules Creek metallurgical coal project to Itochu & J-Power, refinancing of the Maules Creek acquisition debt and culminated in the merger with Whitehaven Coal in 2012. Mr Smith has held various roles with ASX & NYSE listed companies, including as CFO & Company Secretary, and commenced his career with Ernst & Young.

Mr Mark Winsley

General Manager Queensland – Exploration (BSc [Geology], MAusIMM)

Mr Winsley has over 17 years experience in the Queensland coal industry. He was most recently Exploration Manager for Hancock Coal, with responsibility for the design and implementation of all exploration programs, and was a member of the committee for pre-feasibility & bankable feasibility studies at Alpha and Kevin's Corner projects. Mr Winsley was also the founding Principal Resource Geologist with Salva Resources, managing several large exploration programmes leading to the discovery of substantial commercial coal resources. Mr Winsley has further geological and managerial experience with New Hope, Rio Tinto, Runge Limited and McElroy Bryant Geological Services.



Mr Brendan Schilling

General Manager – Business Development (BBus, MBA, MMktg, GAICD)

Mr Schilling is a former Vice President with Noble Resources and is a Port & Rail access and marketing supply chain specialist. Mr Schilling was formerly responsible for the marketing operations, planning, logistics and infrastructure development of Noble Resources East Kalimantan coal operations, delivering over 30mtpa of product to the global coal market. Mr Schilling was also previously part of Noble's Australian operations, specialising in logistics and marketing for Newcastle based export programs. Mr Schilling has a prior background in Business Development and Marketing within the FMCG industry.

Dr Joel Yago

Principal Geologist – International (BSc [Geology], MSc [Geology], PhD [Geology])

Dr Yago has extensive coal exploration and development experience including recent management and supervisory roles, principally in Queensland. Prior to joining Blackwood, Mr Yago was Manager – Exploration and Mining for GeoConsult; a leading geoscience organisation where he was responsible for more than 46 geologists working on a variety of coal projects.

Previous to this, he was with the CSIRO Queensland Centre for Advanced Technology for 5 years, where he was involved with generating the 3D sedimentological and structural "Super Model" for the western limb of the Bowen Basin, plus a number of other coal related detailed research projects.

CONTENTS

FINANCIAL REPORT

DIRECTORS' REPORT

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Blackwood Corporation Limited ("the Company") and the entities it controlled at the end of, or during, the year ended 30 June 2013.

DIRECTORS

The following persons were directors of Blackwood Corporation Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Mr Barry Bolitho (Chairman)
- Mr Rex Littlewood
- Mr William Randall
- Mr Andrew Simpson

PRINCIPAL ACTIVITY

The principal activity of the Company during the financial year was coal exploration in Australia.

REVIEW OF OPERATIONS AND ACTIVITIES

The operating profit after income tax of the Group for the year was $6,489,309 (2012: loss $3,927,485). The profit primarily reflects the gain on settlement of the Share Placement Agreement with Mulsanne Resources Pty Ltd offset by the underlying nature of the Group's principal activity of exploration for coal in Queensland. The company has continued exploration on its tenements in the Galilee, Surat, Bowen & Clarence-Moreton Basins. The company expects to increase exploration activity over the next year, in association with reviewing and refining its asset portfolio.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 12 July 2012, shareholder approval was granted to issue 94,689,760 shares at $0.30 per share to Mulsanne Resources Pty Ltd, a company associated with the Tinkler Group ("Mulsanne Resources") under the Share Placement Agreement ("SPA") dated 6 May 2012 to raise $28.4 million. Completion of the SPA did not occur and on 27 June 2013 Blackwood received $12,000,000 in completion of a Deed of Settlement and Release with Mr Nathan Tinkler and his associates and associated companies that was agreed on 3 June 2013.

In accordance with the terms of the Deed of Settlement and Release the parties agreed to:

(a) Terminate the SPA with no shares to be issued and the parties being released from all obligations under the SPA; and

(b) Dismiss the freezing order application and the legal proceedings against the directors of Mulsanne Resources for insolvent trading and against directors and the former company secretary for breach of their duties as directors and officers of Mulsanne Resources in regard to the SPA.

On 1st August 2012, Blackwood Corporation entered into an unsecured draw down facility ("Facility") with its subsidiary, Matilda Coal Pty Ltd, and Noble Group Limited. The Facility was subsequently amended on 31 December 2012, 31 January 2013, 30 April 2013 and 17 June 2013. The key terms of the Facility at 30 June are:

1. A facility limit of $8,300,000, to be drawn down at any time prior to the Repayment Date in multiples of $250,000.
2. The Repayment Date is the earlier of:
   a. the 5th business day after receiving subscription monies from the share placement to Mulsanne Resources Pty Ltd as approved by shareholders on 12 July 2012; or
   b. 31 December 2013.
3. Any funds raised either through a capital raising or debt funding must, within 5 business days of receipt, be applied towards repaying the draw downs.
4. Interest is payable at 12.5 % per annum, payable monthly in arrears. Blackwood may elect to capitalise interest prior to the Repayment Date. The final interest payment will be paid on the Repayment Date.
5. Blackwood's obligations under the Facility are guaranteed by Blackwood's subsidiary Matilda Coal Pty Limited.
6. Blackwood may, with 10 business days' notice, elect to repay an amount of principal before the Repayment Date. With 15 day's written notice Blackwood may elect to cancel the entire facility before the Repayment Date without penalty or cost.

EXPLORATION ACTIVITIES

During the period additional JORC Exploration Targets were announced across Blackwood's portfolio bringing the overall JORC Exploration Target for the Company to 5.0 – 6.9 billion tonnes[##]. Details of the project activities are below.

South Pentland Project

On the 8th of October, the Company announced a JORC Exploration Target within the range 1.5 billion tonnes to 1.8 billion tonnes[A] at the Lauderdale Project, a second prospect within the South Pentland Project. This target is the result of a program involving 63 km of new 2D seismic, 4 additional drill holes intersecting coal on the seismic lines, and a comprehensive review of all available historical data. The South Pentland Project had a total JORC Exploration Target of 3.6 – 5.0 billion tonnes[A] of thermal coal throughout the financial year.

Blackwood has been appointed to the North Queensland Supply Chain Steering Committee, as notified by the Queensland Government Department of State Development, Planning and Infrastructure on the 24th September 2012. The purpose of this committee is to prioritise projects and investment in North Queensland, predominantly driven by the Mt Isa to Townsville rail system with funding of $1.66 million for infrastructure planning. Blackwood has been intimately involved in the supply chain since work commenced on the South Pentland project, previously holding a position on the Mt Isa to Townsville Economic Zone (MITEZ) "Fifty Year Freight Infrastructure Plan" steering committee.

Taroom Project

Nine holes were drilled during the year on the Broadmere and Juandah Creek sub-projects. Excellent progress was made at Broadmere, with several samples sent for coal quality testing. Desktop analysis of results throughout the period has assisted with finalisation and selection of drill target programs for 2013 drilling campaign.

Bymount Project

During the year, Blackwood announced a JORC Exploration Target for the Bymount Project within the range 300 million tonnes to 420 million tonnes[C]. This target is the result of a drilling completed by Blackwood during the year and comprehensive review of all available data before building a detailed geological model of the Project area and coal seams. Following processing of this information, further drill target programs have been refined and land access processes commenced.

Capella Project

Blackwood's Capella project lies directly adjacent to Rio Tinto's 762 million tonne "Valeria" project, which is known to contain Coking, PCI and Thermal coal seams. The project lies approximately 10km from the Clermont-Emerald railway line, connecting into the Blackwater System for coal export through the Port of Gladstone (450km). Exploration efforts resumed at the Capella Project in the first quarter of 2013, with two holes drilled. Both sites intersected Permian coal measures and were void of basalt or basement units. This maintains the potential for the presence of economic coal measures within the project.

Dingo Project

During the year, a major portion of the Dingo Project (EPC1535 20 sub-blocks) was granted by the Queensland Government. The application on this tenure has been in place for the previous two years, and presents a major opportunity at the Dingo project for the Company to explore. As previously announced, the lease is known to contain PCI style coals, with known drill intersections of up to 7 meters of cumulative coal at depths amenable to open-cut extraction present. The Dingo Project is adjacent to Whitehaven Coal's "Dingo Project", and is also less than 15km from the Blackwater rail system, linking to the Port of Gladstone. A drill program commenced on July 23, 2013 and confirmed the presence and quality of PCI style coal.

South Rolleston

Blackwood advises that EPC Application 2106 (48 sub-blocks) has advanced in the approval process and a Notice of Proposed Grant has been advertised by the Queensland Government in local papers within the Project catchment. The South Rolleston project is considered a priority project for Blackwood, but exists completely in application at present. The grant of this tenure will allow the Company to commence exploration of the area, where there have been indications of an increase in coal rank noted, with Blackwood pursuing the project as both a thermal and semi-soft coking coal opportunity.

Chinchilla

The Chinchilla Project is located on the West Moreton System, in close proximity to operating coal mines (Peabody's "Wilkie Creek" and CS Energy's "Kogan Creek"), as well as extensive greenfield deposits. Blackwood is exploring the Walloon Coal measures, which are the main coal-bearing sequence throughout the Surat Basin. A total of two holes were drilled on EPC2199 as part of the overarching Chinchilla project during the year.

Note: All references to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004 & 2012). As such it is conceptual in nature and there has been insufficient exploration drilling to define a coal resource on the tenement and it is uncertain if further exploration will result in discovery of a coal resource on the tenement. Refer to additional information on p30.

Both holes were geophysically logged, with net coal thicknesses of 10m and 6m respectively. This encouraging coal thickness appears to be at a depth beyond open cut consideration. However, this has assisted in optimising drill locations and plans for additional northern tenure within the Chinchilla project. The Company has also identified a potential opportunity for sub-cropping coal within EPC1464, and will continue to evaluate exploration opportunities across the project in the next quarter.

Dalby

Blackwood has identified the Walloon Coal Measures as an opportunity within the Dalby Project (EPC1733). The Walloon Coal Measures sub-crop in the area along a NW-SE strike length to the northwest of EPC 1733 and dip to the south south-west at 1–2°. "Bloodwood Creek", "Wilkie Creek" and the "Felton" deposit lie along strike of EPC 1733. The project is currently overlaid by the "Tipton West" gasfield, owned by Arrow Energy which began production in 2007. The Tipton West gas field produced 11.10PJ for the year ended 30 June 2010. Tipton West is considered one of the Australia's largest onshore gas fields. The Macallister seam (approximate average depth 135–170m; approximate average thickness of 3 to 5 meters) has the highest potential to explore and develop.

Other

During the year, Blackwood incorporated a new subsidiary company, Drill Down Resources Pty Ltd. This subsidiary is expected to provide exploration & consultative services to third parties, utilising existing employees as a method of cost recovery while retaining experience within the Blackwood team. Blackwood is pleased to announce that three staff members have been seconded into an exploration project in the Bowen Basin until September 2013.

DIVIDEND

The directors do not recommend the payment of a dividend. No dividend was paid or provided during the year (2012: Nil).

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 12 September 2013, the Company announced a maiden 2012 JORC compliant Inferred Resource of 322 million tonnes for the "Lauderdale" sub-project of the South Pentland Project, and a maiden 2012 JORC compliant Inferred Resource of 51.8 million tonnes for the "Broadmere" sub-project of the Taroom Project.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS FROM OPERATIONS

Further information on likely developments in the operations of the Group and the expected results of operation have not been included in this financial report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

ENVIRONMENTAL REGULATION

The Group is subject to significant environmental regulation in respect of its exploration activities in Australia and is committed to undertaking all its operations in an environmentally responsible manner.

To the best of the directors' knowledge, the Group has adequate systems in place to ensure compliance with the requirements of all environmental legislation and are not aware of any breach of those requirements during the financial year and up to the date of the directors' report.

INFORMATION ON DIRECTORS

Mr Barry Bolitho, Non-Executive Chairman

BAppSc, Dip App Chem, FAusIMM

Expertise and experience

Mr Bolitho has many years experience in senior executive roles in the resources industry, including experience as chairman, executive and non-executive directorships on ASX and TSX listed companies. He has tertiary qualifications in metallurgy and chemistry, and has extensive operational experience in a number of metals and minerals, including base metals, precious metals, iron ore and mineral sands.

Special responsibilities

Chairman of the Board
Chairman of Remuneration and Nomination Committee
Member of Audit and Risk Management Committee

Other directorships

During the past three years Mr Bolitho has served as a director and/or chairman of other listed companies as follows:

Industrial Minerals Ltd	From: 10 March 2011	
Brightstar Resources Ltd	From: 4 April 2011	To: 7 December 2011
Red 5 Limited	From: 10 March 2010	To: 1 November 2011
Jabiru Metals Ltd	From: 1 November 2005	To: 1 May 2011
Andean Resources Ltd	From: 1 August 2006	To: 1 November 2010

Interest in shares, rights and options

6,484,323	ordinary shares
Nil	options
Nil	share rights

Mr Andrew Simpson, Non-executive director

Grad Dip Bus and Admin, MAICD

Expertise and experience

Mr Simpson is a senior corporate executive, with extensive global marketing and business development experience in the resource industry, including more than 30 years in international marketing and distribution of minerals and metals. He is a professional company director and is also the managing director of Resource & Technology Marketing Services Pty Ltd, a company providing specialist marketing and business assessment advisory to the mineral resources and technology industries, both in Australia and Internationally.

Special responsibilities

Chairman of Audit and Risk Management Committee
Member of Remuneration and Nomination Committee

Other directorships

During the past three years Mr Simpson has served as a director/and or chairman of other listed companies as follows:

Territory Resources Limited	From: 25 Sept 2007
India Resources Limited	From: 21 August 2006
Swick Mining Services Ltd	From: 24 Oct 2006
Vital Metals Limited	From: 23 Feb 2005

Interest in shares, rights and options

1,000,000	ordinary shares
Nil	options
Nil	share rights

Mr William Randall, Non-executive director

B Business

Expertise and experience

Mr. Randall's career started with Noble Group in Australia in February 1997, transferring to Asia in 1999 where he established Noble's coal operations, mining and supply chain management businesses. He served as a Director of Noble Energy Inc before being appointed Global Head of Coal & Coke in 2006, and a member of the Noble Group internal management Board in 2008. He was appointed an Executive Director and Head of Hard Commodities in 2012, prior to which he was Head of Energy Coal & Carbon Complex.

Special responsibilities

None

Other directorships

Yancoal Australia Limited	From: 26 June 2012	
Noble Group Limited	From: 6 February 2012	
East Energy Resources Limited	From: 20 July 2010	
Gloucester Coal Limited	From: 17 June 2009	To: 26 June 2012

Interest in shares, rights and options

Mr Randall does not hold any ordinary shares, options or share rights.

Mr Rex Littlewood, Non-executive director

BSc (Geology), MAICD

Expertise and experience

Mr Littlewood has more than 30 years experience in the international coal market, being well versed in all aspects of the mining industry; from exploration, development and production, through to export and delivery to customer. As Vice President of Noble Energy, a subsidiary of Noble Group, Mr Littlewood was responsible for their Asian coal & coke platform, developing mines as well as mining and export infrastructure. Mr Littlewood is a highly respected coal industry figure, who currently consults in most facets of the coal industry through his company, Australian Carbon Assets.

Mr Littlewood possesses a Bachelor of Science Degree (Geology), as well as tertiary qualifications in Analytical Chemistry and Coal Technology. Mr Littlewood is a Member of the Australian Institute of Company Directors.

Special responsibilities

None

Other directorships

East Energy Resources Limited	From: 20 July 2011

Interest in shares, rights and options

Mr Littlewood does not hold any ordinary shares, options or share rights.

MEETINGS OF DIRECTORS

The numbers of meetings of the company's Board of Directors and of each Board committee held during the year ended 30 June 2013, and the numbers of meetings attended by each director were:

	FULL MEETINGS OF DIRECTORS		MEETINGS OF AUDIT AND RISK MANAGEMENT COMMITTEE		MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE	
	A	B	A	B	A	B
B Bolitho	7	8	2	2	–	–
A Simpson	8	8	2	2	–	–
W Randall	5	8	–	–	–	–
R Littlewood	6	8	–	–	–	–

Note: During the period the functions of the Nomination and Remuneration Committee were fulfilled by the full Board and all matters were considered during the full meetings of Directors held during the year

A = Number of meetings attended

B = Number of meetings held during the time the director held office or was a member of the committee during the year.

INFORMATION ON COMPANY SECRETARY

Mr Patrick McCole, Company Secretary

LLB, BCom

Expertise and experience

Mr McCole has a broad range of company secretariat experience and he is also currently the Company Secretary of Territory Resources Limited. Mr McCole has previously held Company Secretary positions at Alinta Limited and Monarch Gold Mining Company Limited, prior to which he was Assistant Company Secretary at Foodland Associated Limited.

Mr McCole was appointed to the position of company secretary on 12 October 2011.

REMUNERATION REPORT (AUDITED)

This remuneration report sets out remuneration information for Blackwood Corporation Limited's non-executive directors, and key management personnel of the Group.

Directors and executives disclosed in this report

NAME	POSITION	DATE OF APPOINTMENT
Non-executive directors – see pages 20 to 22 above		
Other key management personnel		
T Harrington	Chief Executive Officer	1 August 2011
D Smith	Chief Financial Officer	25 June 2012
M Winsley	General Manager – Queensland Exploration	8 August 2011
B Schilling	General Manager – Business Development	1 February 2011
J Yago	Principal Geologist	1 September 2011

Role of the remuneration and nomination committee

The remuneration and nomination committee is a committee of the Board of Directors (the "Board"). It is primarily responsible for making recommendations to the board on:

- non-executive director fees
- executive remuneration, and
- the over-arching executive remuneration framework and incentive plan policies

Principles used to determine the nature and amount of remuneration

The remuneration policy of Blackwood Corporation Limited has been designed to align directors and executive objectives with shareholder and business objectives by providing a fixed remuneration component together with short and long term incentives for executives. The Board of Blackwood Corporation Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the Company is set out below.

The remuneration policy, setting the terms and conditions for directors and other senior executives, was developed by the remuneration and nomination committee and approved by the Board.

The Board reviews executive packages annually by reference to comparable information from industry sectors and other listed companies in similar industries. In addition external consultants may be used to provide analysis and advice to ensure the Directors and senior executives' remuneration is competitive in the market place. The Company did not use remuneration consultants during the year.

Directors and senior executives receive a superannuation guarantee contribution required by the government, which was 9% during the financial year and increased to 9.25% on 1 July 2013, and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to directors and executives is valued at the cost to the Company. Shares and performance rights issued to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes option pricing method.

The Company's policy is to remunerate Directors at market rates for comparable companies for time, commitment and responsibilities. The remuneration and nomination committee determines payments to the Directors and reviews their remuneration annually, based on market practice, duties and accountability. The maximum aggregate amount of fees that can be paid to directors is subject to approval by shareholders at the Annual General Meeting. Fees for directors are not linked to the performance of the Company. The Directors are not required to hold any shares in the Company under the Constitution of the Company. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company.

Non-executive directors

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

Non-executive Directors receive a base fee for being a Director and may receive additional fees for either chairing or being a member of a committee. Non-executive Directors may also be remunerated for additional specialised services performed at the request of the Board and reimbursed for reasonable expenses incurred by directors on Company business.

Directors' fees

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $350,000 per annum which was approved by shareholders on 14 December 2011.

There are no termination benefits or notice periods for Non-Executive directors. No Directors were party to, or are entitled to, a benefit under a contract that creates a right to acquire any shares or an interest in the Company.

The current base fees were last reviewed with effect from 1 July 2011 and are as follows:

BASE FEES	$
Chair	100,000
Other non-executive directors	70,000

Additional fees

A Director may also be paid fees or other amounts as the Directors determines if a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. The Chair of the audit committee is paid an additional fee of $10,000 per annum in recognition of the additional duties performed in that role. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Executive pay

Objective

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- Align the interests of executives with those of shareholders; and
- Ensure total remuneration is competitive by market standards.

Structure

The remuneration of senior management is comprised of:

- Base Salary – this is the only fixed component of the remuneration package;
- Short Term Incentives (STI) – the STI provides an annual opportunity for an incentive award (currently in the form of a cash bonus) if certain company and individual objectives are met; and
- Long Term Incentives (LTI) – the LTI provides an annual opportunity for an equity award that aligns a significant proportion of overall remuneration to shareholder value over the longer term if certain company and individual objectives are met.

As executives gain seniority with the Company, the balance of fixed and variable remuneration shifts to a higher potential proportion of 'at risk' remuneration. Key management personnel have the ability to earn up to 100% of their base salary in the form of STI awards and 75%–125% of their base salary in the form of LTI awards depending on both the performance of the Company and their individual performance. As a result, 'at risk' remuneration can be up to 69% of total remuneration in certain circumstances depending on performance.

Short Term Incentives

The Company did not award any short term incentives during the period in relation to the 2011/2012 financial year due to the global commodity market outlook and Company's financial circumstances.

The Company has not awarded any short term incentives in relation to the 2012/2013 financial year at the date of this report. The decision to offer short term incentives is considered on an annual basis.

Long Term Incentives

Long term incentives may be provided to certain senior executives to reward creation of shareholder value and provide incentives to create further value. The Company did not make any long term incentive grants (other than agreeing sign-on Performance Rights) during the financial year (2012: Nil), however, the Company may make long term incentive grants in future years.

(a) Performance Rights Plan

Shareholders approved the Performance Rights Plan on 29 October 2010, however no rights ("Performance Rights") were issued during that financial year due to the requirement to obtain ASIC relief before any offers under the Plan could be made to potential participants. The Company subsequently sought ASIC relief for an ASIC disclosure exemption from Part 6D.2 and 6D.3 of the Corporations Ac 2001 to issue rights under the Performance Rights Plan. The ASIC relief was gazetted on 28 February 2012 and the Company was entitled to offer rights in accordance with the Corporations Act 2001 and under the Performance Rights Plan from 28 February 2012.

The Performance Rights Plan was implemented and Performance Rights formally issued during the 2012/2013 financial year (refer Note 25). The Company has made one off sign-on Performance Rights grants as part of the employment contracts of certain executives during the financial year to align their interests with shareholders from their appointment with the Company. The sign-on Performance Rights contain Vesting Conditions (and such additional terms and conditions as the Board determines) in which the rights vest in two equal tranches on the first and second anniversary of commencement.

Any shares issued upon the exercise of a right under the terms of the Performance Rights Plan is subject to a disposal restriction in which they must not be disposed of or dealt with in any way until the earlier of:

i) the time when an event occurs so that an eligible participant to whom the offer was originally made is no longer an eligible participant in any Group Company;

ii) the Board, in its sole and absolute discretion, approving that the restriction on disposal be released where the eligible participant to whom the offer was originally made dies, suffers total and permanent disability, serious illness or injury, or severe financial hardship; and

iii) the seven year anniversary of the date of grant of the Performance Rights.

(b) Employee Share Option Plan

On 14 December 2011, Shareholders approved the Employee Share Option Plan. No options have been issued under the Option Plan by the Company in either the current or prior financial years. The Company will consider the benefits and utilisation of the Performance Rights and Option Plans during the 2013/2014 financial year to create the optimal incentive structure for generating shareholder value over the long term.

Details of remuneration

The Board reviews executive packages annually by reference to comparable information from industry sectors and other listed companies in similar industries.

Company Performance, Shareholder Wealth and Directors and Executives Remuneration

The majority of executives were appointed during the year ended 30 June 2012 and due to the global commodity market outlook and Company's financial circumstances, there was no Company or individual performance related remuneration paid for the year ended 30 June 2012. The performance review process in relation to the year ended 30 June 2013 has not been completed at the date of this report. As a result there has been no Company or individual performance related remuneration paid for the year ended 30 June 2013. Non-executive Director fees are fixed and do not have a performance related component.

The Company was re-listed on ASX on 16 December 2010. The share price on 30 June 2012 was 21 cents (2011: 23 cents) and during the year the shares have traded between 23 cents and 3.7 cents. The closing price on 30 June 2013 was 5 cents. As a mining exploration entity there is no direct correlation between financial performance and shareholder wealth. Market sentiment in relation to exploration results is the main driver of shareholder wealth.

Amounts of remuneration

Details of the remuneration of the directors and the key management personnel (as defined in AASB 124 *Related Party Disclosures*) of Blackwood Corporation Limited are set out in the following tables.

2013 NAME	SHORT TERM BENEFITS CASH SALARY AND FEES $	NON-MONETARY BENEFITS $	POST-EMPLOYMENT BENEFITS SUPERANNUATION $	SHARE-BASED PAYMENT – PERFORMANCE RIGHTS $	TOTAL $	A %
Non-Executive directors						
B Bolitho[1]	112,496	–	–	–	112,496	–
R Littlewood	70,000	–	–	–	70,000	–
A Simpson	80,000	–	–	–	80,000	–
W Randall[2]	–	–	–	–	–	–
Sub-total non-executive	**262,496**	**–**	**–**	**–**	**262,496**	
Key management personnel						
T Harrington	433,530	14,931	16,470	163,781	628,712	26%
D Smith	283,530	7,605	16,470	156,062	463,667	34%
M Winsley	258,530	–	16,470	72,493	347,493	21%
B Schilling	137,575	–	12,424	29,250	179,250	16%
J Yago	198,530	–	16,470	64,307	279,307	23%
Sub-total executive	**1,311,695**	**22,536**	**78,304**	**485,893**	**1,898,429**	
Total key management personnel compensation (Group)	**1,574,191**	**22,536**	**78,304**	**485,893**	**2,160,925**	

2012 NAME	SHORT TERM BENEFITS CASH SALARY AND FEES $	NON-MONETARY BENEFITS $	POST-EMPLOYMENT BENEFITS SUPERANNUATION $	SHARE-BASED PAYMENT – PERFORMANCE RIGHTS $	TOTAL $	A %
Non-executive directors						
B Bolitho[1]	165,829	–	–	–	165,829	–
R Littlewood	70,000	–	–	–	70,000	–
A Simpson	85,000	–	–	–	85,000	–
W Randall[2]	–	–	–	–	–	–
B McPherson[3]	–	–	–	–	–	–
Sub-total non-executive	**320,829**	**–**	**–**	**–**	**320,829**	
Key management personnel						
T Harrington	411,848	13,289	15,775	384,329	825,241	47%
D Smith	5,452	300	491	2,158	8,401	26%
M Winsley	250,170	–	14,658	161,260	426,088	38%
B Schilling	144,919	–	12,346	107,250	264,515	41%
J Yago	172,425	–	13,847	119,540	305,812	39%
Sub-total executive	**984,814**	**13,589**	**57,117**	**774,537**	**1,830,057**	
Total key management personnel compensation (Group)	**1,305,643**	**13,589**	**57,117**	**774,537**	**2,150,886**	

A: Percentage of remuneration that is share-based payment

1 Includes consulting fees paid in capacity as executive director prior to the appointment of T Harrington and during a transition period post appointment.

2 W Randall did not receive any remuneration during the period.

3 B McPherson resigned 6 July 2011 and did not receive any remuneration during the period

Service agreements

No formal service agreement has been enacted between non-executive directors and the Company.

Remuneration and other terms of employment for executive key management personnel are formalised in service agreements. All contracts with executives are on-going and have no fixed term, unless otherwise stated. Other major provisions of the agreements relating to remuneration are set out below:

NAME	TERM	BASE SALARY INCLUDING SUPERANNUATION $	NOTICE PERIOD	TERMINATION BENEFIT*
T Harrington	3 years	450,000	6 months	12 months
D Smith	On-going	300,000	3 months	6 months
M Winsley	On-going	275,000	3 months	Per applicable legislation
J Yago	On-going	215,000	3 months	Per applicable legislation
B Schilling	On-going	150,000	4 weeks	Per applicable legislation

* Termination benefits are reduced by the amount of any payment in lieu of notice where permitted by law.

Share-based compensation

Performance Rights

The Company agreed to issue sign-on grants of Performance Rights to executives during the year ended 30 June 2012 to align their interests with shareholders from appointment. These Performance Rights were formally issued during the year ended 30 June 2013 and no further grants were agreed or made during the year.

The grant date for remuneration purposes is determined in accordance with AASB 2 and is the date on which agreement to issue sign-on grants was made between the executive and the Company in the relevant employment agreement. The table below summarises the Performance Rights issued to executives in the year ended 30 June 2013 and the applicable grant date for remuneration purposes:

NAME	PERFORMANCE RIGHTS GRANTED[1]	GRANT DATE[2]	FAIR VALUE AT GRANT DATE[3]	FIRST VESTING DATE (50% OF GRANT)	SECOND VESTING DATE (50% OF GRANT)	EXPIRY DATE
T Harrington	2,000,000	3 June 2011	$0.28	1 Aug 12	1 Aug 13	1 Aug 18
D Smith	1,000,000	22 June 2012	$0.21	25 Jun 13	25 Jun 14	25 Jun 19
M Winsley	1,000,000	18 July 2011	$0.24	8 Aug 12	8 Aug 13	8 Aug 18
J Yago	800,000	18 July 2011	$0.24	1 Sept 12	1 Sept 13	1 Sept 18
B Schilling	650,000	5 Sept 2011	$0.22	1 Jul 12	1 Jul 13	1 Jul 18

1 Subject to satisfaction of the applicable vesting conditions, each performance right is convertible into one fully paid ordinary share in the Company and has a nil strike price. The only vesting condition applicable to Performance Rights in 2012 is a service condition. The Performance Rights can be exercised at any time from vesting to expiry.

2 Grant date has been determined in accordance with AASB 2 and is the date on which agreement to issue sign-on grants was made between the executive and the Company in the relevant employment agreement. ASIC relief to issue the Performance Rights was granted on 28 February 2012 and the Company was not in a position to offer formal performance right documentation until the ASIC relief was granted and gazzetted. The Company issued formal performance right offer documentation during the year ended 30 June 2013.

3 Fair Value at grant date is calculated as the closing share price on the date of grant.

There were no Performance Rights granted to executives during the year ended 30 June 2013.

Shares provided on exercise of Performance Rights

No Performance Rights were exercised by any of the directors or key management personnel during the year under review.

Options

There were no options granted affecting remuneration in the current or a future reporting period. There are currently no options held by directors and other key management personnel.

Shares provided on exercise of remuneration options

No options were exercised by any of the directors or key management personnel during the year under review.

Shares

Shares were issued to directors for services provided during the prior period when the company was under a deed of company arrangement. These were valued using quoted market prices on the day of issue. There were no other performance conditions attaching to these shares. The board's current policy does not allow director and executives to limit their risk exposure in relation to equities or options without the approval of the board.

There were no shares issued to directors or executives during the current year.

This is the end of the remuneration report.

SHARES UNDER RIGHTS AND OPTIONS

At the date of this report the Company has issued 7,225,000 unlisted performance rights over ordinary shares with an expiry date 7 years from date of issue. There were no unissued ordinary shares of Blackwood Corporation Limited under option at the date of this report.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

No performance rights or options were exercised during the year.

INSURANCE OF OFFICERS AND AUDITORS

During the financial year Blackwood Corporation Limited paid a premium to insure the directors and officers of the company. The contract of insurance prohibits the disclosure of the premium paid.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the entity, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company.

The company has not indemnified or insured its auditors.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the *Corporations Act 2001*.

NON-AUDIT SERVICES

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

The Board of Directors has considered the position and, in accordance with the advice received from the Audit and Risk Management Committee is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor during the year ended 30 June 2013, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit and Risk Management Committee to ensure they do not impact the impartiality and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

During the current year there were no fees paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 22. BDO Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of the directors.

B Bolitho
Chairman

Brisbane, 30 September 2013

COMPETENT PERSONS' STATEMENT

The information in this report that relates to Exploration Results, Exploration Targets and Minerals Resources is based on information compiled by Mr Mark Winsley, Mrs Merryl Peterson, Mr Lyon Barrett and Mr Lyndon Pass, who are all members of The Australian Institute of Mining and Metallurgy (AUSIMM).

Note: All references to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004 & 2012). As such, it is conceptual in nature, and there has been insufficient exploration drilling to define a coal resource on the tenement, it is uncertain if further exploration will result in the discovery of a coal resource on the tenement.

For the Inferred Resources stated for the Lauderdale Project at South Pentland:

Mr Winsley is the General Manager – QLD Exploration, a full time employee of Blackwood Corporation Limited and holds shares in Blackwood. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Winsley consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. Mr Winsley is signing off as competent person for the validity of field data.

Mr Barrett is engaged as Principal Resource Geologist/ Director at Measured Resources Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Barrett consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. Mr Barrett is signing off as competent person for the resource estimate.

For the Exploration Targets on the South Pentland Project:

Mrs Peterson is engaged as Principal Geologist at Runge Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mrs Peterson consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Mr Pass is engaged as Principal Resource Geologist/ Director at Encompass Mining Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Pass consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

For the Taroom Exploration Target and the Inferred Resources stated for the Broadmere Project at Taroom:

Mr Winsley is the General Manager – QLD Exploration, a full time employee of Blackwood Corporation Limited and holds shares in Blackwood. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Winsley consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Mr Pass is engaged as Principal Resource Geologist/ Director at Encompass Mining Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Pass consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

For the Exploration Target on the Chinchilla Project:

Mr Winsley is the General Manager – QLD Exploration, a full time employee of Blackwood Corporation Limited and holds shares in Blackwood. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Winsley consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Mrs Peterson is engaged as Principal Geologist at Runge Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mrs Peterson consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Mrs Peterson and Mr Winsley as Competent Persons are responsible only for information relating to the resources of Blackwood Corporation, and that the information presented in Table 2 within the Chinchilla Exploration Target announcement is based on information taken from the documents listed in that table, and is subject to the respective Competent Persons' Statements contained in each document.

For the Exploration Targets on the Bymount Project:

Mr Winsley is the General Manager – QLD Exploration, a full time employee of Blackwood Corporation Limited and holds shares in Blackwood. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Winsley consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

JORC Exploration Targets

 # Note: All references to Exploration Targets in this document are in accordance with the guidelines of the JORC Code (2004 & 2012). As such, the potential quantity and grade is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource on the tenement, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Note: The total of 5.0 to 6.9 billion tonnes of JORC compliant Exploration Target tonnes is derived from the South Pentland Longton (2.1 to 3.2 billion tonnes[A]), South Pentland Lauderdale (1.5 to 1.8 billion tonnes[A]), Taroom (1 to 1.3 billion tonnes[B]), Bymount (200 to 420 million tonnes[C]) and Chinchilla (190 to 240 million tonnes[D]) projects.

Exploration Target Note [A]: Please refer to the ASX South Pentland Exploration Target announcements 21 November 2011 & 8 October 2012 for full report. Coal Quality Ranges for the *South Pentland Project* are as follows (all on an air dried basis): Moisture 8.4–11.6, Raw Ash 9.5–34.2, Volatile Matter 21.5–32.6, Fixed Carbon 46.4 – 55.3, Total Sulphur 0.26 – 0.34, Ave SE 5445 kcal/kg, Exploration Target reduced by the amount of inferred resources reported, now 2.7 to 4.3 Billion Tonnes.

Exploration Target Note [B]: Please refer to the ASX Taroom Exploration Target announcement 19 March 2012 for full report. Coal Quality Ranges for the *Taroom Project* are as follows (all on an air dried basis): Moisture 5.9–9.9, Raw Ash 9.8–31.3, Volatile Matter 28.7–43.9, Fixed Carbon 27.0–40.0, Total Sulphur 0.22–0.51, SE 5162 – 6709 kcal/kg.

Exploration Target Note [C]: Please refer to the ASX Bymount Exploration Target announcement 20 August 2012 for full report, and the note below. Coal Quality Ranges for the *Bymount Project* are as follows (all on an air dried basis): Moisture 5.7–9.9, Raw Ash 9.8–31.3, Volatile Matter 28.7 – 43.9, Fixed Carbon 27 – 40, Total Sulphur 0.22 – 0.51, SE 5162 – 6709 kcal/kg.

Exploration Target Note [D]: Please refer to the ASX Chinchilla Exploration Target announcement 20 February 2012 for full report, and the note below. Coal Quality Ranges for the *Chinchilla Project* are as follows (all on an air dried basis): Moisture 8.0–10.4, Raw Ash 13.8–28.8, Volatile Matter 34.1–40.1, Fixed Carbon 32.0–35.7, Total Sulphur 0.31–0.43, SE 4814 – 5817 kcal/kg.

AUDITOR'S INDEPENDENCE DECLARATION

BDO

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DECLARATION OF INDEPENDENCE BY DAMIAN WRIGHT TO THE DIRECTORS OF BLACKWOOD CORPORATION LIMITED

As lead auditor of Blackwood Corporation Limited for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect Blackwood Corporation Limited and the entities it controlled during the period.

D P Wright

Director

BDO Audit Pty Ltd

Brisbane, 30 September 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

	NOTES	CONSOLIDATED 2013 $	2012 $
Revenue	5	115,317	283,491
Other income	5	12,006,705	2,026
Depreciation and amortisation expenses		(41,469)	(20,536)
Employee benefits expenses		(1,619,452)	(1,972,340)
Finance costs		(682,688)	(15,195)
Legal Expenses		(1,647,391)	(235,279)
Administration and consulting expenses		(979,420)	(1,152,729)
Other Expenses		(662,293)	(816,923)
Profit/(Loss) before income tax	5	6,489,309	(3,927,485)
Income tax expense	6	–	–
Profit/(Loss) for the year		**6,489,309**	**(3,927,485)**
Other comprehensive income			
Other comprehensive income for the year, net of tax		–	–
Total comprehensive income/(loss) for the year attributable to members of Blackwood Corporation Limited		**6,489,309**	**(3,927,485)**

		CENTS	CENTS
Earnings per share			
Basic earnings per share	25	3.5	(2.3)
Diluted earnings per share	25	3.4	(2.3)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2013

	NOTES	CONSOLIDATED 2013 $	2012 $
ASSETS			
Current assets			
Cash and cash equivalents	*7*	12,389,956	1,692,394
Trade and other receivables	*8*	279,965	182,855
Other current assets	*9*	57,427	186,798
Total current assets		12,727,348	2,062,047
Non-current assets			
Property, plant and equipment	*10*	92,698	97,620
Exploration and evaluation assets	*11*	16,132,265	11,581,538
Intangible assets	*12*	34,605	21,393
Total non-current assets		16,259,568	11,700,551
Total assets		28,986,916	13,762,598
LIABILITIES			
Current liabilities			
Trade and other payables	*13*	1,767,838	1,417,664
Borrowings – Noble Loan	*14*	7,748,835	–
Total current liabilities		9,516,673	1,417,664
Total liabilities		9,516,673	1,417,664
Net assets		**19,470,243**	**12,344,934**
EQUITY			
Issued capital	*15(a)*	46,622,005	46,622,005
Reserves		3,005,214	2,369,213
Accumulated losses		(30,156,974)	(36,646,283)
Total equity		**19,470,245**	**12,344,935**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2013

	ISSUED CAPITAL $	SHARES TO BE ISSUED UNDER THE TECHNICAL SERVICES AGREEMENT $	SHARE BASED PAYMENT RESERVE $	ACCUMULATED LOSSES $	TOTAL $
Balance at 1 July 2011	**41,682,005**	**476,089**	**1,420,254**	**(32,718,798)**	**10,859,550**
Loss attributable to members of the parent entity	**–**	**–**	**–**	**(3,927,485)**	**(3,927,485)**
Total Comprehensive income for the period	–	–	–	(3,927,485)	(3,927,485)
Transactions with owners in their capacity as owners:					
Shares earned, yet to be issued	–	523,911	–	–	523,911
Shares issued	4,940,000	(1,000,000)	–	–	3,940,000
Share-based payments	–	–	948,959	–	948,959
Balance at 30 June 2012	46,622,005	–	2,369,213	(36,646,283)	12,344,935
Profit attributable to members of the parent entity	–	–	–	6,489,309	6,489,309
Total Comprehensive income for the period	–	–	–	6,489,309	6,489,309
Transactions with owners in their capacity as owners:					
Share-based payments	–	–	636,001	–	636,001
Balance at 30 June 2013	**46,622,005**	**–**	**3,005,214**	**(30,156,974)**	**19,470,245**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2013

	NOTES	CONSOLIDATED 2013 $	2012 $
Cash flows from operating activities			
Receipts in the course of operations (inclusive of goods and services tax)		6,705	2,026
Payments to suppliers and employees (inclusive of goods and services tax)		(3,274,686)	(3,275,408)
Interest received		32,807	283,491
Finance costs		(233,853)	(15,195)
Net cash outflows from operating activities	*23*	**(3,469,027)**	**(3,005,086)**
Cash flows from investing activities			
Payments in relation to exploration assets		(5,083,652)	(8,451,975)
Payments for property, plant and equipment		(18,302)	(91,050)
Proceeds from sale of plant and equipment		–	2,755
Payments for intangible assets		(31,457)	(16,010)
Payments for secured deposits		–	(32,500)
Net cash outflows from investing activities		**(5,133,411)**	**(8,588,780)**
Cash flows from financing activities			
Proceeds from settlement of Share Placement Agreement	*5(a)*	12,000,000	–
Proceeds from share issue		–	3,940,000
Proceeds from borrowings		7,300,000	–
Net cash inflows from financing activities		**19,300,000**	**3,940,000**
Net increase/(decrease) in cash and cash equivalents		10,697,562	(7,653,866)
Cash and cash equivalents at the beginning of the financial year		1,692,394	9,346,260
Effect of exchange rate changes on cash and cash equivalents		–	–
Cash and cash equivalents at the end of the financial year	*7*	**12,389,956**	**1,692,394**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Blackwood Corporation Limited (the "company") is a for-profit company incorporated and domiciled in Australia. The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of Blackwood Corporation Limited and its subsidiaries.

The financial statements are presented in Australian dollars which is the company's and consolidated entity's functional and presentation currency.

The Financial Report was authorised for issue by the Directors on 30 September 2013.

(a) Basis of preparation

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

Compliance with IFRS

The consolidated financial statement of the Blackwood Corporation Limited Group (the Group) complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

New and amended standards adopted by the Group

The AASB has issued AASB 1054 Australian Additional Disclosures and 2011–1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, and made several minor amendments to a number of AASBs. These standards eliminate a large portion of the differences between the Australian and New Zealand accounting standards and IFRS and retain only additional disclosures considered necessary. These changes also simplify some current disclosures for Australian entities and remove others.

The adoption of these standards did not have any material impact on the current period or any prior period and are not likely to affect future periods.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

Going concern

The annual financial report has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. At 30 June 2013 the Company had cash on hand of $12.4m with liabilities of $9.5m. Liabilities include a $7.7m loan to Noble Group Ltd, a related party, which has a maturity date of 31 December 2013. The Directors are currently considering a number of alternate funding arrangements to support operations during the next 12 months. The Company may seek to raise additional funds through debt or equity financing (including extensions of existing debt facilities) or through the sale of strategic interests in exploration tenements. If the Company is unable to raise additional funds when needed, it will be required to delay our planned exploration and associated activities.

Having carefully assessed the uncertainties relating to the likelihood of securing additional funding and the consolidated entity's ability to effectively manage its expenditures and cashflows from operations, the directors believe that the consolidated entity will continue to operate as a going concern for at least the next 12 months from the date of signing of this report and therefore it is appropriate to prepare the financial statements on a going concern basis.

In the event that the assumptions underpinning the basis of preparation do not occur as anticipated, there exists a material uncertainty whether the consolidated entity will continue to operate as a going concern. If the consolidated entity is unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements.

Critical accounting estimates and judgments

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3. Estimates may materially vary from actual results.

(b) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Blackwood Corporation Limited at 30 June 2013. Blackwood Corporation Limited and its subsidiaries together are referred to in these financial statements as the Group or the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Management Team that makes strategic decisions.

(d) Income taxes

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

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

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

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

(e) Exploration and evaluation assets

Pre-license costs are recognised in profit or loss as incurred.

Exploration and evaluation assets, including the costs of acquiring licenses, are capitalised on a project by project basis. 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 which permits reasonable assessment of the existence of economically recoverable reserves.

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

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

(f) Property, plant and equipment

All property, plant and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation, and any impairment.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation is calculated on a straight line basis to write off the net cost or revalued amount of each item of property, plant and equipment over its expected useful life to the entity. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

Plant & equipment	4–10 years

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

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

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

(g) Intangibles

Software costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the asset.

(h) Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(i) Issued capital

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

(j) Impairment of assets

The carrying amounts of assets are reviewed at each reporting date to determine if there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated, as discussed below.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the 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 cash-generating units and then to reduce the carrying amount of the other assets in the cash-generating unit on a pro-rata basis.

An impairment loss is reversed if there has been an indication that the impairment loss no longer exists and there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss in respect of assets other than goodwill 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 had been recognised.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. These amounts are unsecured and usually have 30 day payment terms.

(l) Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(m) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(n) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measureable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

Interest Income

Interest income is recognised on a time proportion basis using the effective interest method.

Services Income

Services income is recognised at the time the services are performed.

(o) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments

Share-based compensation benefits are provided to employees via the Blackwood Corporation Limited Performance Rights Plan.

The fair value of performance rights granted under the Blackwood Corporation Limited Employee Performance Rights Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the performance rights granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of performance rights that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of performance rights that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the performance rights are exercised the proceeds received (if any) net of any directly attributable transaction costs are credited directly to equity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Business combinations

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

The excess of the consideration transferred over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

(q) Operating leases

Payments made under operating leases are expensed on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives are recognised in the profit or loss as an integral part of total lease expense spread over the lease term.

(r) Parent entity financial information

The financial information for the parent entity, Blackwood Corporation Limited, disclosed in note 27 has been prepared on the same basis as the consolidated financial statements, except that investments in subsidiaries are recorded at cost.

(s) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

Australian Accounting Standards and Interpretations that have been recently issued or amended but are not yet effective have not been adopted by the Company for the annual reporting period ending 30 June 2013. None of these are expected to have a significant effect on the financial statements.

The Company anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information of new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below.

REFERENCE	TITLE	APPLICATION DATE OF STANDARD	APPLICATION DATE FOR THE COMPANY
AASB 9	Financial Instruments	1 January 2015	1 July 2015
AASB 10	Consolidated Financial Statements	1 January 2013	1 July 2013
AASB 11	Joint Arrangements	1 January 2013	1 July 2013
AASB 12	Disclosure of Interests in Other Entities	1 January 2013	1 July 2013
AASB 13	Fair Value Measurements	1 January 2013	1 July 2013
AASB 2011–4	Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements (AASB 124 Amendments)	1 July 2013	1 July 2013

2. FINANCIAL RISK MANAGEMENT

The Group's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are credit risk, liquidity risk and cash flow interest rate risk.

The Group holds the following financial instruments:

	CONSOLIDATED	
	2013 $	2012 $
Financial assets		
Cash and cash equivalents – variable interest rates	12,389,956	1,692,394
Trade and other receivables – no interest	279,965	182,855
	12,669,921	**1,875,249**
Financial liabilities		
Trade and other payables – no interest	1,767,838	1,417,664
Borrowings – fixed rate	7,748,835	–
	9,516,673	**1,417,664**

Risk management is carried out by the Group's finance function under policies and objectives which have been approved by the Board of Directors. The CEO has been delegated the authority for designing and implementing processes which follow the objectives and policies.

The Board receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Credit risk

Credit risk is the risk of loss from a counter-party failing to meet its financial obligations to the Group.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. For bank and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available).

	CONSOLIDATED	
	2013 $	2012 $
Cash at bank and short-term bank deposits		
A-1+ rating (held with HSBC and Westpac)	12,389,956	1,692,394

Other than cash and cash equivalents, the most significant other financial assets are trade and other receivables. The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group. There were no debts over 30 days at balance date requiring consideration of impairment provisions.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to meet obligations when due.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows. The Group has financed its operations through capital raisings and not sought alternate funding from external finance facilities.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings.

CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES	LESS THAN 6 MONTHS $	6 – 12 MONTHS $	BETWEEN 1 AND 2 YEARS $	BETWEEN 2 AND 5 YEARS $	OVER 5 YEARS $	TOTAL CONTRACTUAL CASH FLOWS $	CARRYING AMOUNT $
At 30 June 2013							
Trade and other payables	1,767,838	–	–	–	–	1,767,838	1,767,838
Borrowings	–	7,748,835	–	–	–	7,748,835	7,748,835
	1,767,838	**7,748,835**	**–**	**–**	**–**	**9,516,673**	**9,516,673**
At 30 June 2012							
Trade and other payables	**1,417,664**	**–**	**–**	**–**	**–**	**1,417,664**	**1,417,664**

Interest rate risk

Interest rate risk is managed by constant monitoring of interest rates. The Group's interest rate exposure is limited to its cash and cash equivalent assets. The weighted average interest rate is 2.2% (2012: 2.9%)

A change of 100 basis points (bp) in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2012.

	PROFIT OR LOSS		EQUITY	
	100BP INCREASE	100BP DECREASE	100BP INCREASE	100BP DECREASE
30 June 2013				
Cash flow sensitivity	123,899	(123,899)	123,899	(123,899)
30 June 2012				
Cash flow sensitivity	16,923	(16,923)	16,923	(16,923)

Fair value measurements

The fair value of financial assets and financial liabilities approximates their carrying values as disclosed in the statement of financial position and notes to the financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

Key judgments

Carrying value of exploration and evaluation assets

The Group has capitalised exploration assets of $16,132,265 (2012: $11,581,538). This amount includes costs directly associated with exploration. These costs are capitalised as an intangible asset until assessment and/or drilling of the permit is complete and the results have been evaluated. These costs include employee remuneration, materials, rig costs, delay rentals and payments to contractors. The expenditure is carried forward until such a time as the area of interest moves into the development phase, is abandoned, sold or sub-blocks relinquished.

Given exploration activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of recoverable resources and the difficulty in forecasting cash flows to assess the fair value of exploration expenditure there is uncertainty as to the carrying value of exploration expenditure. The ultimate recovery of the carrying value of exploration expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the interests in the tenements.

4. SEGMENT INFORMATION

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category. Operating segments are therefore determined on this basis.

Description of segments

Based on the internal reports presented to the key operating decision makers the consolidated entity has only one operating segment; being the exploration for coal in Australia. The financial information of this segment matches that of the Group.

Unless otherwise stated, all amounts reported to the Executive Management Team, being the chief operating decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

5. REVENUE, OTHER INCOME AND EXPENSES

	CONSOLIDATED	
	2013 $	2012 $
Services Revenue	82,510	–
Interest	32,807	283,491
	115,317	**283,491**
Other income – Settlement of Share Purchase Agreement (refer (a) below)	12,000,000	–
Other income	6,705	2,026
	12,006,705	**2,026**
Share based payment expense	309,168	586,892
Defined contributions superannuation expense	164,872	113,830
Loss on sale of property, plant and equipment	–	6,555

(a) Settlement of Share Purchase Agreement

On 12 July 2012, shareholder approval was granted to issue 94,689,760 shares at $0.30 per share to Mulsanne Resources Pty Ltd, a company associated with the Tinkler Group ("Mulsanne Resources") under the Share Placement Agreement ("SPA") dated 6 May 2012 to raise $28.4 million. Completion of the SPA did not occur and on 27 June 2012 Blackwood received $12,000,000 in completion of a Deed of Settlement and Release with Mr Nathan Tinkler and his associates and associated companies that was agreed on 3 June 2013.

6. INCOME TAX

(a) Income tax expense

	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $
Current tax expense	(1,953,064)	(991,464)
Deferred tax expense	2,000,209	1,312,674
Under/Over provision	(47,145)	(321,210)
Total income tax expense	–	–

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $
Profit/(Loss) before income tax	6,489,309	(3,927,485)
Tax at the Australian tax rate of 30% (2012: 30%)	1,946,793	(1,178,246)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share based payments	92,750	176,067
Other non-allowable items	7,811	10,715
Prior year adjustment	(47,145)	(321,210)
	2,000,209	(1,312,674)
Deferred tax asset not recognised	(2,000,209)	1,312,674
Income tax expense	–	–

(c) Deferred tax liabilities

	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $
Exploration expenditure	4,633,010	3,473,051
Timing differences	–	–
Deferred tax liabilities 30% (2012: 30%)	4,633,010	3,473,051
Offset of deferred tax assets	(4,633,010)	(3,473,051)
Recognised deferred tax liabilities	–	–

(d) Deferred tax assets

	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $
Tax losses	9,380,892	12,824,542
Expenses taken to equity	75,395	113,093
Timing differences	125,904	107,301
Potential deferred tax assets at 30% (2012: 30%)	9,582,191	13,044,935
Offset of deferred tax liabilities	(4,633,010)	(3,473,051)
Net unrecognised deferred tax assets	4,949,182	9,571,884

In order to recoup carried forward losses in future periods, either the Continuity of Ownership Test (COT) or Same Business Test (SBT) must be passed. The majority of losses are carried forward at 30 June 2013 under the SBT.

Deferred tax assets which have not been recognised as an asset, will only be obtained if:

(i) the economic entity derives future assessable income of a nature and of an amount sufficient to enable the losses to be realised;

(ii) the economic entity continues to comply with the conditions for deductibility imposed by the law; and

(iii) no changes in tax legislation adversely affect the economic entity in realising the losses.

(e) Franking credits

The Group has no franking credits available.

7. CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	2013 $	2012 $
Cash at bank and in hand	12,389,956	1,692,394

Risk exposure

The Group's exposure to interest rate risk is discussed in note 2. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

8. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	2013 $	2012 $
Current		
Other debtors	87,110	–
Deposits	192,855	182,855
	279,965	182,855

As at 30 June 2013 there were no past due or impaired receivables (2012: Nil). The Group's exposure to credit risk is discussed in note 2.

The deposits are held with HSBC and support the bank guarantees required to be given in relation to exploration permits.

9. OTHER ASSETS

	CONSOLIDATED	
	2013 $	2012 $
Current		
Prepayments	57,427	186,798
	57,427	186,798

10. PLANT AND EQUIPMENT

	CONSOLIDATED 2013 $	2012 $
At Cost	143,314	120,925
Accumulated depreciation	(50,616)	(23,305)
Net book amount	92,698	97,620
Reconciliation of carrying amounts at the beginning and end of the year		
At 1 July		
Additions	97,620	35,030
Disposals	22,389	91,050
Depreciation charge	–	(9,310)
	(27,311)	(19,150)
At 30 June	**92,698**	**97,620**

11. EXPLORATION AND EVALUATION ASSETS

	CONSOLIDATED 2013 $	2012 $
Mineral properties – cost	**16,132,265**	**11,581,538**
Reconciliation		
Balance at the beginning of the year	11,581,538	1,424,602
Additions	4,223,894	9,794,869
Share based payments capitalised	326,833	362,067
Written off	–	–
Balance at the end of the year	**16,132,265**	**11,581,538**

Recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation or alternatively sale of the respective area of interest.

12. INTANGIBLE ASSETS

	CONSOLIDATED 2013 $	2012 $
Software at cost	50,196	23,010
Accumulated amortisation	(15,591)	(1,617)
	34,605	**21,393**

13. TRADE AND OTHER PAYABLES

	CONSOLIDATED	
	2013 $	2012 $
Trade payables	1,400,982	321,571
Other payables and accrued expenses	300,822	1,002,771
Employee benefits	66,034	93,322
	1,767,838	**1,417,664**

14. BORROWINGS

	CONSOLIDATED	
	2013 $	2012 $
Loan from Noble Group Ltd	7,748,835	–

During the year the Company entered into an unsecured draw down facility ("Facility") between its subsidiary, Matilda Coal Pty Ltd, and Noble Group Limited. The Facility was subsequently amended on 31 December 2012, 31 January 2013, 30 April 2013 and 17 June 2013. The key terms of the Facility at 30 June 2013 are:

1. A facility limit of $8,300,000, to be drawn down at any time prior to the Repayment Date in multiples of $250,000.
2. The Repayment Date is the earlier of:
   a. the 5th business day after receiving subscription monies from the share placement to Mulsanne Resources Pty Ltd as approved by shareholders on 12 July 2012; or
   b. 31 December 2013.
3. Any funds raised either through a capital raising or debt funding must, within 5 business days of receipt, be applied towards repaying the draw downs.
4. Interest is payable at 12.5 % per annum, payable monthly in arrears. Blackwood may elect to capitalise interest prior to the Repayment Date. The final interest payment will be paid on the Repayment Date.
5. Blackwood's obligations under the Facility are guaranteed by Blackwood's subsidiary Matilda Coal Pty Limited.
6. Blackwood may, with 10 business days' notice, elect to repay an amount of principal before the Repayment Date. With 15 day's written notice Blackwood may elect to cancel the entire facility before the Repayment Date without penalty or cost.

15. ISSUED CAPITAL

(a) Share capital

	CONSOLIDATED		CONSOLIDATED	
	2013 SHARES	2012 SHARES	2013 $	2012 $
Ordinary shares – Fully paid	185,050,269	185,050,269	46,622,005	46,622,005
	185,050,269	**185,050,269**	**46,622,005**	**46,622,005**

15. ISSUED CAPITAL (CONTINUED)

(b) Movements in ordinary share capital:

DETAILS	NUMBER OF SHARES	ISSUE PRICE ($)	$
Balance at 1 July 2011	**160,350,269**		**41,682,005**
Shares issued to Noble Group	24,700,000	0.20	4,940,000
Balance at 30 June 2012	**185,050,269**		**46,622,005**
Balance at 30 June 2013	**185,050,269**		**46,622,005**

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

(d) Options

There were nil (2012: nil) options over ordinary shares of Blackwood Corporation Limited at 30 June 2013.

During the financial year no options were issued or exercised.

(e) Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of debt and equity attributable to equity holders, comprising of contributed equity, reserves and accumulated losses. In order to maintain or adjust the capital structure, the company may issue new shares or adjust the level of activities undertaken by the Group. There are no externally imposed capital requirements. The Group monitors capital on the basis of cash flow requirements for operational, and exploration and evaluation expenditure. The Group's exposure to borrowings as at 30 June 2013 totals $7,748,835 (2012: $nil). The Group will continue to use capital market issues and joint venture participant funding contributions to satisfy anticipated funding requirements.

During the period, the Group's strategy to capital risk management has expanded to incorporate related party debt which was drawn to provide ongoing funding prior to settlement of the Tinkler Share Placement Agreement (refer Note 5(a))

(f) Technical services agreement

The Group had entered into a Technical Services Agreement ("TSA") which contemplated Janvel Pty Ltd, a subsidiary of Noble Group (formerly Osendo Pty Ltd, a subsidiary of Noble Group) being issued with 24,700,000 shares in consideration for performing services up to the value of $4,940,000 and in the event the annuity date was reached without services totaling the full amount as specified in the agreement being performed, a cash payment to acquire the remaining shares. During the prior year ended 30 June 3012, technical services to the value of $523,911 were received and the balance of $3,940,000 cash was provided to the Group and 24,700,000 shares were issued in consideration. The TSA was terminated in November 2011 and there were no services received during the year ended 30 June 2013.

16. RESERVES

Nature and purpose of reserves

Share based payments reserve

The share-based payments reserve is used to recognise the grant date fair value of performance rights and options issued to directors/contractors but not exercised.

17. DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Directors and other key management personnel compensation

	CONSOLIDATED 2013 $	2012 $
Short-term employee benefits	1,596,727	1,319,232
Post-employment benefits	78,304	57,117
Share-based payments	485,893	774,537
	2,239,228	**2,150,886**

(b) Equity instrument disclosures relating to directors and key management personnel

(i) Performance Rights holdings of key management personnel

2013

NAME	BALANCE AT THE START OF THE YEAR	GRANTED DURING THE YEAR AS COMPENSATION	EXERCISED DURING THE YEAR	BALANCE AT THE END OF THE YEAR	VESTED AND EXERCISABLE AT THE END OF THE YEAR
Directors					
B Bolitho	–	–	–	–	–
R Littlewood	–	–	–	–	–
W Randall	–	–	–	–	–
A Simpson	–	–	–	–	–
B McPherson	–	–	–	–	–
Executives					
T Harrington	2,000,000	–	–	2,000,000	1,000,000
D Smith	1,000,000	–	–	1,000,000	500,000
M Winsley	1,000,000	–	–	1,000,000	500,000
J Yago	800,000	–	–	800,000	400,000
B Schilling	650,000	–	–	650,000	325,000
Total	5,450,000	–	–	5,450,000	2,725,000

2012

NAME	BALANCE AT THE START OF THE YEAR	GRANTED DURING THE YEAR AS COMPENSATION	EXERCISED DURING THE YEAR	BALANCE AT THE END OF THE YEAR	VESTED AND EXERCISABLE AT THE END OF THE YEAR
Directors					
B Bolitho	–	–	–	–	–
R Littlewood	–	–	–	–	–
W Randall	–	–	–	–	–
A Simpson	–	–	–	–	–
B McPherson	–	–	–	–	–
Executives					
T Harrington	–	2,000,000	–	2,000,000	–
D Smith	–	1,000,000	–	1,000,000	–
M Winsley	–	1,000,000	–	1,000,000	–
J Yago	–	800,000	–	800,000	–
B Schilling	–	650,000	–	650,000	–
Total	–	5,450,000	–	5,450,000	–

Please refer to the Remuneration Report for details of the Performance Rights Plan.

17. DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(ii) Option holdings of key management personnel

There were no options held or granted to key management personnel during 2013 (2012: Nil).

(iii) Share holdings

The number of ordinary shares in the company held during the financial year by each director of Blackwood Corporation Limited and other key management personnel, including their personally related parties, are set out below.

2013

NAME	BALANCE AT THE START OF THE YEAR	GRANTED AS COMPENSATION	OTHER CHANGES DURING THE YEAR	BALANCE AT THE END OF THE YEAR
Directors				
B Bolitho	6,209,323	–	275,000[1]	6,484,323
R Littlewood	–	–	–	–
W Randall	–	–	–	–
A Simpson	1,000,000	–	–	1,000,000
Executives				
T Harrington	–	–	–	–
D Smith	–	–	–	–
M Winsley	–	–	–	–
J Yago	–	–	–	–
B Schilling	25,000	–	–	25,000
Total	7,234,323	–	275,000	7,509,323

2012

NAME	BALANCE AT THE START OF THE YEAR	GRANTED AS COMPENSATION	OTHER CHANGES DURING THE YEAR	BALANCE AT THE END OF THE YEAR
Directors				
B Bolitho	5,778,323	–	431,000[1]	6,209,323
R Littlewood	–	–	–	–
W Randall	–	–	–	–
A Simpson	1,000,000	–	–	1,000,000
Executives				
T Harrington	–	–	–	–
D Smith	–	–	–	–
M Winsley	–	–	–	–
J Yago	–	–	–	–
B Schilling	25,000	–	–	25,000
Total	6,803,323	–	431,000	7,234,323

1 B Bolitho purchased shares on-market during the period

No other key management personnel held shares.

(c) Other transactions with directors and key management personnel

Transactions with related parties are at arm's length both in terms of prevailing market prices and commercial terms. There were no other transactions with key management personnel.

18. REMUNERATION OF AUDITORS

	CONSOLIDATED 2013 $	2012 $
During the year the following fees were paid or payable for services provided by the auditor, its related practices and non-related audit firms:		
BDO Audit Pty Ltd		
Audit services		
Audit and review of financial reports	55,000	67,500
Other services		
Taxation services	–	–
Due diligence	–	46,176
Total remuneration	55,000	113,676

19. CONTINGENT LIABILITIES

No contingent liabilities have been identified as at 30 June 2013 (2012: Nil).

20. COMMITMENTS FOR EXPENDITURE

	CONSOLIDATED 2013 $	2012 $
Exploration commitments		
Commitments for payments under exploration permits for minerals in existence at the reporting date but not recognised as liabilities payable are as follows:		
Within one year	9,348,000	6,966,000
Later than one year but not later than 5 years	7,511,000	26,854,000
Later than 5 years	–	–
Commitments not recognised in the financial statements	**16,859,000**	**33,820,000**

So as to maintain current rights to tenure of various exploration tenements, the Group will be required to outlay amounts in respect of tenement exploration expenditure commitments. These outlays, which arise in relation to granted tenements, are noted above. The outlays may be varied from time to time, subject to approval of the relevant government departments, and may be relieved if a tenement is relinquished.

Exploration commitments total $16,859,000 (2012: $33,820,000). They are calculated on the assumption that each of these tenements will be held for its full term. But, in fact, commitments will decrease materially as exploration advances and ground that is shown to be unprospective is progressively surrendered. In addition, following negotiation with the Queensland Government during the period expenditure commitments on certain existing tenements were decreased. Expenditure commitments on prospective ground will be met out of existing funds, joint ventures, farm-outs, and new capital raisings.

21. RELATED PARTIES

(a) Subsidiaries

Interests in subsidiaries are set out in note 22.

(b) Key management personnel

Disclosures relating to key management personnel are set out in note 17.

(c) Transactions with other related parties

Noble Group Limited has a significant interest in the Group. During the year the Company entered into an unsecured draw down facility ("**Facility**") between its subsidiary, Matilda Coal Pty Ltd, and Noble Group Limited. Refer Note 14 for details of the Facility.

22. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

			EQUITY HOLDING	
NAME OF ENTITY	COUNTRY OF INCORPORATION	CLASS OF SHARES	2013 %	2012 %
Matilda Coal Pty Ltd	Australia	Ordinary	100	100
Drill Down Resources Pty Ltd	Australia	Ordinary	100	–

23. RECONCILIATION OF PROFIT/(LOSS) AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	CONSOLIDATED	
	2013 $	2012 $
Profit/(Loss) after income tax	6,489,309	(3,927,485)
Depreciation	41,469	20,536
Settlement of SPA with Mulsanne Resources Pty Ltd treated as cashflow from financing activities	(12,000,000)	–
Share based payments	309,168	586,892
Capitalised interest costs	448,835	–
(Gain)/Loss on sale of plant & equipment	–	6,555
Expenses under Technical Services Agreement	–	181,191
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(97,110)	47,604
(Increase)/decrease in other current assets	129,371	(186,798)
Increase/(decrease) in trade and other payables	1,209,932	266,419
Net cash outflow from operating activities	**(3,469,027)**	**(3,005,086)**

(a) Non-cash financing and investing activities

Janval Pty Ltd had provided technical services to the value of $nil (2012:$523,911). $Nil (2012: $181,191) of this total was provision of office space by Janval Pty Ltd for the Group to operate in and the balance ($nil 2012: $342,720) was expenditure on exploration and evaluation assets.

During the period $326,833 (2012: 362,067) of share based payments incurred in employee remuneration were capitalised to exploration and evaluation assets.

Interest costs of $448,835 (2012: $nil) were capitalised to the outstanding balance of the loan from Noble Group Ltd.

24. EVENTS OCCURRING AFTER REPORTING DATE

There were no material events occurring after reporting date.

25. EARNINGS PER SHARE

	2013 CENTS	2012 CENTS
(a) Basic earnings per share		
Profit/(loss) attributable to ordinary equity holders of the company	3.5	(2.3)
(b) Diluted earnings per share		
Profit/(loss) attributable to ordinary equity holders of the company	3.4	(2.3)

	2013 $	2012 $
(c) Reconciliation of earnings used in calculating earnings per share		
Basic earnings per share		
Profit/(loss) from operations	6,489,308	(3,927,485)
Diluted earnings per share		
Profit/(loss) from operations	6,489,308	(3,927,485)

	2013 NUMBER	2012 NUMBER
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	185,050,269	7,225,000
Adjustments for calculation of diluted earnings per share:		
Performance Rights	173,343,146	–
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**192,275,269**	**173,343,146**

(e) Information concerning the classification of securities

Performance rights on issue (or agreed to be issued) were not included in the calculation of diluted earnings per share for the year ended 30 June 2012 because they were antidilutive while the company was in a loss position.

26. SHARE-BASED PAYMENTS

(a) Performance rights plan

At the extraordinary general meeting on 29 October 2010 approval was given for the performance rights plan. The purpose of the plan is to provide an incentive to Eligible Participants by enabling them to participate in the future growth of the Company and upon becoming shareholders to participate in the Company's profits and development. Under the Plan Eligible Participants may be granted rights to shares upon the satisfaction of specific performance criteria and specified periods of tenure. The only vesting conditions applicable to rights were service conditions. Please refer to the Remuneration Report for further details of the Performance Rights Plan. The following table illustrates the number and weighted average exercise price (WAEP) of, and movements in, performance rights issued during the year:

	2013 NO.	2013 WEIGHTED AVERAGE EXERCISE PRICE	2012 NO.	2012 WEIGHTED AVERAGE EXERCISE PRICE
Outstanding at beginning of year	6,825,000	Nil	–	–
Expired	–	–	–	–
Granted	400,000	Nil	6,825,000	Nil
Forfeited	–	–	–	–
Exercised	–	–	–	–
Total outstanding at end of year	7,225,000	Nil	6,825,000	Nil
Vested and exercisable at end of year	3,720,000	Nil	–	–

The weighted average remaining contractual life for performance rights on issue at 30 June 2013 is 5.2 years (2012: 6.2 years).

The exercise price on all performance rights on issue at 30 June 2013 is Nil (2012: Nil).

The fair value of performance rights at grant date is calculated as the closing share price on the date of grant. The weighted average fair value of performance rights granted during the year is $0.12 (2012: $0.24).

(b) Shares

There were no shares issued during the current or prior years.

(c) Options

No options were issued as share based payments in the year ended 30 June 2013 (2012: Nil).

(d) Total share based payment costs

The amount of share based payments included in the statement of comprehensive income is as follows:

	CONSOLIDATED	
	2013 $	2012 $
Performance Rights	309,168	586,892
Shares issued under the TSA	–	181,191
Shares issued for services	–	–
	309,168	**768,083**

The amount of share based payments included in the statement of financial position is as follows:

	CONSOLIDATED	
	2013 $	2012 $
Performance Rights capitalised to exploration and evaluation assets	326,833	362,067
Shares issued under the TSA capitalised to exploration and evaluation assets	–	342,720
	326,833	**704,787**

(e) Options on issue

The following table illustrates the number and weighted average exercise price and amounts in share options during the year:

	2013 NO.	2013 WEIGHTED AVERAGE EXERCISE PRICE	2012 NO.	2012 WEIGHTED AVERAGE EXERCISE PRICE
Outstanding at beginning of year	–	–	1,100,000	$0.516
Expired	–	–	(1,100,000)	$0.516
Granted	–	–	–	–
Forfeited	–	–	–	–
Exercised	–	–	–	–
Total	–	–	–	–
Vested and exercisable at end of year	–	–	–	–

27. PARENT ENTITY INFORMATION

The following information relates to the parent entity, Blackwood Corporation Limited. The information presented has been prepared using accounting policies that are consistent with those presented in note 1.

	2013 $	2012 $
Profit/(Loss) for the year	6,482,208	(3,921,280)
Other comprehensive income, net of tax	–	–
Total comprehensive loss for the year	6,482,208	(3,921,280)
Financial position of the parent entity at the end of the year:		
Current assets	12,537,386	1,877,514
Non-current assets	16,512,292	11,903,716
Total assets	29,049,678	13,781,230
Current liabilities	9,562,574	1,412,334
Non-current liabilities	–	–
Total liabilities	9,562,574	1,412,334
Net assets	19,487,105	12,368,896
Issued capital	46,622,005	46,622,005
Accumulated losses	(30,140,114)	(36,622,322)
Share based payment reserve	3,005,214	2,369,213
Total equity	19,487,105	12,368,896

Contingent liabilities

Refer to note 19 for any contingent liabilities at 30 June 2013.

Capital commitments

Blackwood Corporation Limited has no commitments to acquire property plant and equipment.

Guarantees

Blackwood Corporation Limited has not provided any guarantees in relation to the debts of its subsidiary.

28. ENTITY DETAILS

The registered office and principal place of business is:

Level 9, 288 Edward Street
Brisbane, QLD 4000 Australia

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the attached financial statements and notes are in accordance with the *Corporations Act 2001*, including:
   (i) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
   (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the financial year ended on that date; and

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

(c) The financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as disclosed in Note 1; and

(d) The remuneration disclosures contained in the Remuneration Report comply with s300A of the *Corporations Act 2001*; and

(e) The directors have been given the declarations required to be made by the chief executive officer and the chief financial officer in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2013.

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

B Bolitho
Chairman

Brisbane, 30 September 2013

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INDEPENDENT AUDITOR'S REPORT

To the members of Blackwood Corporation Limited

Report on the Financial Report

We have audited the accompanying financial report of Blackwood Corporation Limited, which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's 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.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Blackwood Corporation Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

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

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

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

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

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding through equity, successful exploration and subsequent exploitation of the consolidated entity's tenements, and/or sale of non-core assets. These conditions, along with other matters set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt on the consolidated entity's ability to continue as a going concern and, therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 18 of the directors' report for the year ended 30 June 2013. 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.

Opinion

In our opinion, the Remuneration Report of Blackwood Corporation Limited for the year ended 30 June 2013 complies with section 300A of the *Corporations Act 2001*.

BDO Audit Pty Ltd

BDO

D P Wright

Director

Brisbane, 30 September 2013

In fulfilling its obligations and responsibilities to its various stakeholders, the Board is a strong advocate of corporate governance. This statement outlines the principal corporate governance procedures of the Company. The Board supports a system of corporate governance to ensure that the management of the Company is conducted to maximise shareholder wealth in a proper and ethical manner.

ASX CORPORATE GOVERNANCE COUNCIL RECOMMENDATIONS

The Board has adopted corporate governance policies and practices consistent with the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations ("ASX Principles and Recommendations 2nd Edition") where considered appropriate for company of the Company's size and nature. Such policies include, but are not limited to the Board Charter, Board Committee Charters, Code of Conduct, Security Trading, Continuous Disclosure, Shareholder Communication and Risk Management Policies.

The Company's main corporate governance policies and practices are outlined below:

(a) Board of Directors

The Company's Board of Directors is responsible for corporate governance of the Company. The Board develops strategies and financial objectives for the Company, reviews strategic objectives and monitors performance against those objectives.

The Board acknowledges its accountability to Shareholders for creating Shareholder value within a framework which protects the rights and interests of Shareholders and ensures the Company is properly managed.

The objective of the Board is to provide an acceptable rate of return to the Company's Shareholders and take into account the interests of its employees, customers, suppliers, lenders and the wider community.

Each of the Directors, when representing the Company, must act in the best interest of Shareholders of the Company and in the best interests of the Company as a whole.

In carrying out the responsibilities and powers set out in the Board Charter, the Board:

(i) recognises its overriding responsibilities to act honestly, fairly, diligently and in accordance with the law in serving the interests of its Shareholders; and

(ii) recognises its duties and responsibilities to its employees, customers and the community.

The Board is responsible for (including matters which are reserved for the Board) appointing and removing the Chief Executive Officer, providing leadership and supervision of senior management, business strategy, stakeholder relationships, reviewing and monitoring systems of risk management and internal controls, compliance with corporate governance, succession planning and approving and monitoring major capital expenditure and financial reporting. Management, on the other hand is, and was during the reporting period, responsible for the implementation of these objectives and for the day-to-day operations of the Company.

Director's individual responsibilities are set out in an appointment letter, while the Chief Executive Officer is engaged under an employment agreement, which includes a formal job description.

(b) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting.

The composition of the Board is to be reviewed regularly to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction. Where practical, at least half of the Board will be independent. An independent Director is one who is independent of management and free from any business or other relationship, which could, or could reasonably be perceived to, materially interfere with, the exercise of independent judgement.

The Board is currently comprised of a majority of Non-Executive, but does not currently have a majority of independent directors. The Board considers that the Board is constituted with the appropriate range of skills, knowledge and experience to effectively govern the Company and the Board is of the view that its current structure is appropriate given the Company is in the early stages of its development and given the size, nature and scope of the Company's activities.

Details of the Directors in office at the date of this report, including their qualifications, experience and date of appointment are set out in the Directors' Report.

(c) Independent professional advice

The Board or individual Directors may seek independent external professional advice as considered necessary at the expense of the Company, subject to prior consultation with the Chairperson. A copy of any such advice received is to be made available to all members of the Board.

(d) Chief Executive Officer

The Chief Executive Officer is responsible for running the Company on a day to day basis pursuant to authority delegated by the Board and is responsible for the implementation of Board and corporate policy and planning in accordance with approved programmes and budgets. The Chief Executive Officer reports to the Board regularly and is under an obligation to make sure that all reports presented give a true and fair view of the Company's operational production activities, exploration and other activities and its current financial status.

The roles of Chairman and the Chief Executive Officer are not exercised by the same individual.

(e) Remuneration arrangements

The total maximum remuneration of Non-Executive Directors is the subject of a Shareholder resolution in accordance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-Executive Director. The current limit, which may only be varied by Shareholders in general meeting, is an aggregate amount of $350,000 per annum.

The Board may award additional remuneration to Non-Executive Directors called upon to perform extra services or make special exertions on behalf of the Company.

The CEO and Senior Management remuneration arrangements are set out in detail in the Remuneration Report contained in the Directors' Report.

(f) Performance Assessment

The Board has adopted a formal process for an annual self assessment of its collective performance and the performance of individual directors. The Board is required to meet at least annually with the purpose of reviewing the role of the Board, assessing its performance over the previous 12 months and examining ways in which the Board can better perform its duties. The issues examined in the review include the Board's interaction with management, the type of information provided to the Board by management and management performance in helping the Board meet its objectives. During the reporting period the Board did not conduct the annual self assessment as the Board monitored its performance and compliance with its duties on an ongoing and continual basis.

The Board has conducted regular informal reviews of executive performance during the year. It is the intention of the Board to put into place arrangements to introduce annual performance appraisals of each individual against pre-determined Key Performance Indicators as part of the annual review to better monitor and assess the performance of the Company's executives.

(g) Code of Conduct

A formal code of conduct for the Company applies to all directors and employees. The code aims to encourage the appropriate standards of conduct and behaviour of the directors, employees and contractors of the Company. All personnel are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

The Directors, managers and employees are expected to act with the utmost integrity and objectivity, observe the highest standards of behaviour and business ethics and strive at all times to enhance the good reputation and performance of the Company by acting in the best interests of the Company, being responsible and accountable for their actions and observing the ethical principles of fairness, honesty and truthfulness, including disclosure of potential conflicts.

A copy of the Code of Conduct can be found on the Company's website.

(h) Audit committee

The Company has established an Audit and Risk Management Committee which operates in accordance with a written charter. The current members of the Committee are Mr Andrew Simpson (Committee chair) and Mr Barry Bolitho and the Chief Financial Officer participating from time to time by invitation. The member's qualifications, experience and attendance at meetings of the Audit and Risk Management Committee are set out in the Directors' Report.

Pursuant to the charter, the audit and risk management responsibilities include:

- overseeing, co-ordinating and appraising the quality of the audits conducted by both the Company's external and internal auditors (if and when appointed);
- determining the independence and effectiveness of the external and internal auditors;

- maintaining open lines of communications among the Board and the internal and external auditors to exchange views and information, as well as confirm of their respective authority and responsibilities;
- serving as an independent and objective party to review the financial information submitted by management to the Board for issue to shareholders, regulatory authorities and the general public; and
- reviewing the adequacy of the reporting and accounting controls of the Company.

A copy of the Audit and Risk Management Charter can be found on the Company's website.

(i) External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance, independence and fees of those external auditors.

(j) Nomination and Remuneration Committee

The Company has established a Remuneration Committee (Committee) which operates in accordance with a written charter. The current members of the Remuneration Committee are Mr Barry Bolitho (Committee chair) and Mr Andrew Simpson with the other Board members and the Chief Executive Officer participating from time to time by invitation. The member's qualifications, experience and attendance at meetings of the Remuneration Committee are set out in the Directors' Report.

The Board, as a whole, serves and fulfils the nomination committee function and acts in accordance with the Nomination and Remuneration Committee Charter.

Pursuant to the charter, the nomination and remuneration responsibilities include:

- reviewing and recommending the overall strategies in relation to executive remuneration policies;
- reviewing and make recommendations in respect of the compensation arrangements for all non-executive directors, the Chief Executive Officer and all other senior executives;
- reviewing the effectiveness of performance incentive plans;
- reviewing and make recommendations in respect of all equity based remuneration plans;
- reviewing and make recommendations in respect of the Company's recruitment, retention and termination policies and superannuation arrangements;
- reviewing the composition of the Board and ensuring that the Board has an appropriate mix of skills and experience to properly fulfil its responsibilities;
- ensuring that the Board is comprised of directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance;
- reviewing and make recommendations to the Board in respect of the succession plans of senior executives (other than executive Directors) and ensuring the performance of senior executives is reviewed at least annually; and
- considering nominations for potential candidates to act as Directors.

(k) Identification and Management of Risk

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks, their management and internal controls to mitigate risk will be recurring items for deliberation at Board meetings.

The Board takes a proactive approach to risk management and have a formal risk management policy to provide further guidance. The identification and proper management of risk within the Company is a priority for the Board.

The Company's process of risk management and internal compliance and control includes:

- establishing the Company's goals and objectives, and implementing and monitoring strategies and policies to achieve these goals and objectives;
- continuously identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks;
- formulating risk management strategies to manage identified risks and designing and implementing appropriate risk management policies and internal controls; and
- monitoring the performance of, and continuously improving the effectiveness of, risk management systems and internal compliance and controls, including an ongoing assessment of the effectiveness of risk management and internal compliance and control.

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to report back on the efficiency and effectiveness of risk management.

For the reporting period the Chief Executive Office and the Chief Financial Officer have reported to the Board that:

(i) the declaration in accordance with section 295A of the Corporations Act regarding the integrity of the financial statements and notes thereto are founded on a sound system of risk management and internal control and that system is operating effectively in all material respects in relation to financial reporting risks; and

(ii) the Company's risk management and internal control systems to manage the Company's material risks, so far as introduced, are operating effectively and are being managed effectively in all material respects.

(l) Policy for Trading in Company Securities

Trading in the Company's securities by directors and employees is not permitted when they are in possession of unpublished price sensitive information. Any transactions undertaken must be notified to the Chairman or the Board in advance.

Directors, officers and employees must not buy, sell or subscribe for securities if they are in possession of 'inside information' (information that is not generally available and, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities). The *Corporations Act 2001* (Cth) provides that a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the securities.

Subject to the insider trading restrictions above, it is the Company's policy that Directors, officers and employees will not deal in the Company's securities as a matter of course during:

- in the two weeks prior to the release of the Company's quarterly reports (if appropriate) and for two business days after the release of the report;
- from 1 January until the release of the Company's half year financial results and for two business days after the release of the results;
- from 1 July until the release of the Company's full year financial results and for two business days after the release of the results;
- in any other period when the Company is in possession of unpublished price-sensitive information and for two business days after the release of such information; and
- any time it may be reasonably probable that notification of price-sensitive information is required pursuant to the ASX Listing Rules and for two business days after the release of such information.

The Company's policy also reinforces the Directors' and Company's statutory obligations to notify the ASX of any dealing in the securities which results in a change in the relevant interests of a Director in the securities. As contemplated in the ASX listing rules, each Director provides notice of such dealings to the Company Secretary within five business days of any such dealing to enable the Company to comply with its corresponding obligation to notify the ASX.

Subject to the insider trading restrictions above, Directors may trade outside the specified periods with approval from the Chairman or in the case of the Chairman intending to trade with approval from the Audit Committee Directors or Board.

(m) Continuous Disclosure and Shareholder Communication

The Company has a formal written policy for the continuous disclosure of any price sensitive information concerning the Company. The Board has also adopted a policy covering arrangements to promote communications with shareholders and to encourage effective participation at general meetings. A copy of the Continuous Disclosure Policy can be found on the Company's website.

The Chairman, CEO and the Company Secretary have been nominated as the Company's primary disclosure officers. All information released to the ASX is posted on the Company's website as soon as practicable after it is disclosed to the ASX. When analysts are briefed on aspects on the Company's operations, the material used in the presentation is released to the ASX and posted on the Company's website.

The Company is committed to providing shareholders and stakeholders with extensive, transparent, accessible and timely communications on the Company's activities, strategy and performance. In addition, the Company makes all market announcements, media briefings, details of shareholders meetings, press releases and financial reports available on the Company's website www.bwdcorp.com.au

(n) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

ASX BEST PRACTICE RECOMMENDATIONS

The table below identifies the ASX Corporate Governance Principles and Recommendations (Principles) and whether or not the Company has complied with the recommendations during the reporting period:

RECOMMENDATION		COMPLIED	NOTE
1.1	Establish the functions reserved to the board and those delegated to senior executives and disclose those functions	✓	
1.2	Disclose the process for evaluating the performance of senior executives	✓	
1.3	Provide the information indicated in the Guide to reporting on Principle 1	✓	
2.1	A majority of the board should be independent directors	✗	Note 1
2.2	The chair should be an independent director	✗	Note 2
2.3	The roles of chair and chief executive officer should not be exercised by the same individual	✓	
2.4	The board should establish a nomination committee	✗	Note 3
2.5	Disclose the process for evaluating the performance of the board, its committees and individual directors	✓	
2.6	Provide information indicated in the Guide to reporting on Principle 2	✓	
3.1	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 heir legal obligations and the reasonable expectations of their stakeholders › the responsibility and accountability of individuals for reporting and investigating reports of unethical practices	✓	
3.2	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 measureable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them	✗	Note 4
3.3	Companies should disclose in each annual report the measureable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress in achieving them	✗	Note 4
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	✓	Note 4
3.5	Provide information indicated in the Guide to reporting on Principle 3	✓	
4.1	Establish an audit committee	✓	
4.2	Structure the audit committee so that it: › consist 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	✗	Note 5
4.3	The audit committee to have a formal charter	✓	
4.4	Provide the information indicated in the Guide to reporting on Principle 4	✓	
5.1	Establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies	✓	

RECOMMENDATION		COMPLIED	NOTE
5.2	Provide the information indicated in the Guide to reporting on Principle 5	✓	
6.1	Design 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	✓	
6.2	Provide the information indicated in the Guide to reporting on Principle 6	✓	
7.1	Establish policies for oversight and management of material business risks and disclose a summary of those policies	✓	
7.2	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. Disclose that management has reported to it as to the effectiveness of the company's management of its material business risks	✓	
7.3	Disclose whether assurance has been received 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 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	✓	
7.4	Provide information indicated in the Guide to reporting on Principle 7	✓	
8.1	Establish a remuneration committee	✓	
8.2	Structure the remuneration committee so that it: › consist 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	✗	Note 3
8.3	Clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives	✓	
8.4	Provide the information indicated in the Guide to reporting on Principle 8	✓	

Note 1: During the reporting period the majority of directors did not satisfy the test of independence set out in Box 2.1 of the ASX Principles of Good Corporate Governance and Best Practice Recommendations (Independence Test).

- Messrs Simpson, Randall and Littlewood do not satisfy the Independence Test as they are officers, or otherwise associated directly with, a substantial shareholders of the Company as defined in section 9 of the *Corporations Act 2001*.
- Mr Bolitho was an executive director of the Company within the last 3 years.

The Board considers that its structure is, and will continue to be, appropriate in the context of the Company's history, size and scope and the directors' experience and knowledge of the Company's assets. The Company considers that the non-independent Directors possess the skills and experience suitable for building the Company. The Board intends to reconsider its composition as the Company's operations evolve, and may appoint additional independent directors as it deems appropriate.

Note 2: As noted above, Mr Bolitho does not satisfy the Independence Test as he was an executive director of the Company within the last 3 years.

Note 3: The Principles recommend that companies should have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties and that companies should have a structure to ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.

(a) Recommendation 2.4 – Nomination Committee

Recommendation 2.4 of the Principles states that the board should establish a nomination committee that should be structured so that it:

- consists of a majority of independent directors;
- is chaired by an independent director; and
- has at least three members.

The Board does not have a separate nomination committee. The Board, as a whole, serves as a nomination committee and acts in accordance with the Nomination and Remuneration Committee Charter. The Board does not believe any efficiency or other benefits would currently be gained by establishing a separate nomination committee.

The responsibility for the selection of potential directors lies with the full Board of the Company. A separate nomination committee has not been constituted because the Board considers that the size of the current Board permits it to act as the nomination committee and to regularly review membership. This includes an assessment of the necessary and desirable competencies of Board members, Board succession plans and an evaluation of the Board's performance and consideration of appointments and approvals.

When a Board vacancy occurs, the Board acting as the nomination committee, identifies the particular skills, experience and expertise that will best complement Board effectiveness, and then undertakes a process to identify candidates who can meet those criteria.

Directors are not appointed for specific terms, as their periods in office are regularly reviewed as part of annual performance evaluation processes and they are subject to re-election every three (3) years.

(b) Recommendation 8.2 – Remuneration Committee

Recommendation 8.2 of the Principles states that the board should establish a remuneration committee that should be structured so that it:

- consists of a majority of independent directors;
- is chaired by an independent director; and
- has at least three members.

The Company has established a Remuneration Committee (Committee) which operates in accordance with a written charter. The current members of the Committee are Mr Barry Bolitho (Committee chair) and Mr Andrew Simpson with the other Board members and the Chief Executive Officer participating from time to time by invitation.

Due the current structure of the Board, membership of the Committee does not meet all of the recommended guidelines for composition of a remuneration committee.

The Committee does not have at least 3 non-executive members and not all of the members of the Committee satisfy the Independence Test. Mr Simpson does not satisfy the Independence Test as he is associated with a substantial shareholder of the Company. Mr Bolitho does not satisfy the Independence Test as he has been an executive director of the Company. The Board (in the absence of Messrs Simpson and Bolitho, separately) consider both he Messrs Simpson and Bolitho are capable of and demonstrate that they consistently make decisions and take actions which are designed to be in the best interests of the Company.

Given the size of the Board and the Company, the Board considers that this function is efficiently achieved by a committee of 2 non-executive members reporting to the full Board. In circumstances where the size of the Board is expanded as a result of the growth or complexity of the Company, the Board will reconsider the composition of the Committee to ensure compliance with the Principles where possible.

Note 4: The Principles recommends that companies should actively promote ethical and responsible decision-making.

(a) Recommendation 3.2 – Diversity Policy

Recommendation 3.2 states that 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 measureable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.

The Company recognises that a talented and diverse workforce is a key competitive advantage and that an important contributor to the Company's success is the quality, diversity and skills of its people.

Under the Company's Code of Conduct, employees must not harass, discriminate or support others who harass and discriminate against colleagues or members of the public on the grounds of sex, pregnancy, marital status, age, race (including their colour, nationality, descent, ethnic or religious background), physical or intellectual impairment, homosexuality or transgender. Such harassment or discrimination may constitute an offence under legislation.

Due to the small scale of the Company's operations and the limited number of employees, the Company has not yet established a Diversity Policy. However, as the Company develops the Board will consider adopting such a policy (including the appropriate incorporation of diversity as a selection criteria or the appointment of Directors).

(b) Recommendation 3.3 – Measurable Objectives for Achieving Gender Diversity

Recommendation 3.3 of the Principles states that the board should disclose in each annual report the measurable objective for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.

Given the size of the Company, the Company has not yet set measurable objectives for achieving gender diversity. In addition, the Board will review progress against any objectives identified on an annual basis.

(c) Recommendation 3.4 – Annual Report Disclosure

Recommendation 3.4 of the Principles states that the board 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.

The proportion of women employees in the whole organisation is three of twelve, representing 25% of total employees within the organisation, and there are currently no women on the Board or in senior executive positions within the Company.

Note 5: The Principles recommend that companies should have a structure to independently verify and safeguard the integrity of their financial reporting. Recommendation 4.1 of the Principles states that the board should establish an audit committee.

Recommendation 4.2 of the Principles states that 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.

The Company has established an Audit and Risk Management Committee (Committee) which operates in accordance with a written charter. The current members of the Committee are Mr Andrew Simpson (Committee chair) and Mr Barry Bolitho with other Board members and the Chief Financial Officer participating from time to time by invitation.

Due the current structure of the Board, membership of the Committee does not meet all of the recommended guidelines for composition of an audit committee.

The Committee does not have at least 3 non-executive members, due to the size of the Board, and the members of the Committee do not satisfy the Independence Test. Mr Simpson does not satisfy the Independence Test as he is associated with a substantial shareholder of the Company. Mr Bolitho does not satisfy the Independence Test as he was an executive director of the Company within the last 3 years.

Given the size of the Board and the Company, the Board considers that this function is efficiently achieved by a committee of 2 non-executive members reporting to the full Board. In circumstances where the size of the Board is expanded as a result of the growth or complexity of the Company, the Board will reconsider the composition of the Committee to ensure compliance with the Principles where possible.

The Committee chair is not the Chairman of the Board.

The Board (in the absence of Messrs Simpson and Bolitho, separately) consider both he Messrs Simpson and Bolitho are capable of and demonstrate that they consistently make decisions and take actions which are designed to be in the best interests of the Company.

Given the size of the Board and the Company, the Board considers that this function is efficiently achieved by a committee of 2 non-executive members reporting to the full Board. In circumstances where the size of the Board is expanded as a result of the growth or complexity of the Company, the Board will reconsider the composition of the Committee to ensure compliance with the Principles where possible.

ASX ADDITIONAL INFORMATION

Additional information required by the ASX Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below.

1. SHAREHOLDINGS

The issued capital of the Group as at 23 September 2013 is 185,050,269 ordinary fully paid shares. All issued ordinary fully paid shares carry one vote per share.

Ordinary Shares

SHARES RANGE	HOLDERS	UNITS	%
1–1,000	69	30,305	0.02
1,001–5,000	293	947,522	0.51
5,001–10,000	313	2,788,589	1.51
10,001–100,000	696	25,698,055	13.89
100,001–9,999,999	169	155,585,798	84.08
Total	**1,540**	**185,050,269**	**100.00**

Performance Rights

EXPIRY DATE	HOLDERS	UNITS
1 July 2018	2	800,000
1 Aug 2018	1	2,000,000
8 Aug 2018	1	1,000,000
22 Aug 2018	1	250,000
1 Sept 2018	1	800,000
7 Sept 2018	1	100,000
3 Oct 2018	1	250,000
11 Oct 2018	1	125,000
12 Oct 2018	1	400,000
17 Oct 2018	1	250,000
1 Nov 2018	1	250,000
25 Jun 2019	1	1,000,000
Total	**13**	**7,225,000**

Unmarketable parcels

There were 378 holders of less than a marketable parcel of ordinary shares.

2. TOP 20 SHAREHOLDERS AS AT 23 SEPTEMBER 2013

NAME		NUMBER OF SHARES	%
1	JANVEL PTY LIMITED	94,689,760	51.17
2	BOLITHO MINING COMPANY PTY LTD <BMC EMPLOYEES S/F A/C>	6,484,323	3.50
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,752,130	1.49
4	GEARED INVESTMENTS PTY LTD <INVESTMENT A/C>	2,520,000	1.36
5	MR KEVIN MICHAEL FINN + MRS SANDRA MARRION FINN <K & S FINN S/F A/C>	2,035,915	1.10
6	MR MICHAEL JOHN SUTHERLAND + MRS KARLA LOUISE SUTHERLAND <MICHAEL SUTHERLAND S/F A/C>	1,600,000	0.86
7	MR MICHAEL SUTHERLAND + MRS KARLA SUTHERLAND	1,150,000	0.62
8	EVERSON HOLDINGS PTY LTD <EVERSON HOLDINGS A/C>	1,000,000	0.54
9	SOUTHERN SILICON PTY LTD <THE SIMPSON FAM S/FUND A/C>	1,000,000	0.54
10	YELRIF INVESTMENTS PTY LIMITED <PENSION FUND A/C>	1,000,000	0.54
11	YELRIF INVESTMENTS PTY LIMITED	1,000,000	0.54
12	MR DAVID GEORGE METFORD <STL SUPER FUND A/C>	900,000	0.49
13	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	791,541	0.43
14	ELDON AUSTRALIA PTY LTD	706,799	0.38
15	JP MORGAN NOMINEES AUSTRALIA LIMITED <CASH INCOME A/C>	636,735	0.34
16	WITTSEND PTY LTD <WITTSEND A/C>	612,616	0.33
17	MR JOHN OWEN HARRIS + MRS MERLE ANNE HARRIS <NORVALE SUPER A/C>	600,000	0.32
18	THANG PTY LIMITED <BCY HUI SUPER FUND A/C>	550,000	0.30
19	MR ANDREW COLIN EVERSON	520,000	0.28
20	MR BRANDON ANDREW GROVES	510,000	0.28
Total		**121,059,819**	**65.42**

3. SUBSTANTIAL SHAREHOLDERS AS AT 23 SEPTEMBER 2013

NAME		NUMBER OF SHARES	%
1	JANVEL PTY LIMITED	94,689,760	51.17

4. RESTRICTED SECURITIES SUBJECT TO ESCROW PERIOD

There are no restricted securities subject to escrow.

5. GROUP CASH AND ASSETS

In accordance with Listing Rule 4.10.19, the Group confirms that it has been using the cash and assets it had acquired at the time of admission and for the year ended 30 June 2013 in a conservative manner that is consistent with its business objective and strategy.

6. SHARE ISSUE

In accordance with Listing Rule 4.10.21, the Group confirms that as at the date of this report the Company has not completed the Share Placement Agreement for the issue of 94,689,760 fully paid ordinary shares at an issue price per Placement Share of $0.30 to Mulsanne Resources Pty Ltd to raise $28,406,928, which was approved by shareholders at the General Meeting held on 12 July 2012 in accordance with the provisions of Chapter 2E and Item 7 of Section 611 of the Corporations Act 2001 (Cth). The Share Placement Agreement was terminated on 27 June 2013. Further details are set out in the Directors' Report.

TENEMENT REPORT

TENURE NUMBER	TENURE TYPE	STATUS	SUB-STATUS	DATE LODGED	DATE GRANTED	DATE EXPIRES	PRINCIPAL HOLDER	NUMBER OF SUBBLOCKS
2106	EPC	Application	Exploration Permit Proposal	4-May-10			Matilda Coal Pty Ltd	48
2130	EPC	Application	Priority Applicant	1-Jun-10			Matilda Coal Pty Ltd	1
2139	EPC	Application	Competing Application	1-Jul-10			Matilda Coal Pty Ltd	16
2205	EPC	Application	Priority Applicant	1-Sep-10			Matilda Coal Pty Ltd	11
2212	EPC	Application	Priority Applicant	1-Sep-10			Matilda Coal Pty Ltd	14
1564	EPC	Application	Competing Application	1-Sep-08			Matilda Coal Pty Ltd	6
1468	EPC	Application	Priority Applicant	4-Jul-08			Matilda Coal Pty Ltd	138
2781	EPC	Application	Competing Application	1-Sep-11			Matilda Coal Pty Ltd	3
2782	EPC	Application	Competing Application	1-Sep-11			Matilda Coal Pty Ltd	4
2311	EPC	Application	Competing Application	4-Jan-11			Matilda Coal Pty Ltd	26
2329	EPC	Application	Competing Application	4-Jan-11			Matilda Coal Pty Ltd	59
2326	EPC	Application	Competing Application	4-Jan-11			Matilda Coal Pty Ltd	20
2922	EPC	Application	Competing Application	3-Jan-12			Matilda Coal Pty Ltd	24
2924	EPC	Application	Competing Application	3-Jan-12			Matilda Coal Pty Ltd	17
1602	EPC	Application	Competing Application	1-Oct-08			Matilda Coal Pty Ltd	7
2842	EPC	Granted		18-Oct-11	7-Dec-12	6-Dec-17	Matilda Coal Pty Ltd	1
2138	EPC	Granted		1-Jul-10	28-Sep-12	27-Sep-17	Matilda Coal Pty Ltd	15
1762	EPC	Granted		22-May-09	28-Feb-11	28-Feb-16	Matilda Coal Pty Ltd	240
1485	EPC	Granted		8-Jul-08	26-Nov-10	25-Nov-15	Matilda Coal Pty Ltd	60
1496	EPC	Granted		14-Jul-08	29-Oct-10	28-Oct-15	Matilda Coal Pty Ltd	159
1483	EPC	Granted		8-Jul-08	18-Jun-10	17-Jun-15	Matilda Coal Pty Ltd	37
2104	EPC	Granted		28-Apr-10	15-Nov-12	14-Nov-14	Matilda Coal Pty Ltd	1
2853	EPC	Granted		1-Nov-11	11-Feb-13	10-Feb-16	Matilda Coal Pty Ltd	1
1486	EPC	Granted		8-Jul-08	21-Jan-11	20-Jan-16	Matilda Coal Pty Ltd	299
1466	EPC	Granted		4-Jul-08	26-May-10	25-May-15	Matilda Coal Pty Ltd	5
1725	EPC	Granted		2-Apr-09	19-Feb-10	18-Feb-15	Matilda Coal Pty Ltd	10
1599	EPC	Granted		1-Oct-08	11-Apr-11	10-Apr-16	Matilda Coal Pty Ltd	14
2191	EPC	Granted		18-Aug-10	22-Feb-11	21-Feb-16	Matilda Coal Pty Ltd	2
1531	EPC	Granted		1-Aug-08	15-May-09	14-May-16	Matilda Coal Pty Ltd	11
1495	EPC	Granted		14-Jul-08	3-Jul-09	2-Jul-14	Matilda Coal Pty Ltd	47
1467	EPC	Granted		4-Jul-08	20-Jul-09	19-Jul-14	Matilda Coal Pty Ltd	11
1522	EPC	Granted		24-Jul-08	23-Jul-09	22-Jul-14	Matilda Coal Pty Ltd	54
1535	EPC	Granted		1-Aug-08	9-Apr-13	8-Apr-18	Matilda Coal Pty Ltd	20
1562	EPC	Granted		1-Sep-08	4-Aug-09	3-Aug-14	Matilda Coal Pty Ltd	4
2112	EPC	Granted		5-May-10	16-Dec-11	15-Dec-16	Matilda Coal Pty Ltd	3
1600	EPC	Granted		1-Oct-08	26-Nov-09	25-Nov-14	Matilda Coal Pty Ltd	4
1556	EPC	Granted		19-Aug-08	18-Aug-09	17-Aug-14	Matilda Coal Pty Ltd	16
1558	EPC	Granted		19-Aug-08	5-Nov-09	4-Nov-14	Matilda Coal Pty Ltd	20
1563	EPC	Granted		1-Sep-08	15-May-09	14-May-16	Matilda Coal Pty Ltd	40
1724	EPC	Granted		2-Apr-09	19-Feb-10	18-Feb-15	Matilda Coal Pty Ltd	4
1557	EPC	Granted		19-Aug-08	18-Aug-09	17-Aug-14	Matilda Coal Pty Ltd	18
1465	EPC	Granted		3-Jul-08	18-Aug-09	17-Aug-14	Matilda Coal Pty Ltd	66
1603	EPC	Granted		1-Oct-08	20-Aug-12	19-Aug-15	Matilda Coal Pty Ltd	1
1461	EPC	Granted		2-Jul-08	17-Mar-10	16-Mar-15	Matilda Coal Pty Ltd	11
1691	EPC	Granted		20-Feb-09	19-Feb-10	18-Feb-15	Matilda Coal Pty Ltd	4
1459	EPC	Granted		2-Jul-08	17-Aug-09	16-Aug-14	Matilda Coal Pty Ltd	1
1733	EPC	Granted		15-Apr-09	13-Oct-10	12-Oct-15	Matilda Coal Pty Ltd	11
2199	EPC	Granted		30-Aug-10	25-Feb-11	24-Feb-16	Matilda Coal Pty Ltd	5
2200	EPC	Granted		30-Aug-10	25-Feb-11	24-Feb-16	Matilda Coal Pty Ltd	2

TENURE NUMBER	TENURE TYPE	STATUS	SUB-STATUS	DATE LODGED	DATE GRANTED	DATE EXPIRES	PRINCIPAL HOLDER	NUMBER OF SUBBLOCKS
1596	EPC	Granted		1-Oct-08	9-Apr-13	8-Apr-18	Matilda Coal Pty Ltd	14
1565	EPC	Granted		1-Sep-08	18-Aug-09	17-Aug-14	Matilda Coal Pty Ltd	14
2064	EPC	Granted		23-Feb-10	13-Oct-10	12-Oct-15	Matilda Coal Pty Ltd	3
1464	EPC	Granted		3-Jul-08	26-May-10	25-May-15	Matilda Coal Pty Ltd	10
1475	EPC	Granted		7-Jul-08	21-Jul-11	20-Jul-16	Matilda Coal Pty Ltd	32
1509	EPC	Granted		17-Jul-08	17-Aug-09	16-Aug-14	Matilda Coal Pty Ltd	125
1760	EPC	Granted		19-May-09	19-Feb-10	18-Feb-15	Matilda Coal Pty Ltd	8
1702	EPC	Granted		10-Mar-09	19-Feb-10	18-Feb-15	Matilda Coal Pty Ltd	4
1734	EPC	Granted		15-Apr-09	15-Oct-10	14-Oct-15	Matilda Coal Pty Ltd	7
1462	EPC	Granted		2-Jul-08	19-Feb-10	18-Feb-14	Matilda Coal Pty Ltd	15
1703	EPC	Granted		10-Mar-09	19-Feb-10	18-Feb-15	Matilda Coal Pty Ltd	4
1533	EPC	Granted	Renewal Lodged	1-Aug-08	17-Aug-09	16-Aug-13	Matilda Coal Pty Ltd	8
1761	EPC	Granted		19-May-09	14-Dec-11	13-Dec-16	Matilda Coal Pty Ltd	50
2045	EPC	Granted		29-Jan-10	15-Oct-10	14-Oct-15	Matilda Coal Pty Ltd	1
1711	EPC	Granted		20-Mar-09	19-Feb-10	18-Feb-15	Matilda Coal Pty Ltd	2
1555	EPC	Granted		19-Aug-08	17-Aug-09	16-Aug-14	Matilda Coal Pty Ltd	16
2067	EPC	Granted		1-Mar-10	12-Jun-13	11-Jun-18	Matilda Coal Pty Ltd	17
1706	EPC	Granted		20-Mar-09	19-Feb-10	18-Feb-15	Matilda Coal Pty Ltd	4
1474	EPC	Granted		7-Jul-08	21-Jul-11	20-Jul-16	Matilda Coal Pty Ltd	128
1530	EPC	Granted		1-Aug-08	17-Aug-09	16-Aug-14	Matilda Coal Pty Ltd	26
1597	EPC	Granted		1-Oct-08	26-Nov-09	25-Nov-14	Matilda Coal Pty Ltd	5
1436	EPC	Granted		1-Jul-08	17-Aug-09	16-Aug-14	Blackwood Corporation Limited	69
1430	EPC	Granted		30-Jun-08	17-Aug-09	16-Aug-14	Blackwood Corporation Limited	9
1431	EPC	Granted		30-Jun-08	15-May-09	14-May-14	Blackwood Corporation Limited	10

BLACKWOOD TABLE OF JORC RESOURCE ESTIMATES

			JORC RESOURCE			
PROJECT	BLACKWOOD EQUITY (%)	COAL TYPE	MEASURED (MT)	INDICATED (MT)	INFERRED (MT)	TOTAL (MT)
South Pentland	100%	Export Thermal	–	–	322	322
Taroom	100%	Export Thermal	–	–	52	52
Total			**–**	**–**	**374**	**374**

CORPORATE DIRECTORY

DIRECTORS

Mr Barry Bolitho
Mr Andrew Simpson
Mr William Randall
Mr Rex Littlewood

SENIOR MANAGEMENT

Mr Todd Harrington – Chief Executive Officer
Mr David Smith – Chief Financial Officer
Mr Mark Winsley – GM Queensland Exploration
Mr Brendan Schilling – GM Business Development
Mr Joel Yago – Principal Geologist – International

COMPANY SECRETARY

Mr Patrick McCole

REGISTERED OFFICE

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Brisbane QLD 4000 Australia

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45 St Georges Terrace
Perth WA 6000 Australia

AUDITORS

BDO (Qld) Pty Ltd
Level 18, 300 Queen Street
Brisbane QLD 4000 Australia

BLACKWOOD

ENERGY TO GROW

TO GROW

BWDCORP.COM.AU