ABN 38 116 834 336

Annual Report 2009

Corporate Directory

DIRECTORS

Mr Robert Grover	Executive Chairman
Mr Joseph Obeid	Director
Mr Winton Willesee	Director

COMPANY SECRETARY

Mr Winton Willesee

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Suite 24, 18 Stirling Highway
Nedlands WA 6009

CONTACT DETAILS

Website: www.bossenergy.com
Email: info@bossenergy.com
Ph: + 61 (8) 9389 6600
Fax: + 61 (8) 9389 6622
Suite 24, 18 Stirling Highway
Nedlands WA 6009

SOLICITORS TO THE COMPANY

Fairweather & Lemonis
Level 9, 172 St Georges Terrace
Perth WA 6000

AUDITORS

RSM Bird Cameron Partners
8 St Georges Terrace
Perth WA 6000

STOCK EXCHANGE

Australian Securities Exchange
Exchange Plaza
2 The Esplanade
Perth WA 6000

SHARE REGISTRY

Link Market Services
Ground Floor,
178 St Georges Terrace
PERTH WA 6000
Ph: 1300 554 474

Annual Report 2009

Boss Energy Limited
ABN 38 116 834 336

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Directors' Report

Your Directors present their report on Boss Energy Limited ("Boss" or "the Company") for the year ended 30 June 2009.

DIRECTORS

The names of the Directors in office at any time during or since the end of the year are:
Mr Robert Grover
Mr Joseph Obeid
Mr Winton Willesee

All directors were in office for the entire period to the date of this report.

PRINCIPAL ACTIVITIES

The Principal Activities of the Company during the financial year were the exploration and development of its oil shale assets in a financially, technically, socially and environmentally responsible manner, the maximisation of its investment in Greenvale Mining NL and the continued seeking of complementary projects to the ultimate benefit of its shareholders.

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

REVIEW OF OPERATIONS AND SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Latrobe Oil Shale Project, Tasmania

The Company recognises that the identification of a suitable technology for the treatment of the Tasmanite oil shale is a key plank in extracting value from the Company's shale assets.

To this end the Company engaged respected international technical professional services company GHD to undertake the next stage of its review of available technologies for the treatment of its oil shale.

Specifically the review is aimed to determine which technologies will be most suitable for Boss' particular Tasmanite oil shale.

The next stage of the review will focus on the identified technologies to determine those technologies that are sufficiently advanced in their development and suitable for use from both an economic and environmental perspective.

Concurrently with the GHD review the Company has sent a sample of the bulk sample of the tasmanite oil shale from its exploration tenement (EL20/2004) for test hydrocarbon extraction processing by a modern processing technology. Additionally during the year the Company also sent shale specimens for further laboratory testing. This testing is designed to determine whether the composition of this shale is consistent with the composition of shale taken during previous exploration activities on the tenement.

The Latrobe Oil Shale Tenement (EL20/2004) is the Company's only tenement.

Investment in Greenvale Mining NL

Boss directors Robert Grover and Joseph Obeid are now directors of Greenvale Mining NL and Boss Company Secretary Winton Willesee has been appointed as Company Secretary of Greenvale Mining NL.

During the year the Company continued its involvement within that company, assessing how best to maximise the value of the oil shale projects and assets of Greenvale.

During the year the Company increased its interest in Greenvale to 3,970,970 shares representing an 18.2% interest in that company.

Corporate

During the year the Company continued with its strategy to seek and review suitable acquisition opportunities for the Company.

OPERATING RESULTS

The loss of the Company for the year ended 30 June 2009 after providing for income tax amounted to $8,162,574 (2008: ($1,548,860)).

FINANCIAL POSITION

The net assets of the Company are $3,183,143 as at 30 June 2009 (2008: $10,001,862).

INFORMATION ON DIRECTORS

Mr Robert Grover Executive Chairman
Qualifications: BBus
Appointed 24 October 2005

Mr Grover is a Fellow of the Australian Institute of Company Directors, member of the CPA Australia and holds a Bachelor of Business. Mr Grover's expertise is in corporate and financial management and he has been involved in the listing of a number of public companies on ASX Limited, London Stock Exchange's AIM and the Vancouver Stock Exchange.

Mr Grover is also a Director of Greenvale Mining NL (appointed 23 November 2007).

Other than disclosed above, over the past three years Mr Grover has held, though no longer holds, directorships of ASX Listed companies Redport Limited, Ram Resources Limited and Cervantes Corporation Limited.

Mr Grover has a relevant interest in 6,000,001 shares and 3,250,000 options in the Company.

Mr Joseph Obeid Director
Appointed 16 February 2006

Mr Obeid has extensive business development, operational and management experience across a wide range of industries. He has particular expertise in identifying business opportunities together with development and implementing effective business strategies to ensure optimum operating systems.

Other than Boss Energy Limited and Greenvale Mining NL (appointed 19 May 2008), over the past three years Mr Obeid has not held any directorships with ASX Listed companies.

Mr Obeid holds a relevant interest in 5,128,000 shares and 3,263,000 options in the Company.

Mr Winton Willesee Director and Company Secretary
Qualifications: BBus., DipEd., PGDipBus., MCom., FFin, CPA, MAICD
Appointed 27 November 2007

Mr Willesee is an experienced Director and Company Secretary in the small capitalisation sector of the ASX and brings to Boss a broad range of experience in company administration, corporate governance and corporate finance.

Mr Willesee has a Master of Commerce, Post-Graduate Diploma in Business (Economics and Finance), a Diploma in Education and a Bachelor of Business. Mr Willesee is a Fellow of the Financial Services Institute of Australasia and a Member of CPA Australia.

Mr Willesee is also currently a Director of ASX listed companies Newera Uranium Limited (appointed 31 March 2007), Future Corporation Australia Limited (appointed 18 January 2008), Incitive Limited (appointed 16 October 2008) and Base Iron Limited (appointed 23 May 2007). He is currently the Company Secretary of ASX listed companies Base Iron Limited, Future Corporation Australia Limited, Incitive Limited, Mantle Mining Corporation Ltd, Newera Uranium Limited and Greenvale Mining NL, and is the Joint Company Secretary of Uran Limited.

Other than disclosed above, over the past three years Mr Willesee has held, though no longer holds, directorships of ASX Listed companies Hawk Resources Limited (now New Standard Energy Limited) and Wytomic Limited (now Sultan Corporation).

Mr Willesee has a relevant interest in 1,175,000 shares and 2,325,000 options in the Company.

MEETINGS OF DIRECTORS

During the financial year 15 meetings of Directors (including committees of Directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	**Number attended**
Directors		
Mr Robert Grover	**15**	**15**
Mr Joseph Obeid	**15**	**15**
Mr Winton Willesee	**15**	**15**

The full board fills the roles of audit, nomination and remuneration committees.

DIVIDENDS PAID OR RECOMMENDED

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

AFTER BALANCE DATE EVENTS

Since 30 June 2009 the Company has;

1. Sought and received shareholder ratification of the issue of 2,527,199 fully paid ordinary shares issued pursuant to costs of the rights issue completed during the year.

2. Sought and received shareholder approval to issue up to 25,000,000 shares at not less that 6c per share to raise $1,500,000. (Though at the date of the Report no issue has been raised).

3. Paid $50,000 to acquire 100% of the issued capital of Minga Pty Ltd. Minga Pty Ltd holds as its principal asset an interest bearing loan receivable from Greenvale Mining NL of approximately $823,000.

Other than disclosed above, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the Directors, to affect significantly, the results of those operations, or the state of affairs of the Company in future financial years that require disclosure.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

Further developments and business strategies are dependent upon the success in exploration work on EL 20/2004, the Company's ability to maximise the value of its investment in Greenvale Mining NL and/or in identifying and acquiring suitable complementary resource projects.

ENVIRONMENTAL ISSUES

The Company is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations at all times.

The Company holds participating interests in mining and exploration tenements. The authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agencies during the year ended 30 June 2009 or since.

National Greenhouse and Energy Reporting legislation was considered and not determined to be applicable to the Company at this current stage.

OPTIONS

At the date of this report, there are 61,297,890 options over unissued ordinary shares of Boss Energy Limited.

During the year there were no options exercised. There have been no options exercised since the end of the financial year to the date of this report.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

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

INDEMNIFYING OFFICERS OR AUDITOR

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as Officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. The Company has agreed to pay a premium of $10,695 for Directors and Officers Insurance.

NON-AUDIT SERVICES

The Board has considered the position and is satisfied that the provision of 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, as set out below, 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 Board to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including acting in a management or a decision-making capacity for the Company or acting as advocate for the Company.

During the financial period the following fees were paid or payable for services provided by the auditor:

	2009 $	2008 $
Audit services		
RSM Bird Cameron Partners - Audit and review of financial reports under the Corporations Act 2001	33,000	15,000
Corporate Services		
RSM Bird Cameron Partners – Independent Valuation Services (service performed prior to appointment as auditor)	-	3,750
Taxation services		
RSM Bird Cameron Partners – Preparation of company tax returns	5,550	-
	38,550	18,750

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2009 has been received and can be found within this financial report.

REMUNERATION REPORT

REMUNERATION POLICY

In determining competitive remuneration rates, the Board seeks independent advice on local and international trends among comparative companies and industry generally.

Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

PERFORMANCE-BASED REMUNERATION

The Board recognises that Boss Energy Limited operates in a global environment. To prosper in this environment we must attract, motivate and retain key executive staff.

The principles supporting our remuneration policy are that:

- Reward reflects the competitive global market in which we operate;
- Rewards to executives are linked to creating value for shareholders;
- Remuneration arrangements are equitable and facilitate the development of senior management across the Company; and
- Where appropriate senior managers receive a component of their remuneration in equity to align their interests with those of the shareholders.

MARKET COMPARISONS

Consistent with attracting and retaining talented executives, the Board endorses the use of incentive and bonus payments. The Board continues to seek external advice to ensure reasonableness in remuneration scale and structure, and to compare the Company's position with the external market. The impact and high cost of replacing senior employees and the competition for talented executives requires the committee to reward key employees when they deliver consistently high performance.

BOARD REMUNERATION

The Board determines actual payments to Directors and reviews their remuneration in accordance with the remuneration policy, based on independent external advice with regard to market practice, relativities, and the duties and accountabilities of directors. A review of Directors' remuneration is conducted annually to benchmark overall remuneration including retirement benefits.

Directors' Fees

Executive

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders.

The Board ensures that executive reward satisfies the following key criteria for good reward corporate governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage/alignment of executive compensation
- Transparency
- Capital management

The Company has structured an executive framework that is market competitive and complementary to the reward strategy for the organisation.

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

The remuneration policy, setting the terms and conditions for the Executive Directors and executives, was developed and approved by the Board. All executives receive a cash component, and from time to time, options. Options issued to Directors are subject to approval by Shareholders. The Board reviews executive packages in accordance with the remuneration policy. The Board may in its discretion establish a performance based bonus system to provide reward in addition to the base salary level to the executives on such terms as the Board may determine.

All remuneration paid to Directors and specified executives is valued at the cost to the Company and expensed. Options are valued using either the ASX trading price (for listed options issued) or the Black-Scholes methodology (for unlisted options issued).

Non-Executive Remuneration

Shareholders approve the maximum aggregate remuneration for Non-Executive Directors. The Remuneration Committee recommends the actual payments to Directors and the Board is responsible for ratifying any recommendations, if appropriate. The maximum aggregate remuneration approved for Non-Executive Directors is currently $300,000.

It is recognised that Non-Executive Directors' remuneration is ideally structured to exclude equity based remuneration. However, whilst the Company remains small and the full Board, including Non-Executive Directors, are included in the operations of the Company more intimately than may be the case with larger companies the Non-Executive Directors are entitled to participate in equity based remuneration schemes.

All directors are entitled to have indemnity insurance paid by the Company.

Profit Participation Plan

Performance incentives may be offered to Executive Directors and senior management of the Company through the operation of a profit participation plan at the ultimate discretion of the Board.

Details of remuneration for year ended 30 June 2009

	Salary, Fees and Commissions	Superannuation Contribution	Cash Bonus	Non-cash Benefits	Options	Total	Performance related
	$	$	$	$	$	$	%
Directors							
Mr Robert Grover	300,000	-	-	-	-	300,000	-
Mr Joseph Obeid	188,000***	-	-	-	-	188,000	-
Mr Winton Willesee*	132,000**	-	-	-	-	132,000	-
	620,000	-	-	-	-	620,000	-

* *In addition, a company associated with Mr Willesee was paid fees of $48,000 (2008:30,000) for the provision of office services.*

** *amount includes payments for executive and Company Secretarial Services.*

****amount includes payments for executive duties.*

Details of remuneration for year ended 30 June 2008

	Salary, Fees and Commissions	Super- annuation Contribution	Cash Bonus	Non-cash Benefits	Options	Total	Performance related
	$	$	$	$	$	$	%
Directors							
Mr Robert Grover	240,000	-	-	-	84,000	324,000	26
Mr Joseph Obeid	46,000	-	-	-	84,000	130,000	65
Mr Winton Willesee*	91,500	-	-	-	84,000	175,500	48
Mr Ross MacLeod	6,000	-	-	-	-	6,000	0
	383,500	-	-	-	252,000	635,500	

Options granted as part of remuneration for the year ended 30 June 2009.

No options were granted as remuneration for the year ending 30 June 2009.

Options issued as part of remuneration for the period ended 30 June 2008

					Terms & Conditions for Each Grant		
	Vested No.	Granted No.	Grant Date	Value per Option at Grant Date	Exercise Price	First Exercise Date	Last Exercise Date
Key Management Person				$	$		
Mr Robert Grover	2,000,000	2,000,000	3 Jun 2008	0.042	0.20	3 Jun 2008	30 Nov 2010
Mr Joseph Obeid	2,000,000	2,000,000	3 Jun 2008	0.042	0.20	3 Jun 2008	30 Nov 2010
Mr Winton Willesee	2,000,000	2,000,000	3 Jun 2008	0.042	0.20	3 Jun 2008	30 Nov 2010
	6,000,000	6,000,000					

Shares Issued on Exercise of Compensation Options

No options were exercised during the financial year.

Employment contracts of directors and senior executives

Mr Robert Grover has entered into an Consulting Services Agreement with the Company, commencing 1 July 2008, with the following key terms:

- Monthly fee of $25,000 inclusive of superannuation;
- The term of the contract is the earlier of Mr Grover resigning as a Director of the Company or three years.

Mr Joseph Obeid, entered into an Consulting Services Agreement with the Company, commencing 1 July 2008, with the following key terms:

- Monthly fee of $15,000 inclusive of superannuation;
- The term of the contract is the earlier of Mr Obeid resigning as a Director of the Company or three years.

Mr Winton Willesee, entered into an Consulting Services Agreement with the Company, commencing 1 July 2008, with the following key terms:

- Monthly fee of $11,000 inclusive of superannuation;
- The term of the contract is the earlier of Mr Willesee resigning as a Director of the Company or three years.

Further a company associated with Mr Willesee was engaged to provide office services for the Company, commencing 1 July 2008, with the following key terms:

- Monthly fees of $4,000;
- The term of the contract is aligned to the term of the Consulting Service Agreement between Mr Willesee and the Company.

Commencing 1 September 2009, this company associated with Winton Willesee agreed to accept assignment of the lease on the registered office premises and various other contracts for office and associated equipment on arms length terms and to continue to make the office premises and other items available to Boss as required. The monthly fee payable by Boss under this arrangement is $4,000 which is the estimated cost to this company of providing this arrangement and comparable with the amounts the Company was paying for the services prior to the out-sourcing arrangement.

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

RGrover

ROBERT GROVER
Director
DATED at PERTH this 30th day of September 2009

Corporate Governance Statement

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations. The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines.

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2009.

Board Composition

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the annual report and their term of office are detailed in the Director's report.

The independent Director of the Company is Mr Winton Willesee.

When determining the independent status of a Director the Board used the Guidelines detailed in the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations.

The Board sets out below its "if not why not" report in relation to those matters of corporate governance where the Company's practices depart from the Recommendations.

Recommendation		Boss Energy Limited Current Practice
1.1	Companies should establish the functions reserved for the board and those delegated to senior executives and disclose those functions.	Satisfied. Board Charter is available at www.bossenergy.com in the Corporate Governance Statement.
1.2	Companies should disclose the process for evaluating the performance of senior executives.	Satisfied. Board Performance Evaluation Policy is available at www.bossenergy.com in the Corporate Governance Statement.
1.3	Companies should provide the information indicated in the Guide for reporting on Principle 1	Satisfied. The Board Charter is available at www.bossenergy.com in the Corporate Governance Statement. Whilst the performance of management is appraised on an ongoing basis. During the year no formal appraisal of management was conducted.
2.1	A majority of the board should be independent directors.	Not Satisfied. The Shareholdings of Messrs Grover and Obeid exclude them from being classed as independent under ASX guidelines. Only Mr Willesee is classed as independent under ASX guidelines. The Board considers that given the size and nature of the Company the current Board is appropriate.
2.2	The chair should be an independent director.	Not Satisfied. Given the size and nature of the Company, Mr Grover is considered the most appropriate Director to act as Chairman.
2.3	The roles of chair and Chief Executive Officer should not be exercised by the same individual.	Not Satisfied. Given the size and nature of the Company, Mr Grover is considered the most appropriate Director to act as Chairman and fulfil the functions of Chief Executive Officer in his capacity as Executive Chairman.

2.4	The board should establish a nomination committee.	Not satisfied. The Board consider that given the current size of the Board (3), this function is efficiently achieved with full Board participation. Accordingly, the Board has not established a nomination committee.
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	Satisfied. Board Performance Evaluation Policy is available at www.bossenergy.com in the Corporate Governance Statement.
2.6	Companies should provide the information indicated in the guide to reporting on Principle 2	Satisfied. Directors are entitled to take independent advice should they deem that required. Whilst the performance of the Board is appraised on an ongoing basis, during the year no formal appraisal was conducted.
3.1	Companies should disclose a code of conduct and disclose the code or a summary of the code as to: The practices necessary to maintain confidence in the company's integrity The practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders The responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	Satisfied. The Code of conduct is available at www.bossenergy.com in the Corporate Governance Statement.
3.2	Companies should establish a policy concerning trading in company securities by directors, senior executives and employees, and disclose the policy or a summary of that policy.	Satisfied. The Trading Policy is available at www.bossenergy.com in the Corporate Governance statement.
3.3	Companies should provide the information indicated in the Guide to reporting on Principle 3	Satisfied
4.1	The board should establish an audit committee.	Not satisfied. The Board consider that given the current size of the Board (3), this function is efficiently achieved with full Board participation. Accordingly, the Board has not established an audit committee.
4.2	The board 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	Not satisfied. The Company has adopted a policy which includes Executive Directors as audit committee members.
4.3	The audit committee should have a formal charter.	Satisfied. Audit Committee charter is available at www.bossenergy.com in the Corporate Governance statement.
4.4	Companies should provide the information indicated in the Guide to reporting on Principle 4	Satisfied.
5.1	Companies should 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.	Satisfied. Continuous disclosure policy is available at www.bossenergy.com in the Corporate Governance statement.
5.2	Companies should provide the information indicated in the Guide to reporting on Principle 5	Satisfied

6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of their policy.	Satisfied. Shareholders communication strategy is available at www.bossenergy.com in the Corporate Governance statement.
6.2	Companies should provide the information indicated in the Guide to reporting on Principle 6	Satisfied
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Satisfied. Risk management program is available at www.bossenergy.com in the Corporate Governance statement.
7.2	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	Satisfied. The Board, including the Executive Chairman, routinely consider risk management matters.
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the corporations Act 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.	Satisfied. The Board has received a section 295A declaration pursuant to the 2008 financial period.
7.4	Companies should provide the information indicated in the Guide to reporting on Principle 7	Satisfied
8.1	The board should establish a remuneration committee.	Not Satisfied. The Board consider that given the current size of the Board (3), this function is efficiently achieved with full Board participation. Accordingly, the Board has not established a remuneration committee.
8.2	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	The structure of Directors' remuneration is disclosed in the remuneration report of this annual report.
8.3	Companies should provide the information indicated in the Guide to reporting on Principle 8	Remuneration committee charter is available at www.bossenergy.com in the Corporate Governance statement.

Further information about the Company's corporate governance practices is set out on the Company's website at www.bossenergy.com

Auditor's Independence Declaration

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

RSM Bird Cameron Partners
Chartered Accountants

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T +61 8 9261 9100 **F** +61 8 9261 9111
www.rsmi.com.au

AUDITOR INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Boss Energy Limited for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants

Perth, WA
Dated: 30 September 2009

T PHONG
Partner

Income Statement

FOR THE YEAR ENDED 30 JUNE 2009

	Notes	Consolidated Entity 2009 $	Consolidated Entity 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
Revenue	2	80,662	126,005	80,662	126,005
Employees and consultants		(722,858)	(874,234)	(722,858)	(874,234)
Accounting and legal		(87,870)	(207,345)	(87,870)	(207,345)
Travel and accommodation		(119,712)	(170,517)	(119,712)	(170,517)
Financing charges		(28,670)	(113,157)	(28,670)	(113,157)
Regulatory fees		(9,507)	(57,956)	(9,507)	(57,956)
Occupancy and communications		(40,634)	(39,302)	(40,634)	(39,302)
Corporate services		(677,324)	(34,980)	(677,324)	(34,980)
Share of Associate's loss	10	(131,582)	(24,951)	-	(24,951)
Impairment of financial assets		(6,179,219)	-	(6,310,801)	-
Other		(245,860)	(152,423)	(245,860)	(152,423)
Loss before income tax		(8,162,574)	(1,548,860)	(8,162,574)	(1,548,860)
Income tax	3	-	-	-	-
Loss after income tax expense		(8,162,574)	(1,548,860)	(8,162,574)	(1,548,860)
Basic Earnings per share (cents)	17	(11.82)	(3.12)		
Diluted Earnings per share (cents)	17	(11.82)	(3.12)		

The accompanying notes form part of these financial statements.

Balance Sheet

AS AT 30 JUNE 2009

	Notes	Consolidated Entity 2009 $	Consolidated Entity 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
CURRENT ASSETS					
Cash and cash equivalents	5	639,514	1,639,990	639,514	1,639,990
Trade and other receivables	6	54,337	45,553	54,337	45,553
Other assets	7	25,000	-	25,000	-
TOTAL CURRENT ASSETS		718,851	1,685,543	718,851	1,685,543
NON CURRENT ASSETS					
Financial assets	8	-	-	1,975,862	8,006,584
Investments accounted for using the equity method	9	1,975,862	8,006,584	-	-
Exploration and evaluation expenditure	11	657,644	624,851	-	-
Loans to controlled entities	12	-	-	657,644	624,851
Plant and equipment	13	-	8,142	-	8,142
TOTAL NON CURRENT ASSETS		2,633,506	8,639,577	2,633,506	8,639,577
TOTAL ASSETS		3,352,357	10,325,120	3,352,357	10,325,120
CURRENT LIABILITIES					
Trade and other payables	14	169,214	323,258	169,214	323,258
TOTAL CURRENT LIABILITIES		169,214	323,258	169,214	323,258
TOTAL LIABILITIES		169,214	323,258	169,214	323,258
NET ASSETS		3,183,143	10,001,862	3,183,143	10,001,862
EQUITY					
Issued capital	15	13,084,689	11,772,853	13,084,689	11,772,853
Reserves	16	-	(32,019)	-	(32,019)
Retained losses		(9,901,546)	(1,738,972)	(9,901,546)	(1,738,972)
TOTAL EQUITY		3,183,143	10,001,862	3,183,143	10,001,862

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2009

Consolidated Entity	Issued Capital $	Retained Earnings $	Associates Reserve $	Total $
Balance at 1 July 2007	3,472,163	(190,112)	-	3,282,051
Shares issued during the year	8,467,370	-	-	8,467,370
Share based payments	354,500	-	-	354,500
Capital raising costs	(521,180)	-	-	(521,180)
Change is associates value	-	-	(32,019)	(32,019)
Loss attributable to equity shareholders	-	(1,548,860)	-	(1,548,860)
Balance at 30 June 2008	11,772,853	(1,738,972)	(32,019)	10,001,862
Balance at 1 July 2008	11,772,853	(1,738,972)	(32,019)	10,001,862
Shares issued during the year	1,478,085	-	-	1,478,085
Share based payments	1,020,002	-	-	1,020,002
Capital raising costs	(1,186,251)	-	-	(1,186,251)
Change is associates value	-	-	32,019	32,019
Loss attributable to equity shareholders	-	(8,162,574)	-	(8,162,574)
Balance at 30 June 2009	13,084,689	(9,901,546)	-	3,183,143

Parent Entity	Issued Capital $	Retained Earnings $	Associates Reserve $	Total $
Balance at 1 July 2007	3,472,163	(190,112)	-	3,282,051
Shares issued during the year	8,467,370	-	-	8,467,370
Share based payments	354,500	-	-	354,500
Capital raising costs	(521,180)	-	-	(521,180)
Change is associates value	-	-	(32,019)	(32,019)
Loss attributable to equity shareholders	-	(1,548,860)	-	(1,548,860)
Balance at 30 June 2008	11,772,853	(1,738,972)	(32,019)	10,001,862
Balance at 1 July 2008	11,772,853	(1,738,972)	(32,019)	10,001,862
Shares issued during the year	1,478,085	-	-	1,478,085
Share based payments	1,020,002	-	-	1,020,002
Capital raising costs	(1,186,251)	-	-	(1,186,251)
Change is associates value	-	-	32,019	32,019
Loss attributable to equity shareholders	-	(8,162,574)	-	(8,162,574)
Balance at 30 June 2009	13,084,689	(9,901,546)	-	3,183,143

The accompanying notes form part of these financial statements.

Cash Flow Statement

FOR THE YEAR ENDED 30 JUNE 2009

		Consolidated Entity		Parent Entity	
	Notes	2009 $	2008 $	2009 $	2008 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash payments in the course of operations		(2,083,451)	(1,217,315)	(2,083,451)	(1,217,315)
Finance costs		(28,670)	(113,157)	(28,670)	(113,157)
Interest received		35,090	126,005	35,090	126,005
Other receipts		45,572	-	45,572	-
NET CASH USED BY OPERATING ACTIVITIES		(2,031,459)	(1,204,467)	(2,031,459)	(1,204,467)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for acquisition of prospects		(32,793)	(374,851)	-	-
Payments for acquisition of equity investments		(248,060)	(8,063,554)	(248,060)	(8,063,554)
Payments for acquisition of other fixed assets		-	(10,866)	-	(10,866)
Payments to subsidiary		-	-	(32,793)	(374,851)
NET CASH USED BY INVESTING ACTIVITIES		(280,853)	(8,449,271)	(280,853)	(8,449,271)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from share issue		1,311,836	7,798,690	1,311,836	7,798,690
Proceeds from borrowings		-	4,500,000	-	4,500,000
Repayment of borrowings		-	(4,500,000)	-	(4,500,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES		1,311,836	7,798,690	1,311,836	7,798,690
NET DECREASE IN CASH		(1,000,476)	(1,855,048)	(1,000,476)	(1,855,048)
Cash at the beginning of the financial year		1,639,990	3,495,038	1,639,990	3,495,038
CASH AT THE END OF THE FINANCIAL YEAR	5	639,514	1,639,990	639,514	1,639,990

The accompanying notes form part of these financial statements.

Cash Flow Statement continued

FOR THE YEAR ENDED 30 JUNE 2009

For the purpose of the cash flow statement, cash includes cash on hand and at bank and deposits.
Cash as at the end of the financial year as shown in the cash flow statement is reconciled to the related item in the balance sheet as follows:

		Consolidated Entity		Parent Entity	
	Notes	2009 $	2008 $	2009 $	2008 $
Cash at Bank and in hand	5	639,514	1,639,990	639,514	1,639,990
		639,514	1,639,990	639,514	1,639,990
Reconciliation of loss after related income tax to net cash used in operating activities -					
Operating loss		(8,162,574)	(1,548,860)	(8,162,574)	(1,548,860)
Movements in assets and liabilities during the year -					
Payables		(154,044)	110,271	(154,044)	110,271
Receivables and prepayments		(8,784)	(45,553)	(8,784)	(45,553)
Other assets		(25,000)	-	(25,000)	-
Non-cash items -					
Share of Associate's loss		131,582	24,951	-	24,951
Depreciation		1,528	2,724	1,528	2,724
Loss on sale of plant and equipment		6,614	-	6,614	-
Share based payments		-	252,000	-	252,000
Diminution of investments		6,179,219		6,310,801	
NET CASH USED BY OPERATING ACTIVITIES		(2,031,459)	(1,204,467)	(2,031,459)	(1,204,467)

NON CASH INVESTING AND FINANCING ACTIVITIES

On 29 July 2008, the Company issued 15,375,000 listed options at a fair value of 5.5 cents (per option) as consideration for capital raising costs.

On 27 May 2009, the Company issued 2,527,199 listed shares at a fair value of 6.9 cents (per option) each in consideration for services pursu ant to the Rights Issue completed during the year.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the consolidated financial statements and notes of Boss Energy Limited and controlled entities ('Consolidated Entity') and the separate financial statements and notes of Boss Energy Limited as an individual parent entity ('Company').

The financial report was authorised for issue on 30 September 2009 by the Board of Directors.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

Going Concern

As disclosed in the financial statements, the parent and consolidated entity recorded an operating loss of $8,162,574 and had net cash outflows from operating activities of $2,031,459 for the year ended 30 June 2009 and at balance date the parent and consolidated entity had net assets of $549,637. These financial conditions indicate significant uncertainty whether the Company and consolidated entity will continue as going concerns and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe after consideration of the above matters, there are reasonable grounds to believe that the Company and consolidated entity will be able to continue as going concerns because of the following factors:

- The ability to issue of additional capital under the Corporations Act 2001;
- The availability of an undrawn $4 million loan facility from a private lender;
- The ability to dispose of non-current assets; and
- The ability of the Company and consolidated entity to scale back their activities to conserve cash.

Accordingly, the Directors believe that the company will obtain sufficient funding to enable it and the consolidated entity to continue as going concerns and that it is appropriate to adopt the going concern basis of accounting in the preparation of the financial report.

This financial report does not contain any adjustments to the amounts or classification of recorded assets or liabilities that might be necessary if the company and consolidated entity do not continue as going concerns.

The financial report has also been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting policies

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

a) Principles of consolidation

A controlled entity is any entity over which Boss Energy Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities in contained in Note 8.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the consolidated entity during the year, their operating resulted have been included (excluded) from the date control was obtained (ceased).

All inter-group balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

b) Cash and Cash Equivalents

Cash on hand and in banks and short term deposits are stated at nominal value. For the purpose of the cash flow statement, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 90 days, net of outstanding bank overdrafts.

c) Income Tax

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary difference at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probably that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised temporary differences between the carrying amount and tax bases of investments in subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the difference will not reverse in the foreseeable future. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

d) Property, Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all plant and equipment is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	**Depreciation Rate**
Plant and equipment	5 - 33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet 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 and losses are included in the income statement.

e) Exploration and Development Expenditure

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

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

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

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

f) Investment in Associates

Associates are all entities over which the consolidated entity has significant influence but not control. Investments in associate companies are accounted for in the parent entity using the cost method and in the consolidated entity using the equity method of accounting. The equity method of accounting recognises the consolidated entity's share of post-acquisition profits or losses in the income statement and its share of post-acquisition movements in reserves is recognised in associates reserve.

g) Leases

Lease payments for operating leases where substantially all the risks and benefits remain with the lessor are changes as expenses in the periods in which they are incurred.

h) Accounts Payable

Trade payables and other accounts are recognised when the Company becomes obliged to make future payments resulting from the purchase of goods and services.

i) Receivables

Trade account receivable, amounts due from related parties and other receivables represent the principal amounts due at balance date plus accrued interest less, where applicable, any unearned income and provision for doubtful accounts.

j) Revenue

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

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

k) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of any asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

l) Impairment of Assets

Assets that have an infinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash flows (cash generating units).

m) Recoverable Amount of Non Current Assets

The carrying amount of non-current assets is reviewed annually by Directors to ensure they are not in excess of the recoverable amounts from those assets. The recoverable amount is assessed on the basis of the market values or expected net cash flows which will be received from the assets employed and subsequent disposal. The expected net cash flows are not discounted to present values in determining recoverable amounts.

n) Critical Accounting Estimates and Assumptions

The carrying amount of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

- *Impairment of Capitalised Exploration and Evaluation Expenditure*

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the consolidated entity decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Based on the above factors, the board of directors determines when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been captialised in respect of that area of interest are written off. The Directors' decison is made after considering the likelihod of finding commercially viable reserves. No areas of interest have been abndoned at the date of this report.

- ***Investments Accounting Using the Equity Method***

  The recoverable amount of the investment in the associate – Greenvale Mining NL is supported by a value-in-use calculation which uses the cash flow projections based on current expected reserves of oil shale, as identified by Greenvale Mining NL. The key assumptions used in valuing this investment are as follows:

  I. *Revenue*
  - Barrels of oil - 3.195 billion barrels;
  - A yield of 25% only will apply to the above reserves;
  - Expected number of years to exploit the tenements – 15 (commencing in 6 years); and
  - Long term price of oil – US$90.

  II. *Operating Costs*
  Operating costs are based on amounts assessed for expression of interest from potential joint venture partners who will provide plant and equipment to the project and in return, they will take approximately 50% of the profits. It has been estimated that GRV will be required to meet US$140,000 per annum as its share of fixed operating costs.

  III. *Discount Rate*
  - Probability weighting of 35% in arriving at the free cashflows;
  - Discount of 15% for minority or lack of control has been provided for in relation to the joint venture arrangements; and
  - Discount to the overall control value of Greenvale Mining NL of approximately 15% has been allowed for in order to arrive at a value for Boss Energy Limited's investment.

  IV. *Other*
  - Inflation rate of 3.5%;
  - Corporate tax rate of 30%;
  - AUD/USD exchange rate of 0.75;
  - No capital expenditure is considered as a partner intends to fund all the capital requirements of the project; and
  - A discount factor of 50% has been applied to the cash-flow projections to recognise the moratorium on the exploitation of oil share in the State of Queensland until 24 August 2010.

NOTE 2: REVENUE

	Consolidated Entity		Parent Entity	
	30-Jun 2009 $	30-Jun 2008 $	30-Jun 2009 $	30-Jun 2008 $
Interest revenue	34,868	126,005	34,868	126,005
Other income	45,794	-	45,794	-
Total interest revenue	80,662	126,005	80,662	126,005

NOTE 3: INCOME TAX EXPENSE

	Consolidated Entity		Parent Entity	
	30-Jun 2009 $	30-Jun 2008 $	30-Jun 2009 $	30-Jun 2008 $
The prima facie tax expense/(benefit) on loss before income tax is reconciled to the income tax as follows:				
Tax expense/(benefit) on loss before income tax at 30%	(2,448,772)	(464,658)	(2,448,772)	(464,658)
Non-deductible expendiure	1,887,163	(1,790)	1,897.000	(1,790)
Deferred tax asset not recognised	561,609	466,448	551,772	466,448
Income tax expenses/(benefit)	-	-	-	-
Tax losses at 30% not recognised	1,163,954	602,345	966,661	414,889

The deferred tax asset attributable to carried forward income tax losses and temporary differences has not been recognised as an asset as the company has not commenced trading and the availability of future profits to recoup these losses is not considered probable at the date of this report.

NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION

Key Management Persons	Position
Mr Robert Grover	Executive Chairman
Mr Joseph Obeid	Director
Mr Winton Willesee	Director & Company Secretary

a) Number of Shares Held by Key Management Personnel

Key Management Person	Balance 1.7.2008	Received as Compensation	Options Exercised	Net Change Other	Balance 30.6.2009
Mr Robert Grover	5,000,001	-	-	1,000,000	6,000,001
Mr Joseph Obeid	5,000,000	-	-	128,000	5,128,000
Mr Winton Willesee	1,000,000	-	-	175,000	1,175,000
	11,000,001	-	-	1,303,000	12,303,001

b) Number of Options Held by Key Management Personnel

Key Management Person	Balance 1.7.2008	Granted as compensation	Options Exer-cised	Net Change Other	Balance 30.6.2009	Total Vested 30.6.2009	Total Exercisable 30.6.2009	Total Unexercisable 30.6.2009
Mr Robert Grover	3,250,000	-	-	-	3,250,000	3,250,000	3,250,000	-
Mr Joseph Obeid	3,250,000	-	-	13,000	3,263,000	3,263,000	3,263,000	-
Mr Winton Willesee	2,250,000	-	-	75,000	2,325,000	2,325,000	2,325,000	-
	8,750,000	-	-	88,000	8,838,000	8,838,000	8,838,000	-

Further information on the compensation paid to key management personnel can be found in the Remuneration Report contained in the Directors Report.

NOTE 5: CASH AND CASH EQUIVALENTS

	Consolidated Entity		Parent Entity	
	30 June 2009 $	30 June 2008 $	30 June 2009 $	30 June 2008 $
Cash at bank	639,514	1,639,990	639,514	1,639,990
	639,514	1,639,990	639,514	1,639,990

NOTE 6: TRADE AND OTHER RECEIVABLES

GST receivable	54,337	45,553	54,337	45,553
	54,337	45,553	54,337	45,553

NOTE 7: OTHER ASSETS

Professional service retainer	25,000	-	25,000	-
	25,000	-	25,000	-

NOTE 8: FINANCIAL ASSETS

Shares in controlled entities	-	-	-	-
Shares in associates	-	-	1,975,862	8,006,584
	-	-	1,975,862	8,006,584

Details of controlled entities

	Country of Incorporation	Percentage Owned %	Cost $
Parent Entity:			
Boss Energy Limited	Australia	-	-
Subsidiary of Boss Energy Limited:			
Boss Energy (Latrobe Holdings) Pty Ltd	Australia	100	1

There have been no movements in percentage ownership or cost of controlled entities during the year.

Since the end of the year the Company has acquired 100% of the issued capital of Minga Pty Ltd.

Reconciliation of movements in financial assets

	Parent Entity	
	Associates $	Controlled Entities $
Balance at the beginning of the year	8,006,584	-
Purchases	248,060	-
Impairment	(6,310,801)	-
Reversal of reserves	32,019	-
Balance at the end of the year	1,975,862	-

NOTE 9: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Consolidated Entity	
	30-Jun 2009 $	30-Jun 2008 $
Associated companies	1,975,862	8,006,584
	1,975,862	8,006,584

In the opinion of the Directors, Boss Energy's shareholding in Greenvale Mining NL is considered to be an investment in an associated entity and accordingly is accounted for using the equity method of accounting. The basis for forming the Director's opinion is as follows:

- Boss Energy is the major shareholder of Greenvale Mining NL with an interest of 18.21% shareholding;
- Boss Energy currently has two out of the four Directors of Greenvale Mining NL and is actively involved in the strategic and financial matters of Greenvale Mining NL;
- Boss Energy's Company Secretary is joint Company Secretary of Greenvale Mining NL;
- Boss Energy is involved in a number of key aspects associated with the development and ultimate exploitation of the various oil shale tenements owned by Greenvale Mining NL and its associated entity Esperance Minerals NL.

NOTE 10: ASSOCIATED COMPANIES

Interests are held in the following associated companies:

				Ownership Interest		Carrying amount of Investment	
Name	Principal Activities	Country of Incorporation	Shares	2009 %	2008 %	2009 $	2008 $
Listed:							
Greenvale Mining NL	Mineral Exploration	Australia	Ordinary	18.21	10.61	1,975,862	8,006,584

a) Movements during the year in equity accounted investment in associated companies

	Consolidated Entity	
	2009 $	2008 $
Balance at the beginning of the financial year	8,006,584	-
Purchases	248,060	8,063,554
Share of associated loss after income tax	(131,582)	(24,951)
Share of associated company's reserve increments arising during the year	32,019	(32,019)
Impairment	(6,179,219)	-
	1,975,862	8,006,584

b) Equity accounted profits of associated are broken down as follows:

Share of associate's profits before income tax	(131,582)	(24,951)
Share of associate's income tax expense	-	-
Share of associate's profits after income tax	(131,582)	(24,951)

c) **Summarised presentation of aggregate assets, liabilities and performance of associates**	**Consolidated Entity**	
	2009 $	**2008 $**
Total assets	528,082	531,702
Total Liabilities	179,168	157,300
Revenues	19,090	25,643
Loss after income tax	131,582	24,951
d) **Market value of listed investment in associate**	285,910	1,319,550

The recoverable amount of the investment in the associate – Greenvale Mining NL is supported by a value-in-use calculation which uses the cash flow projections based on current expected reserves of oil shale, as identified by Greenvale Mining NL. The key assumptions used in valuing this investment are disclosed in Note 1 (n).

NOTE 11: NON CURRENT ASSETS – EXPLORATION AND EVALUATION EXPENDITURE	**Consolidated Entity**		**Parent Entity**	
	30-Jun 2009 $	**30-Jun 2008 $**	**30-Jun 2009 $**	**30-Jun 2008 $**
Balance at the beginning of the year	624,851	-	-	-
Acquisition cost	-	500,000	-	-
Exploration expenditure incurred	32,793	124,851	-	-
Balance at the end of the year	657,644	624,851	-	-

The balance carried forward represents projects in the exploration and evaluation phase.

Ultimate recoupment of exploration expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, sale of respective areas.

NOTE 12: LOANS TO CONTROLLED ENTITIES	**Parent Entity**	
	30-Jun 2009 $	**30-Jun 2008 $**
Balance at the end of the year	657,644	624,851

This loan is an interest free loan repayable on call.

NOTE 13: PLANT AND EQUIPMENT	**Consolidated Entity**		**Parent Entity**	
	30-Jun 2009 $	**30-Jun 2008 $**	**30-Jun 2009 $**	**30-Jun 2008 $**
Cost	-	10,866	-	10,866
Accumulated depreciation	-	2,724	-	2,724
	-	8,142	-	8,142

NOTE 14: TRADE AND OTHER PAYABLES

	Consolidated Entity		Parent Entity	
	30-Jun 2009 $	30-Jun 2008 $	30-Jun 2009 $	30-Jun 2008 $
Trade payables	69,969	36,458	69,969	36,458
Accrued corporate expenditure	99,245	-	99,245	-
Accrual capital raising costs	-	286,800	-	286,800
	169,214	323,258	169,214	323,258

All payables are on industry standard payment terms.

NOTE 15: ISSUED CAPITAL

	Consolidated Entity		Parent Entity	
	30-Jun 2009 $	30-Jun 2008 $	30-Jun 2009 $	30-Jun 2008 $
Issued capital - fully paid ordinary shares	13,084,689	11,772,853	13,084,689	11,772,853
	13,084,689	11,772,853	13,084,689	11,772,853

At 30 June 2009 there were 61,297,889 (2008:21,288,147) options on issue. The options have an exercise price of 20c and expire on 30 November 2010.

	30-Jun 2009 Number	30-Jun 2009 $
a) Ordinary Shares		
At the beginning of the reporting period	61,586,854	11,772,853
Shares issue - 27 April 2009	24,634,742	1,478,085
Share issue – 27 May 2009	2,527,199	174,377
Option issue – 29 July 2008		845,625
Share issue costs		(1,186,251)
At reporting date	88,748,795	13,084,689

b) Capital Risk Management

When managing capital, management's objective is to ensure the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the Company.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

The Company does not have a defined share buy-back plan.

No dividends were paid in 2009 and no dividends are expected to be paid in 2010.

There is no current intention to incur debt funding on behalf of the Company as on-going exploration expenditure will be funded via cash reserves, equity or joint ventures with other companies.

The Company is not subject to any externally imposed capital requirements.

NOTE 16: RESERVES

The Associates Reserve represents the Company's share in the changes to the reserves of Greenvale Mining NL.

NOTE 17: LOSS PER SHARE

	Consolidated Entity	
	2009	**2008**
Basic loss per share (cents per share)	(11.82)	(3.12)
Diluted loss per share (cents per share)	(11.82)	(3.12)
Weighted average number of ordinary shares used in the calculation of the basic loss per share	69,050,880	49,701,847

NOTE 18: CONTINGENT LIABILITIES

Since the last reporting date, there has been no change of any contingent liabilities or contingent assets other than those attaching to the shares held in Greenvale Mining NL. These shares are contributing shares paid to 5 cents with 15 cents remaining unpaid at present (2,221,000 x 15 cents = $333,150). Any calls on the unpaid portion of the shares are at the discretion of the directors of Greenvale Mining NL.

NOTE 19: COMMITMENTS

The Company holds Mineral Exploration Tenement EL20/2004 which carries expenditure requirements. The Tenement was granted on 26 November 2004 and is valid until 26 November 2009 with no reduction of area required. Expenditure requirements for the Tenement during the first two years were $45,750 each; thereafter they are $1,000 per km2, $700 per km2 and $1,000 per km2 for the third, fourth and fifth years respectively and which are also subject to minimum annual expenditures based upon total expenditure upon the tenement. A security deposit bond for $7,000 is in place to cover Performance and Private Land Deposits.

The Company proposes to apply for an extension of its exploration licence. In the event that is not granted the Company will apply for either a Mining Retention Licence or a Mining Licence as appropriate.

The Company has commitments under the addendum to the agreement with an entity associated with Winton Willesee disclosed in the remuneration report such that should it terminate the agreement it shall be liable to pay an amount equal to the sum of money representing any actual contractual or damages payments that are required to be made by that company if it terminates its contractual obligations with the respective lessors or service providers in relation to the services it provides to the Company.

Exploration expenditure commitments	**$**
Less than 12 months	61,000
12 months to 5 years	Subject to licence renewal

NOTE 20: SEGMENT REPORTING

Boss Energy Limited operates wholly in one business and geographical business segment being minerals exploration in Australia.

NOTE 21: AUDITORS REMUNERATION

	Consolidated Entity		Parent Entity	
	2009 $	2008 $	2009 $	2008 $
Remuneration of the auditor for:				
Auditing or reviewing the financial report (RSM Bird Cameron Partners)	33,000	15,000	33,000	15,000
Taxation services and corporate services (RSM Bird Cameron Partners)	5,550	3,750	5,550	3,750
Auditing or reviewing the financial report (Grant Thornton (WA) Partnership)	-	27,610	-	27,610
Taxation services and corporate services (Grant Thornton (WA) Partnership)	-	2,000	-	2,000
	38,550	48,360	38,550	48,360

NOTE 22: RELATED PARTY TRANSACTIONS

Apart from key management personnel remuneration, a company associated with Winton Willesee was paid $48,000 (2008:$30,000) for the provision of office and related services.

Since the end of the reporting period the Company has agreed the addendum to the office services agreement detailed in the remuneration report.

NOTE 23: SHARE-BASED PAYMENTS

On 29 July 2008, the Company issued 15,375,000 listed options at a fair value of 5.5 cents (per option) as consideration for capital raising costs. The fair value has been determined with reference to the ASX trading price of options on the day of issue.

On 27 May 2009, the Company issued 2,527,199 listed shares recorded in the accounts at a fair value of 6.9 cents (per share) each in consideration for services pursuant to the rights issue completed during the year. The fair value has been determined with reference to the ASX trading price of shares on the day of issue.

NOTE 24: FINANCIAL INSTRUMENTS

i. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The main purpose of non-derivative financial instruments is to raise finance for the Company's operations.

Derivatives are not currently used by the Company for hedging purposes. The Company does not speculate in the trading of derivative instruments.

i. *Treasury Risk Management*

Directors of the Company meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. *Financial Risks*

The main risks the Company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

iii. *Interest Rate Risk*

The Company does not have any debt that may be affected by interest rate risk.

iv. *Sensitivity Analysis*

At 30 June 2009, if interest rates had changed by -/+ 75 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for both the parent and the consolidated entity would have been $4,797 lower/higher (2008 - $12,300 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

v. *Liquidity Risk*

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

vi. *Credit Risk*

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, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the economic entity.

ii. Fair value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the parent and consolidated entity at the balance date are recorded at amounts approximating their carrying amount.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

iii. Interest Rate Risk

The Company's and consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

	Floating Interest Rate		Fixed Interest Rate				Non Interest Bearing		Total		Weight Effective Interest Rate	
			1 Year or Less		1 to 5 Years							
	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 %	2008 %
Financial Assets												
Cash	639,514	1,639,990	-	-	-	-		-	639,514	1,639,990	4.77	7.10
Trade and other receivables	-	-	-	-	-	-	54,337	45,553	54,337	45,553	N/A	N/A
Total Financial Assets	639,514	1,639,990	-	-		-	54,337	45,553	693,851	1,685,543		
Financial Liabilities												
Trade and other payables	-	-	-	-	-	-	169,214	323,259	169,214	323,259	N/A	N/A
Total Financial Liabilities	-	-	-	-	-	-	169,214	323,259	169,214	323,259		

NOTE 25: EVENTS SUBSEQUENT TO BALANCE DATE

Since 30 June 2009 the Company has:

1. Sought and received shareholder ratification of the issue of 2,527,199 fully paid ordinary shares issued pursuant to costs of the Rights Issue completed during the year.
2. Sought and received shareholder approval to issue up to 25,000,000 shares at not less that 6c per share to raise $1,500,000.
3. Paid $50,000 to acquired 100% of the issued capital of Minga Pty Ltd. Minga Pty Ltd holds as its principal asset an interest bearing loan receivable from Greenvale Mining NL of approximately $823,000.

Other than disclosed above, between the end of the financial year and the date of this report there are no items, transactions or events of a material and unusual nature likely, in the opinion of the Directors, to affect significantly, the results of those operations, or the state of affairs of the Company in future financial years that require disclosure.

NOTE 26: AUSTRALIAN ACCOUNTING STANDARDS AND AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. The Director's assessment of the impact of new standards and interpretations that may affect the Company is set out below.

i. **AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 (effective 1 January 2009)**

AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a 'management approach' to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and decision how to allocate resources to operating segments. The Company will adopt AASB 8 from 1 July 2009. It is likely to result in an increase in the number of reportable segments presented. In addition, the segments will be reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker.

ii. **Revised AASB 123 Borrowing Costs and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 (effective 1 January 2009)**

The revised AASB 123 has removed the option to expense all borrowing costs and – when adopted – will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. There will be no impact on the financial report of the Company.

Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 (effective 1 January 2009)

The September 2007 revised AASB 101 requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative period. The Company will apply the revised standard from 1 July 2009.

iii. AASB 2008-1 Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations (effective 1 January 2009)

AASB 2008-1 clarifies that vesting conditions are service conditions and performance conditions only and that other features of a share-based payment are not vesting conditions. It also specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The Company will apply the revised standard from 1 July 2009.

iv. Revised AASB 3 Business Combinations, AASB 127 Consolidated and Separate Financial Statements and AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 (effective 1 January 2009)

The revised AASB 3 continues to apply the acquisition method to business combinations, but with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently remeasured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs must be expensed.

The revised AASB 127 requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss.

The Company will apply the revised standards prospectively to all business combinations and transactions with non-controlling interests from 1 July 2009.

v. AASB 2008-7 Amendments to Australian Accounting Standards - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (effective 1 July 2009)

In July 2008, the AASB approved amendments to AASB 1 First-time Adoption of International Financial Reporting Standards and AABS 127 Consolidated and Separate Financial Statements. The Company will apply the revised rules prospectively from 1 July 2009. After that date, all dividends received from investments in subsidiaries, jointly controlled entities or associates will be recognised as revenue, even if they are paid out of pre-acquisition profits, but the investments may need to be tested for impairment as a result of the dividend payment. Under the Company's current policy, these dividends are deducted from the cost of the investment.

Directors' Declaration

In accordance with a resolution of the Board of Directors, I state that:

In the opinion of the Directors:

(1) (a) the financial statements, notes and remuneration report included in the directors' report in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Company's and Consolidated Entity's financial position at 30 June 2009 and of their performance for the year ended on that date:

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

(iii) 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

(iv) the remuneration report contained included in the directors' report comply with Accounting Standards AASB 124 Related Party Disclosures and the Corporations Regulations 2001.

(2) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the year ended 30 June 2009.

On behalf of the Board.

ROBERT GROVER
Executive Chairman
DATED at PERTH this 30th day of September 2009.

Independent Auditor's Report

RSM Bird Cameron Partners
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BOSS ENERGY LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Boss Energy Limited ("the company"), which comprises the balance sheet as at 30 June 2009 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the 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 and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Auditor's Opinion

In our opinion:

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

- (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2009 and of their performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

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

Material Uncertainty regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, we draw attention to Note 1 in the financial report, which indicates that:

(a) During the year ended 30 June 2009, the company and consolidated entity incurred net losses of $8,162,574; and

(b) During the year ended 30 June 2009, the company and consolidated entity had cash outflows from operating activities of $2,031,459; and

(c) At balance date, the company and consolidated entity had net current assets of $549,637.

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's and consolidated entity's abilities to continue as going concerns and, therefore, whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

Significant Uncertainty regarding the Carrying Value of Investment in Greenvale Mining NL

Without qualification to the opinion expressed above, we draw attention to Notes 8 and 9 in the financial report. The company and consolidated entity each carry a material investment in an associate, Greenvale Mining NL ("GRV"). Due to GRV's financial position as at 30 June 2009 and its performance for the year ended, there is significant uncertainty about its ability to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in its financial report. This may ultimately impact on the company and consolidated entity, being able to realise their investment in GRV, at the amounts stated in the financial report.

Report on the Remuneration Report

We have audited the Remuneration Report contained in the directors' report for the financial year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Boss Energy Limited for the financial year ended 30 June 2009 complies with section 300A of the *Corporations Act 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants

T PHONG
Partner

Perth, WA
Dated: 30 September 2009

Shareholder Information

Additional information required by the Australian Securities Exchange Limited Listing Rules, and not disclosed elsewhere in this report.

SHAREHOLDINGS

At the date of this report three shareholders had lodged substantial shareholder notices with the Company.

a) on 26 July 2007 a substantial shareholder notice was received by the Company notifying the Company that Pacific Finance and Securities Pty Ltd as trustee for the Paladin Private Pension Fund was a substantial shareholder holding a relevant interest in 5,000,000 shares representing 12.2% of the voting power.

b) on 26 July 2007 a substantial shareholder notice was received by the Company notifying the Company that Joseph Obeid was a substantial shareholder holding a relevant interest in 5,000,000 shares representing 12.2% of the voting power.

c) on 5th August 2009 a substantial shareholder notice was received by the Company notifying the Company that Bejjal Pty Ltd <Bejjal Super Fund> was a substantial shareholder holding a relevant interest in 6,100,000 shares representing 6.87% of the voting power.

d) on 5th August 2009 a substantial shareholder notice was received by the Company notifying the Company that Gun Capital Management Pty Ltd was a substantial shareholder holding a relevant interest in 8,241,533 shares representing 9.29% of the voting power.

CLASS OF SHARES AND VOTING RIGHTS

The voting rights attached to the Fully Paid Ordinary Shares of the Company are:

a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and

b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

Options do not carry any voting rights.

TWENTY LARGEST SHAREHOLDERS
(as at 11 September 2009)

	Name	Number of Shares	%
1.	TRADE THRUST PTE LTD	10,000,000	11.27%
2.	GUN CAPITAL MANAGEMENT PTY LTD	8,230,571	9.27%
3.	PACIFIC FINANCE & SECURITIES PTY LTD <THE PALADIN PRIVATE PENSION FUND A/C>	6,000,000	6.76%
4.	BEJJAL PTY LTD <BEJJAL SUPER FUND A/C>	5,600,000	6.31%
5.	MR JOSEPH OBEID <SUPER FUND A/C>	5,000,000	5.63%
6.	GRAVNER LIMITED	4,000,000	4.51%
7.	CONTINENTAL CAPITAL LIMITED	3,750,000	4.23%
8.	WESTBLADE PTY LTD	3,750,000	4.23%
9.	CITICORP NOMINEES PTY LIMITED	3,335,000	3.76%
10.	SUNSHORE HOLDINGS PTY LTD	3,000,000	3.38%
11.	MONTANA MINING LIMITED	2,500,000	2.82%
12.	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	1,825,000	2.06%
13.	WARR HOLDINGS PTY LTD <WARR SUPER FUND A/C>	1,666,667	1.88%
14.	PRORIDGE PTY LTD <PRORIDGE SUPER FUND A/C>	1,666,667	1.88%
15.	AZALEA FAMILY HOLDINGS PTY LTD <NO 2 A/C>	1,175,000	1.32%
16.	BOSTOCK INVESTMENTS PTY LTD	1,020,000	1.15%
17.	CINTRA HOLDINGS PTY LTD <ACCOUNT CINTRA FAMILY>	911,052	1.03%
18.	MR MICHAEL GLADWIN GROVE <MICHAEL GLADWIN-GROVE FAMILY A/C>	750,000	0.85%
19.	CONSORT PRIVATE LIMITED	670,000	0.75%
20.	MIDDLE EAST PETROLEUM SERVICESLIMITED	666,667	0.75%
		67,366,624	75.91%

DISTRIBUTION OF SHAREHOLDERS (as at 11 September 2009)

Spread of Holdings	Number of Holders	Units	%
1 – 1000	15	1,620	0.00
1001 – 5000	41	135,643	0.15
5001 – 10000	153	1,469,129	1.66
10001 – 100000	198	7,932,912	8.94
100001 –	72	79,209,492	89.25
Total	**479**	**88,748,796**	**100.00**

As at 11 September 2009 there are 213 holders of unmarketable parcels comprising a total of 1,651,633 ordinary shares.

There are currently no shares subject to escrow.

There is no current on-market buy back taking place.

TWENTY LARGEST OPTIONHOLDERS (Listed Options) (as at 11 September 2009)

	Name	Number of Options	%
1.	GMAX CAPITAL PTY LTD	14,031,250	22.89%
2.	GUN CAPITAL MANAGEMENT PTY LTD	6,819,241	11.12%
3.	GRAVNER LIMITED	4,000,000	6.53%
4.	PACIFIC FINANCE & SECURITIES PTY LTD <THE PALADIN PRIVATE PENSION FUND A/C>	3,250,000	5.30%
5.	MR JOSEPH OBEID <SUPER FUND A/C>	3,250,000	5.30%
6.	SUNSHORE HOLDINGS PTY LTD	3,000,000	4.89%
7.	CITICORP NOMINEES PTY LIMITED	3,000,000	4.89%
8.	TRADE THRUST PTE LTD	2,500,000	4.08%
9.	AZALEA FAMILY HOLDINGS PTY LTD <No 2 A/C>	2,325,000	3.79%
10.	BEJJAL PTY LTD <BEJJAL SUPER FUND A/C>	1,775,587	2.90%
11.	PRORIDGE PTY LTD <PRORIDGE SUPER FUND A/C>	1,666,667	2.72%
12.	WARR HOLDINGS PTY LTD <WARR SUPER FUND A/C>	1,666,667	2.72%
13.	MRS CHANTELLE GROVE	1,343,750	2.19%
14.	WESTBLADE PTY LTD	937,500	1.53%
15.	CONTINENTAL CAPITAL LIMITED	937,500	1.53%
16.	MR DAMIAN ANTONY CONBOY	875,587	1.43%
17.	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	684,375	1.12%
18.	MIDDLE EAST PETROLEUM SERVICESLIMITED	666,667	1.09%
19.	MONTANA MINING LIMITED	625,000	1.02%
20.	ZERO NOMINEES PTY LTD	600,000	0.98%
		55,318,124	90.24%

DISTRIBUTION OF OPTIONHOLDERS (as at 11 September 2009)

Spread of Holdings	Number of Holders	Units	%
1 – 1000	11	7,283	0.01
1001 – 5000	142	377,345	0.62
5001 – 10000	43	300,832	0.49
10001 – 100000	82	2,978,670	4.86
100001 –	40	57,633,760	94.02
Total	**318**	**61,297,590**	**100.00**