

**BLIGH RESOURCES LIMITED**

ABN 83 130 964 162

**INTERIM FINANCIAL REPORT**

**FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**

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FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by Bligh Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**

**DIRECTORS' REPORT**

Your directors submit the interim financial report of Bligh Resources Limited (the Company) for the half-year ended 31 December 2013.

**Directors' Details**

Mr Robert John Benussi, CEO & Executive Director  
 Mr Eric Chan, Non-Executive Director (appointed September 2, 2013)  
 Mr Peiqi Zhang, Non-Executive Director  
 Mr Jinle Song, Non-Executive Director  
 Mr Noel Halgreen, Non-Executive Director (resigned September 2, 2013)

Mr Zhijie Li, Alternate to Mr Peiqi Zhang  
 Mr Richie Yang, Alternate to Mr Jinle Song (appointed October 1, 2013)  
 Mr Dinghao Song, Alternate to Mr Jinle Song (resigned October 1, 2013)

Unless otherwise stated, directors were in office during the whole of the half-year and up to the date of this report.

**Review of Operations and Results**

The principal activities of Bligh Resources Limited during the period continued to be the acquisition and evaluation of mineral exploration interests.

The Company's net loss for the half-year was \$256,698 (31 December 2012 loss of \$745,773).

Set out below are the announcements of Bligh Resources Limited in the period.

3 July 2013	The Company released "Appendix 3B" Acquisition of The Little Wonder
5 July 2013	The Company announced a "Company Update"
15 July 2013	The Company released "Encouraging Metallurgical Results at Wonder North"
23 July 2013	The Company released "Quarterly Activities and Cash Flow Reports" - June 30 2013 Quarter
30 August 2013	The Company released the Annual Report to Shareholders
2 September 2013	The Company announced "Appointment / Resignation of Directors"
2 September 2013	The Company released "The Initial Director's Interest Notice- Mr Chan"
2 September 2013	The Company released "The Final Director's Interest Notice- Mr Halgreen"
3 September 2013	The Company was placed in a Trading Halt
5 September 2013	The Company announced "Upgraded Mineral Resource estimate at Bundarra Gold Project WA"
10 September 2013	The Company released "End of Escrow Period"
12 September 2013	The Company released "Breakaway Research Report"
17 September 2013	The Company released "Company Investor Presentation"
30 September 2013	The Company released "Advice of date and location of Annual General Meeting"
1 October 2013	The Company announced "Alternate Director Appointment / Resignation and Appendix 3X"
2 October 2013	The Company released "The Final Alternate Director's Interest Notice- Mr D Song appendix 3Z"
17 October 2013	The Company released "Quarterly Activities and Cash Flow Reports" - September 30 2013 Quarter
18 October 2013	The Company released " Notice of Annual General Meeting and Proxy Form"
21 October 2013	The Company announced "Rock chip sampling program undertaken at Diorite King Gold Project WA"
22 October 2013	The Company released "Research & Development Claim Received"
24 October 2013	The Company released "Change of Director's Interest Notice"
15 November 2013	The Company released "End of Escrow Period & appendix 3B"
20 November 2013	The Company released " Results of Meeting"
20 November 2013	The Company released " Change of Auditor"
25 November 2013	The Company announced "Leonora sale to focus on priority Projects"
29 November 2013	The Company announced "Maiden Ore Reserve Established at The Bundarra Gold Project"
2 December 2013	The Company announced "Amendment to Competent Person Statement -Re ASX November 29 2013"
18 December 2013	The Company released " Company Summary"

**Events Subsequent to End of Reporting Period**

10 January 2014	The Company released "Quarterly Activities and Cash Flow Reports"-December 31 2013 Quarter
31 January 2014	The Company released "Change in Substantial holding"
17 February 2014	The Company was placed in a Trading Halt
19 February 2014	The Company announced "it had secured an increase in its shareholding in SR Mining P/L from 42.9% to a controlling interest of 71.9%."

In the opinion of the directors there were no other significant changes in the state of affairs of the Company that occurred during the financial period under review not otherwise disclosed in this report.

**DIRECTORS' REPORT**  
**(continued)**

**Auditor's Independence Declaration**

A copy of the Auditor's Independence Declaration under section 307C of the *Corporations Act 2001* is set out on page 4 for the half-year ended 31 December 2013.

Signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read 'Rob Benussi', written in a cursive style.

**Robert Benussi**  
**Executive Director**

**Dated this 5<sup>th</sup> day of March 2014**

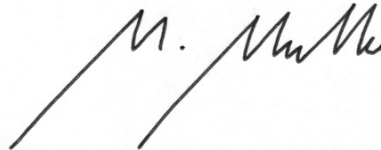
**AUDITOR'S INDEPENDENCE DECLARATION**

**BLIGH REOURCES LIMITED**

To the Directors of Bligh Resources Limited:

As lead auditor for the review of the financial report of Bligh Resources Limited for the half-year ended 31 December 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.



**M D Muller**  
**Partner**

**Sydney, NSW**  
**5 March 2014**

**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED**  
**31 DECEMBER 2013**

	NOTE	31 DECEMBER 2013 \$	31 DECEMBER 2012 \$
Revenue from continuing operations	2	350,869	77,978
Exploration and evaluation interests written off		(202,589)	(447,096)
Administration costs		(71,133)	(54,931)
Consultancy fees		(72,710)	(28,797)
Depreciation and amortisation expense		(14,590)	(16,109)
Directors, employees and consultant expenses		(123,042)	(170,725)
Employee benefits expense		(13,675)	(32,516)
Occupancy expenses		(22,378)	(19,133)
Travelling costs		(6,382)	(3,151)
Legal and professional costs		(39,490)	(51,293)
Share of net loss of associate accounted for using equity method		(41,578)	-
<b>Loss from continuing operations before income tax for the half-year</b>		<b>(256,698)</b>	<b>(745,773)</b>
Income tax benefit		-	-
<b>Loss attributable to owners of the company for the half-year</b>		<b>(256,698)</b>	<b>(745,773)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Transfer of fair value of available for sale financial asset		34,030	-
<b>Total comprehensive loss for the half-year</b>		<b>(222,668)</b>	<b>(745,773)</b>
<b>Earnings per share attributable to owners of the company:</b>		<b>Cents</b>	<b>Cents</b>
Basic loss per share		(0.004)	(0.013)
Diluted loss per share		(0.004)	(0.013)

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

**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2013**

	NOTE	31 DECEMBER 2013 \$	30 JUNE 2013 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	8	825,431	842,474
Trade and other receivables	13	1,028,807	1,173,212
<b>TOTAL CURRENT ASSETS</b>		1,854,238	2,015,686
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		33,861	48,451
Exploration and evaluation expenditure	3	1,585,178	1,577,895
Available for sale financial asset		3,750	27,270
Investment in associates	4	354,378	395,956
<b>TOTAL NON-CURRENT ASSETS</b>		1,977,167	2,049,572
<b>TOTAL ASSETS</b>		3,831,405	4,065,258
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	121,608	179,793
<b>TOTAL CURRENT LIABILITIES</b>		121,608	179,793
<b>NET ASSETS</b>		3,702,797	3,885,465
<b>EQUITY</b>			
Issued capital	5	6,446,182	6,406,182
Reserves	6	1,600	(32,430)
Accumulated losses		(2,744,985)	(2,488,287)
<b>TOTAL EQUITY</b>		3,702,797	3,885,465

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

**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

	Issued Capital (ordinary)	Reserves	Accumulated Losses	Total Equity
	\$	\$	\$	\$
<b>Balance at 1 July 2012</b>	6,181,182	1,600	(839,389)	5,343,393
Loss for the half-year	-	-	(745,773)	(745,773)
<b>Total comprehensive loss for the half-year</b>	-	-	(745,773)	(745,773)
<b>Transaction with owners:</b>				
Contribution of equity, net of transaction costs	75,000	-	-	75,000
<b>Balance at 31 December 2012</b>	<b>6,256,182</b>	<b>1,600</b>	<b>(1,585,162)</b>	<b>4,672,620</b>
<b>Balance at 1 July 2013</b>	6,406,182	(32,430)	(2,488,287)	3,885,465
Loss for the half-year	-	-	(222,668)	(222,668)
Transfer from available for sale financial asset reserve	-	34,030	(34,030)	-
<b>Total comprehensive loss for the half-year</b>	-	34,030	(256,698)	(222,668)
<b>Transactions with owners:</b>				
Contribution of equity, net of transaction costs	40,000	-	-	40,000
<b>Balance at 31 December 2013</b>	<b>6,446,182</b>	<b>1,600</b>	<b>(2,744,985)</b>	<b>3,702,797</b>

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



**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**

**STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

	<b>31 DECEMBER 2013 \$</b>	<b>31 DECEMBER 2012 \$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	-	1,100
Payments to suppliers and employees	(274,392)	(364,543)
Interest received	84,596	77,978
Other receipts	294,854	-
Net cash inflow (outflow) from operating activities	105,058	(285,465)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	-	(12,876)
Payments for exploration and evaluation	(208,121)	(562,472)
Payments for deposit bonds	-	(108,707)
Proceeds from loan repayment	62,500	-
Proceeds from sale of available for sale financial assets	23,520	-
Receipts from Joint Venture exploration and evaluation	-	150,423
Net cash outflow from investing activities	(122,101)	(533,632)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Loans advanced	-	(1,024,750)
Net cash outflow from financing activities	-	(1,024,750)
Net decrease in cash and cash equivalents held	(17,043)	(1,843,847)
Cash and cash equivalents at beginning of period	842,474	3,528,788
Cash and cash equivalents at end of period	825,431	1,684,941

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

**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A) BASIS OF PREPARATION**

This condensed interim financial report for the half-year reporting period ended 31 December 2013 has been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: *Interim Financial Reporting*.

This condensed interim financial report is intended to provide users with an update on the latest annual financial statements of Bligh Resources Limited (the Company). As such, they do not contain information that represents relatively insignificant changes occurring during the half-year within the company. It is therefore recommended that these financial statements be read in conjunction with the annual financial statements of Bligh Resources Limited for the year ended 30 June 2013, together with any public announcements made during the half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The same accounting policies and methods of computation have been followed in these interim financial statements as were applied in the most recent annual financial statements.

**B) GOING CONCERN BASIS OF ACCOUNTING**

The financial report has been prepared using the going concern basis of accounting, which indicates continuity of business activities and realisation of assets and settlement of liabilities in the normal course of business. The Company has incurred operating losses of \$256,698 and net cash inflows of \$105,058 during the 6 month period to 31 December 2013. The Company has cash and cash equivalents of \$825,431 at 31 December 2013. Consistent with the nature of the Company's activities and its ongoing investment into exploration projects, additional funds will be required to continue to support the exploration efforts of the Company. Based on the Company's current cash flow forecast, the estimated cash balance as at February 2015 is approximately \$182,000.

The continuing viability of the Company and its ability to continue as a going concern and meet the required level of expenditure are dependent upon on one or more of the following:

- Reducing materially, if required, the Company's ongoing operating costs, to suit available financial resources and the timing of anticipated new capital raising.
- Raising appropriate funding through equity.
- Negotiating repayment of payables.
- SR Mining Pty Ltd being successful in attracting new investors to fund the fast tracking of the development of the Bundarra Gold Project in order to generate positive cash flows in the medium term for the Company. On 18 February 2014 the Company increased its ownership interest in SR Mining Pty Ltd to 71.9% which will allow the Company to control SR Mining Pty Ltd's activities and its share of future cash flows associated with the project. Refer to Note 14.

As a result of these matters, there is a material uncertainty that the Company will continue as a going concern and, therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report.

The directors believe the Company has sufficient funding and will be successful in its future plans as detailed above, and have therefore prepared the half-year report on the going concern basis. The directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report at 31 December 2013. Accordingly no adjustments have been made in the financial report relating to the recoverability and classification of the carrying amounts of any assets, or the amounts and classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

	31 DECEMBER 2013 \$	31 DECEMBER 2012 \$
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**NOTE 2: REVENUE FROM CONTINUING OPERATIONS**

Interest revenue	84,596	76,887
Research and development incentive revenue	244,737	-
Other revenue	21,536	1,091
	350,869	77,978

**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

	<b>31 DECEMBER 2013 \$</b>	<b>30 JUNE 2013 \$</b>
<b>NOTE 3: EXPLORATION AND EVALUATION ASSETS</b>		
Costs carried forward in respect of the following areas of interests:		
Kumarina	466,090	409,661
Leonora Gold	558,814	635,184
Bootu Creek Two	560,274	533,050
	1,585,178	1,577,895

**NOTE 4: INVESTMENT IN ASSOCIATES**

Investment in SR Mining Pty Ltd

Opening balance	395,956	400,000
Share of net loss accounted for using equity method	(41,578)	(4,044)
	354,378	395,956

	<b>31 DECEMBER 2013 \$</b>	<b>30 JUNE 2013 \$</b>
<b>NOTE 5: ISSUED CAPITAL</b>		
2,500,000 (June 2013: 2,500,000) fully paid founder shares	50,100	50,100
56,195,332 (June 2013: 56,195,332) fully paid ordinary shares	6,356,082	6,356,082
1,030,000 (June 2013: 1,030,000) fully paid promoter shares	-	-
400,000 @.10 cents (June 2013: Nil) fully paid ordinary shares (refer note below)	40,000	-
	6,446,182	6,406,182

In relation to the ordinary shares issued during the period, these are part consideration for a 50% interest in P37/8048 and P37/7100 pursuant to the Agreements between the Company and the vendors of the tenements. No contingent asset or liability has been recognised as the acquisition in the remaining 50% interest is wholly within the Company's control.

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

	<b>31 DECEMBER 2013 \$</b>	<b>30 JUNE 2013 \$</b>
<b>i) Movement in Ordinary Share Capital</b>		
At the beginning of the financial period	6,406,182	6,256,182
Ordinary Shares		
- 1,500,000 issued on 7/01/2013	\$0.10	-
- 400,000 issued on 1/07/2013	\$0.10	150,000
	40,000	-
	40,000	150,000
	6,446,182	6,406,182
Balance at the end of the financial period	6,446,182	6,406,182

**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

**NOTE 5: ISSUED CAPITAL (continued)**

**ii) Capital risk management**

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to maintain an optimal capital structure to reduce the cost of capital. The Company monitors capital on a regular basis in order to maintain the objectives. The Company's strategy has remained unchanged from the prior period. Refer also to Note 1 (b).

	<b>31 DECEMBER 2013</b>	<b>30 JUNE 2013</b>
	\$	\$
<b>NOTE 6: RESERVES</b>		
<b>Share based payments &amp; available for sale financial asset reserves</b>		
Balance at the beginning of the financial period	(32,430)	(32,430)
Reclassification to profit fair value available for sale financial asset	34,030	-
	1,600	(32,430)
Balance at the end of the financial period	1,600	(32,430)

**NOTE 7: DIVIDENDS**

No dividends were declared or paid in the period (2012: \$Nil).

**NOTE 8: CASH AND CASH EQUIVALENTS**

Cash at the end of the period as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	825,431	842,474
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**NOTE 9: SEGMENTS INFORMATION**

**Description of Segments**

The Company operates solely in the mining industry within Australia.

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

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

**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

**NOTE 9: SEGMENTS INFORMATION (continued)**

**31 DECEMBER 2013**

	Leonora \$	Bootu Creek \$	Kumarina \$	Bundarra \$	Other & Unallocated \$	Total \$
Revenue from continuing operations	-	-	-	-	350,869	350,869
Exploration and evaluation expenditure written off	(200,840)	-	-	-	(1,749)	(202,589)
Administration & other expenses	-	-	-	-	(71,133)	(71,133)
Depreciation expense	-	-	-	-	(14,590)	(14,590)
Employee benefits expense	-	-	-	-	(13,675)	(13,675)
Occupancy expenses	-	-	-	-	(22,378)	(22,378)
Travelling expenses	-	-	-	-	(6,382)	(6,382)
Directors, employees & consultant expenses	-	-	-	-	(195,752)	(195,752)
Legal & professional expenses	-	-	-	-	(39,490)	(39,490)
Share of net loss of associate	-	-	-	-	(41,578)	(41,578)
<b>Loss from continuing operations</b>	<b>(200,840)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(55,858)</b>	<b>(256,698)</b>
Cash and cash equivalents	-	-	-	-	825,431	825,431
Trade and other receivables	-	-	-	-	1,028,807	1,028,807
Available for sale financial assets	-	-	-	-	3,750	3,750
Investment in Associate	-	-	-	-	354,378	354,378
Exploration and evaluation expenditure	558,814	560,274	466,090	-	-	1,585,178
<b>Total segment assets</b>	<b>558,814</b>	<b>560,274</b>	<b>466,090</b>	<b>-</b>	<b>2,212,366</b>	<b>3,797,544</b>
Trade and other payables	-	-	-	-	121,608	121,608
<b>Total segment liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>121,608</b>	<b>121,608</b>

**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

**NOTE 9: SEGMENTS INFORMATION (continued)**

**31 DECEMBER 2012**

	Leonora \$	Grenfell \$	Bootu Creek \$	Kumarina \$	Manilla \$	Bundarra \$	Other & Unallocated \$	Total \$
Revenue from continuing operations	-	-	-	-	-	-	77,978	77,978
Exploration and evaluation expenditure written off	-	-	-	-	(447,096)	-	-	(447,096)
Administration & other expenses	-	-	-	-	-	-	(54,931)	(54,931)
Depreciation expense	-	-	-	-	-	-	(16,109)	(16,109)
Employee benefits expense	-	-	-	-	-	-	(32,516)	(32,516)
Occupancy expenses	-	-	-	-	-	-	(19,133)	(19,133)
Travelling expenses	-	-	-	-	-	-	(3,151)	(3,151)
Directors, employees & consultant expenses	-	-	-	-	-	-	(199,522)	(199,522)
Legal & professional expenses	-	-	-	-	-	-	(51,293)	(51,293)
<b>Loss from continuing operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(447,096)</b>	<b>-</b>	<b>(298,677)</b>	<b>(745,773)</b>
Cash and cash equivalents	-	-	-	-	-	-	1,684,941	1,684,941
Trade and other receivables	-	-	-	-	-	-	1,174,669	1,174,669
Available for sale financial assets	-	-	-	-	-	-	100,000	100,000
Investment in Associate	-	-	-	-	-	-	400,000	400,000
Exploration and evaluation expenditure	526,952	449,278	506,693	393,665	-	24,425	-	1,901,013
<b>Total segment assets</b>	<b>526,952</b>	<b>449,278</b>	<b>506,693</b>	<b>393,665</b>	<b>-</b>	<b>24,425</b>	<b>3,355,566</b>	<b>5,256,579</b>
Trade and other payables	-	-	-	-	-	-	650,913	650,913
<b>Total segment liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>650,913</b>	<b>650,913</b>

**NOTE 10: CONTINGENT LIABILITIES**

There are no contingent liabilities at 31 December 2013 (30 June 2013: Nil).

**BLIGH RESOURCES LIMITED**  
**ABN 83 130 964 162**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

**NOTE 11: RELATED PARTIES**

The Company owns 42.90% of the shares in SR Mining Pty Ltd ("SR Mining"). On 17 December 2012 the Company made a loan to SR Mining for \$1,000,000. The loan was repayable on 17 December 2012 and earns interest at the rate of 6% per annum. The loan is secured by the tenements in the Bundarra Gold Project, held by SR Mining. At balance date the loan remains unpaid however the directors expect repayment to occur within the next 12 months. Refer to Note 14 for events subsequent to balance date.

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
Total loans to related parties:		
At 30 June	1,000,000	-
Advance to SR Mining	-	1,000,000
Loan repayment from SR Mining	(62,500)	-
<b>At 31 December</b>	<b>937,500</b>	<b>1,000,000</b>

	<b>31 DECEMBER</b>	<b>30 JUNE</b>
	<b>2013</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>NOTE 12: TRADE AND OTHER PAYABLES</b>		
Trade payables	102,130	145,251
Lease payables	26,478	35,542
	<hr/>	<hr/>
	<b>121,608</b>	<b>179,793</b>

**NOTE 13: TRADE AND OTHER RECEIVABLES**

Trade Debtors	100	100
Loan to SR Mining	937,500	1,000,000
Security and Environmental Deposit Bonds	91,207	173,112
	<hr/>	<hr/>
	<b>1,028,807</b>	<b>1,173,212</b>

Refer to Note 11 for a summary of the terms and conditions of the loan to SR Mining.

**NOTE 14: SUBSEQUENT EVENTS**

On 18 February 2014 the company had secured an increase in its shareholding in SR Mining from 42.9% to a controlling interest of 71.9%. The increase in the Company's shareholding was secured through the removal of personal guarantees that were issued by the founding directors of SR Mining for the \$937,500 loan facility owed by SR Mining.

## **DIRECTORS' DECLARATION**

In the directors' opinion:

1. The condensed financial statements and notes, as set out on pages 5 to 14 are in accordance with the *Corporations Act 2001*, including:
  - a. giving a true and fair view of the Company's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
  - b. complying with Accounting Standards (AASB 134 Interim Financial Reporting) and the *Corporations Regulation 2001* and other mandatory professional reporting requirements; and
  
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Robert Benussi



CEO & Executive Director

Dated this 5<sup>th</sup> day of March 2014



**BLIGH RESOURCES LIMITED**

**ABN 83 130 964 162**

**INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Bligh Resources Limited

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Bligh Resources Limited ("the Company") which comprises the balance sheet as at 31 December 2013, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

**Directors' Responsibility for the Half-Year Financial Report**

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Independence**

In conducting our review, 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 the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

**BLIGH RESOURCES LIMITED**

**ABN 83 130 964 162**

**INDEPENDENT AUDITOR'S REVIEW REPORT (CONTINUED)**

**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Bligh Resources Limited is not in accordance with the *Corporations Act 2001* including:

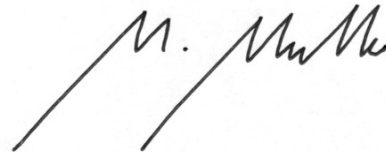
- (a) giving a true and fair view of the Company's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**Material Uncertainty Regarding Continuation as a Going Concern**

Without modifying our opinion, we draw attention to Note 1(b) of the financial report, which indicates the Company has experienced an operating loss of \$256,698 during the half-year ended 31 December 2013. This condition, along with other matters as set forth in Note 1(b), indicate the existence of a material uncertainty that the Company will continue as a going concern and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

A handwritten signature in black ink that reads 'HLB Mann Judd'.

**HLB Mann Judd  
Chartered Accountants**

A handwritten signature in black ink that reads 'M. Muller'.

**M D Muller  
Partner**

**Sydney, NSW  
6 March 2014**