
31 October 2013

Manager of Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY, NSW, 2001

By E-Lodgement

Shareholder Letter and Amended Notice of Annual General Meeting

Attached is a letter to Shareholders of Blackwood Corporation Limited and an Amended Notice of Annual General Meeting that will be despatched to Shareholders.

Yours sincerely,

Patrick McCole
Company Secretary

31 October 2013

Dear Shareholder,

Amended Notice of Annual General Meeting and Proxy Form

The 2013 Notice of Annual General Meeting of the Shareholders of Blackwood Corporation Limited that was recently distributed to shareholders, contained typographical errors in which various dates within the notice referred to 2012 rather than 2013.

Blackwood confirms that the date on the cover of the Notice is correct and that the Annual General Meeting of Shareholders of Blackwood Corporation Limited will be held at The Oak Room, The Brisbane Club, 241 Adelaide Street, Brisbane QLD 4000, at 9.30 am (EST) on Friday, 29 November 2013 (Brisbane time).

Please find enclosed an amended Notice of Annual General Meeting. To vote by proxy, please complete and sign the enclosed amended proxy form and return by:

- post to Blackwood Corporation Limited, Level 9, 288 Edward Street, Brisbane, Queensland. 4000; or
- facsimile to the Company on facsimile number +61 7 3034 0899; or
- email to the Company at info@bwdcorp.com.au

so that it is received not later than 9.30 am (EST) on Wednesday, 27 November 2013 (Brisbane time)

Original proxy forms which accompanied the original Notice of Annual General Meeting that are returned by shareholders will be accepted as valid at the discretion of the Chairman of the Annual General Meeting.

Yours sincerely,



Patrick McCole
Company Secretary

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

ENERGY

BLACKWOOD CORPORATION LIMITED

ABN 31 103 651 538

DATE OF MEETING

29 November 2013

TIME OF MEETING

9.30am (EST) (Brisbane time)

PLACE OF MEETING

The Oak Room, The Brisbane Club
241 Adelaide Street, Brisbane QLD 4000

This Notice of Meeting, Explanatory Statement and Proxy Form should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Blackwood Corporation Limited will be held at The Oak Room, The Brisbane Club, 241 Adelaide Street, Brisbane QLD 4000, at 9.30 am (EST) on Friday, 29 November 2013 (Brisbane time).

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

Ordinary business

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2013 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2013.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (d) the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

Resolution 2 – Re-election of director – William Randall

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 3.6 of the Constitution and for all other purposes, William Randall, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

Resolution 3 – Approval of Performance Rights Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.2 (Exception 9) and for all other purposes, approval is given for the Company to adopt a performance rights plan on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Voting Exclusion Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) any Director or employee of the Company who are eligible (or may be eligible) to participate in any employee incentive scheme in relation to the Company; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

- (c) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (d) the vote is not cast on behalf of a person described in sub-paragraphs (a) or (b) above.

Special Business

Resolution 4 – Approval of 10% Enhanced Placement Facility

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by a person: (i) who may participate in the 10% Enhanced Placement Facility (and any Associates of such a person); and (ii) who might obtain a benefit (and any Associates of such a person), except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Other Business

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

Notes

Entitlement to attend and vote

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company on 27 November 2013 at 9.30am (EST).

How to vote

Shareholders may vote by attending the Meeting in person or by proxy or by corporate representative.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and

- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Voting by Corporate Representative

In order to vote in person at the Meeting, a corporation which is a Shareholder or which has been appointed as a proxy may appoint an individual to act as its representative. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative must lodge with the Company before the Meeting or bring to the Meeting evidence of their appointment, including any authority under which it is signed.

Questions from Shareholders

At the Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about the management of the Company and the Remuneration Report. The Chairman will also allow a reasonable opportunity for the Shareholders to ask the Company's auditor questions about the conduct of the audit, preparation and content of the auditors' report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

BY ORDER OF THE BOARD



Patrick McCole

Company Secretary

Dated: 23 October 2013

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the Shareholders of Blackwood Corporation Limited (**Company**) in connection with the Annual General Meeting of the Company.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2013 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.bwdcorp.com.au.

2. RESOLUTION 1 — ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

Under changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2014 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**) at the Company's 2014 annual general meeting.

If more than 50% of Shareholders vote in favour of that Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's 2013 annual general meeting. All of the Directors who were in office when the Company's 2013 Directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The remuneration report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2013.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

2.2 Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or any Closely Related Party of that member as your proxy to vote on this Resolution 1, *you must direct the proxy how they are to vote*. Where you do not direct the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or Closely Related Party of that member on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution 1.

2.3 Definitions

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2013.

3. RESOLUTION 2 – RE-ELECTION OF A DIRECTOR – WILLIAM RANDALL

Clause 3.6 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third, shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 3.6 of the Constitution is eligible for re-election.

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 2013, prior to which he was Head of Energy Coal & Carbon Complex.

Mr William Randall, Director, retires by rotation and being eligible, offers himself for re-election as a Director.

The Board unanimously recommends that Shareholders vote to approve Resolution 2.

4. RESOLUTION 3 – APPROVAL OF PERFORMANCE RIGHTS PLAN

4.1 General

Resolution 3 seeks Shareholder approval under exception 9(b) of ASX Listing Rule 7.2 to allow the grant of Rights and the issue of Shares on the exercise of such Rights under the performance rights plan (Plan) as an exception to ASX Listing Rule 7.1.

The Plan is to provide ongoing incentives to any full time or part time employee of the Company or any of its subsidiaries (including a director or company secretary of the Company or its subsidiaries who holds salaried employment with the Company or its subsidiaries on a full or part time basis), or a consultant, who is determined by the Board to be eligible to receive grants of Rights under the Plan (**Eligible Participants**).

The Plan was first adopted by the Company in 2010 and the Company last sought approval for the plan for the purposes of ASX Listing Rule 7.2 exception 9 at the General Meeting of Shareholders held on 29 October 2010 (**2010 General Meeting**).

4.2 ASX Listing Rule Requirements

ASX Listing Rule 7.1 provides that, without prior Shareholder approval, a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities if the number of those securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

An exception to ASX Listing Rule 7.1, which is set out in ASX Listing Rule 7.2 (Exception 9), provides that issues under an employee incentive plan are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the plan as an exception to ASX Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to issue Shares under the Plan without impacting on the Company's ability to issue up to 15% of its total ordinary securities without shareholder approval in any 12 month period.

The objective of the Plan is to attract, motivate and retain key employees.

It is considered by the Directors that the adoption of the Plan and the future issue of Rights and Shares under the Plan will provide Eligible Participants with the opportunity to participate in the future growth of the Company.

In the case of an offer to an Executive Director of Rights under the Plan, the acquisition of these securities will require Shareholder approval in accordance with ASX Listing Rule 10.14.

The key terms of the Plan are summarised in Section 4.4 below. A full copy of the Plan is available for inspection at the Company's registered office.

EXPLANATORY STATEMENT (CONTINUED)

4.3 Issues Since Last Approval

Since approval was last obtained at the 2010 General Meeting, 7,225,000 performance rights have been issued to employees under the Plan.

Since the 2010 General Meeting, no Shares have been issued or allocated to the employees upon the vesting and exercise of performance rights under the Plan.

Refer to Appendix A for the principal terms and conditions of the performance rights issued since the 2010 General Meeting.

4.4 Summary of the Performance Rights Plan

The material terms of the Plan can be summarised as follows:

(a) Purpose of the Plan

The purpose of the Plan is to provide an incentive 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.

Under the Plan Eligible Participants may be granted rights to Shares upon the satisfaction of specified performance criteria and specified periods of tenure (Rights). The provision of this incentive is expected to result in future benefits to the shareholders and Eligible Participants.

(b) Offer of Rights

When an Eligible Participant satisfies specified criteria imposed by the Board (including performance criteria and specified periods of tenure) the Board may make a written offer (Offer) to the Eligible Participant of Rights. The Offer will specify the number of Rights being offered and the conditions that must be met by the Eligible Participant before the Rights will vest.

(c) Number of Rights Offered

The number of Rights that will be offered to an Eligible Participant pursuant to an Offer is entirely within the discretion of the Directors. Each Right will, upon vesting, entitle the holder to one (1) share in the capital of the Company.

(d) Vesting Conditions

The Rights will not vest unless the vesting conditions imposed by the Board have been satisfied.

(e) Exercise Price

An Eligible Participant will not be required to make any payment in return for a grant of Rights nor for the issue or transfer of shares upon the vesting of Rights.

(f) Lapse of Rights

Rights that have not vested will lapse on the seventh anniversary of the date of grant of the Rights or on the first to occur of certain specified events, including:

- (i) a failure to meet the Vesting Conditions;
- (ii) a purported transfer of the Rights without the Board's consent;
- (iii) the Eligible Participant ceasing his or her employment or employment relationship with the Company or its relevant subsidiary; or
- (iv) any other circumstances specified by the Board in the Offer.

(g) Shares Allotted Upon Exercise of Rights

The Company will issue shares to the Eligible Participant as soon as practicable after the exercise of any Rights. Under the terms of the Plan, the shares may not be disposed of by the participant until the earlier of:

- a. the time when an event occurs so that the participant is no longer an Eligible Participant;
- b. the Board, in its sole and absolute discretion, approving that the restriction on disposal be released where you have died, suffered Total and Permanent Disability, serious illness or injury, or Severe Financial Hardship (as those terms are defined in the Plan);
- c. the seven year anniversary of the date of grant of the Rights.

The Company will impose a holding lock with the Company's share registry and participants will not be able to trade the shares until the holding lock is lifted by the Company.

The shares allotted under the Plan will be of the same class and will rank equally with shares in the Company at the date of issue.

(h) Transfer of Rights

A Right is not transferable without the consent of the Board.

(i) Takeover, Scheme or Arrangement

In the event of a takeover bid under which the bidder acquires a relevant interest in at least 50.1% of the Company's shares, being declared unconditional, the Board may determine that all or a specified number of the Rights vest. Unless the Board determines otherwise any Right which the Board determines does not vest will lapse.

In the event that a Court approves a proposed compromise or arrangement for the purpose of a scheme for the reconstruction of the Company or its amalgamation with any other company, or any person becomes bound or entitled to acquire shares in the Company under the Corporations Act, the Board may determine that all or a specified number of an Eligible Participant's Rights vest. Unless otherwise determined by the Board any Right which the Board determines does not vest will lapse.

(j) Bonus Issues, Rights Issues and Capital Reconstruction

In order to prevent a reduction of the number of shares to which the Rights relate in the event of bonus issues, rights issues or a capital reconstruction, there are provisions in the rules which provide a method of adjustment of the number of Rights to prevent such a reduction.

(k) Participation in New Issues

There are no participating rights or entitlements inherent in the Rights and the holders will not be entitled to participate in new shares of capital offered to shareholders during the currency of the Rights. In addition holders of Rights will not be entitled to vote or receive dividends as a result of their holding of Rights.

5. RESOLUTION 4 – APPROVAL OF 10% ENHANCED PLACEMENT FACILITY

General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Enhanced Placement Facility**). The 10% Enhanced Placement Facility is in addition to the Company's 15% placement capacity without shareholder approval under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less as at the date of the annual general meeting. The Company is an eligible entity as at the time of this Notice of Meeting and expects to remain so at the date of the annual general meeting.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Enhanced Placement Facility.

The exact number of Equity Securities to be issued under the 10% Enhanced Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to (c)).

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Enhanced Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Enhanced Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of the Notice, the Company's Shares are the only class of Equity Securities on issue. However, the Company does intend to proceed with the implementation of the Performance Rights Plan approved by Shareholders on 29 October 2010 and issue performance rights to employees under the Plan during the 10% Placement Period. The Shares are the only class of Equity Securities that are quoted.

(c) Formula for calculating 10% Enhanced Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

EXPLANATORY STATEMENT (CONTINUED)

A is the number of Shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid Shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid Shares that became fully paid in the 12 months;
- (iii) plus the number of fully paid Shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (iv) less the number of fully paid Shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%;

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity without shareholder approval under Listing Rule 7.1.

At the date of this Notice, the Company has 185,050,269 Shares on issue. Therefore subject to Shareholder approval the Company will have a capacity to issue:

- (i) 27,757,540 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being obtained under Resolution 4, 18,505,026 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to (c) above) and so is subject to change.

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Enhanced Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

Listing Rule 7.1A

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Enhanced Placement Facility as follows:

- (a) **(Minimum price of securities issued under the 10% Enhancement Placement Facility)** The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

If the Equity Securities are issued for non-cash consideration the Company will provide to the market in accordance with the ASX Listing Rules a valuation of the non-cash consideration that demonstrates that the issue price of the securities complies with Listing Rule 7.1A.3

- (b) **(Risk of economic and voting dilution)** If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the 10% Enhanced Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case that the Company issues any performance rights under the Plan, only if the performance rights vest and are exercised). There is a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and

- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the potential dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities (being variable "A" as calculated in accordance with the formula in Listing Rule 7.1A.2) on issue as at the date of this Notice.

Table A shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Table A

VARIABLE "A" IN LISTING RULE 7.1A.2		DILUTION		
		\$0.035 50% DECREASE IN ISSUE PRICE	\$0.07 ISSUE PRICE	\$0.14 100% INCREASE IN ISSUE PRICE
CURRENT VARIABLE A	10% voting dilution	18,505,026 Shares	18,505,026 Shares	18,505,026 Shares
185,050,269 Shares	Funds raised	\$647,675	\$1,295,351	\$2,590,703
50% INCREASE IN CURRENT VARIABLE A	10% voting dilution	27,757,540 Shares	27,757,540 Shares	27,757,540 Shares
277,575,403 Shares	Funds raised	\$971,513	\$1,943,027	\$3,886,055
100% INCREASE IN CURRENT VARIABLE A	10% voting dilution	37,010,053 Shares	37,010,053 Shares	37,010,053 Shares
370,100,538 Shares	Funds raised	\$1,295,351	\$2,590,703	\$5,181,407

EXPLANATORY STATEMENT (CONTINUED)

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Enhanced Placement Facility.
 - (ii) No Performance Rights are exercised before the date of the issue of the Equity Securities.
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issues of Equity Securities under the 10% Enhanced Placement Facility consists only of Shares.
 - (vii) The issue price is \$0.07, being the closing price of the Shares on ASX on 14 October 2013.
- (c) **(The final date for issue)** The Company will only issue and allot the Equity Securities during the Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) **(Purpose of issue under 10% Enhanced Placement Facility)** The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of the new resources, assets or investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards continued exploration and feasibility study expenditure on the Company's portfolio of assets (including the Company's South Pentland, Taroom, Bymount and Chinchilla Projects) and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Enhanced Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (iii) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (iv) the effect of the issue of the Equity Securities on the control of the Company;
- (v) the financial situation and solvency of the Company; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Enhanced Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the allottees under the 10% Enhanced Placement Facility will be the vendors of the new resources, assets or investments.

(e) **(Previous approval under Listing Rule 7.1A)**

The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2012 Annual General Meeting.

The Company has not issued any Equity Securities pursuant to that Listing Rule 7.1A approval.

However, during the 12 month period preceding the date of the Meeting, the Company issued a total of 7,225,000 Performance Rights representing approximately 3.75% of the total diluted number of Equity Securities on issue in the Company, being 192,275,269.

Information relating to issues of Equity Securities by the Company in the 12 months prior to the date of the meeting is as follows:

Table B

SPECIFIC DETAILS FOR THE ISSUE ARE AS FOLLOWS:

Date of issue	1 February 2013
Number issued	7,225,000
Class/Type of equity security	Performance Rights
Summary of terms	The summary of the Key Terms of the Performance Rights are set out in Annexure A
Name of persons who received securities or basis on which those persons were determined	Eligible employees under the Performance Rights Plan approved by shareholders on 29 October 2010
Price	Nil
Discount to market price(if any):	N/A

FOR CASH ISSUES

Total cash consideration received	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any):	N/A

FOR NON-CASH ISSUES

Non-cash consideration paid:	N/A
Current value of that non-cash consideration:	N/A

- (f) **(Voting exclusion statement)** A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not determined its allocation policy for the issue of Equity Securities under the 10% Enhanced Placement Facility and proposed allottees of any Equity Securities are therefore not as yet known or identified. The Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Patrick McCole (Company Secretary):

Level 9, 288 Edward Street
Brisbane, QLD, 4000
Phone: (07) 3034 0800

EXPLANATORY STATEMENT (CONTINUED)

GLOSSARY

ASIC means Australian Securities and Investments Commission.

Associate means an “associate” as defined in section 9 of the Corporations Act, except that a reference to “Associate” in relation to a Listing Rule has the meaning given to it in Listing Rule 14.11.

Associated Body Corporate means:

- (a) a related body corporate (as defined in the Corporations Act) of the Company;
- (b) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and
- (c) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.

ASX means ASX Limited or the Australian Securities Exchange operated by ASX, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the board of directors of the Company.

Company means Blackwood Corporation Limited (ABN 31 103 651 538).

Constitution means the Company’s Constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company.

EST means Eastern Standard Time as observed in Brisbane, Queensland.

Explanatory Statement means the explanatory statement which accompanies the Notice of Meeting.

Meeting or **Annual General Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

Performance Rights Plan or **Plan** means performance rights plan approved by Shareholders at the annual general meeting held on 29 October 2010.

Proxy Form means the proxy form included in the Notice of Annual General Meeting.

Resolutions means each of the resolutions set out in the Notice of Meeting and **Resolution** means any one of them.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share.

The principal terms for all of the Performance Rights referred to in Table B above are as follows:

1. Each vested Performance Right shall confer the right to be issued one fully paid ordinary share in the Company.
2. If a Performance Right vests, each participant will be entitled to exercise that Performance Right (if it has not otherwise lapsed under the terms of the Plan) within 5 years of vesting.
3. Upon the exercise of any Performance Rights, under the terms of the Performance Rights Plan, the shares may not be disposed of by the participant until the earlier of:
 - a. the time when an event occurs so that the participant is no longer an Eligible Participant (as defined in the Plan);
 - b. the Board, in its sole and absolute discretion, approving that the restriction on disposal be released where you have died, suffered Total and Permanent Disability, serious illness or injury, or Severe Financial Hardship (as those terms are defined in the Plan);
 - c. the seven year anniversary of the date of grant of the Performance Rights.

The Company will impose a holding lock with the Company's share registry and participants will not be able to trade the shares until the holding lock is lifted by the Company.

4. No amount is payable on the conversion of Performance Rights.
5. The last possible vesting date for Performance Rights is 5.00 pm Perth time on the date 7 years after the date of grant of the Performance Rights, upon which all Performance Rights will lapse.

Refer to the Appendix 3B released to the ASX on 1 February 2013 for the details and conditions for each category of Performance Rights.

This page is intentionally left blank.

PROXY FORM

APPOINTMENT OF PROXY

Blackwood Corporation Limited

ACN 103 651 538

ANNUAL GENERAL MEETING

I/We

of

being a member of Blackwood Corporation Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR

☐

the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 9.30am (EST) on 29 November 2013 at The Oak Room, The Brisbane Club, 241 Adelaide Street, Brisbane, Queensland, and at any adjournment thereof.

Comment

Important for Resolution 1: If the Chair of the Meeting or any member of the Key Management Personnel of the Company whose remuneration details are included in the Remuneration Report or a Closely Related Party of that member is your proxy and you have not directed the proxy to vote on Resolution 1, the proxy will be prevented from casting your votes on Resolution 1. If the Chair, another member of the Key Management Personnel of the Company whose remuneration details are included in the Remuneration Report or Closely Related Party of that member is your proxy, in order for your votes to be counted on Resolution 1, you must direct your proxy how to vote on Resolution 1.

☐

If the Chair of the Annual General Meeting is appointed as your proxy, or may be appointed by default, and you do not wish to direct your proxy how to vote as your proxy in respect of Resolutions 1 and 3 please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 and 3 and that votes cast by the Chair of the Annual General Meeting for Resolutions 1 and 3 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolutions 1 and 3 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 and 3.

If no directions are given, the Chair will vote in favour of all the Resolutions in which the Chair is entitled to vote undirected proxies.

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 - Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 - Re-election of Director - William Randall	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 - Approval of the Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 - Approval of 10% Enhanced Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is:

 %

Signature of Member(s):

Date:

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name:

Contact Ph (daytime):

PROXY FORM (CONTINUED)

Blackwood Corporation Limited
ACN 103 651 538

INSTRUCTIONS FOR COMPLETING 'APPOINTMENT OF PROXY' FORM

1. **(Appointing a Proxy):** A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - post to Blackwood Corporation Limited, Level 9, 288 Edward Street, Brisbane, Queensland. 4000; or
 - facsimile to the Company on facsimile number +61 7 3034 0899; or
 - email to the Company at info@bwdcorp.com.au,so that it is received not less than 48 hours prior to commencement of the Meeting.
Proxy forms received later than this time will be invalid.