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ANNUAL REPORT 2012
ACER  **ENERGY**

INCREASED ACTIVITY

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INCREASED
FOCUS
PRODUCTION
ACTIVITY
RESERVES

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ACER ENERGY LIMITED

(formerly Innamincka Petroleum Limited) ABN 11 101 313 777

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INCREASED FOCUS ON THE COOPER BASIN



CHAIRMAN'S MESSAGE

Dear Fellow Shareholder,

2012 has been a significant period of activity for Acer Energy following the revitalization of the company in 2011. The management team has been actively implementing our long term growth strategy and preparing the company for field based activity that has the potential, in the GMI Ridge area to create a project unlike no other in the Cooper Basin. We enter the upcoming period positioned for growth.

The Cooper Basin remains our core focus and we're excited by the increased level of global interest in the region. Whilst the Cooper Basin remains Australia's premier onshore hydrocarbon basin it is lightly explored based on international comparisons and to date has not fully benefited from some of the major technological developments in oil and gas technology in recent years.

This appears to be changing with industry recognition of the basin's improved hydrocarbon potential, the arrival of several new large international players and most significantly the importation of ideas and equipment that, whilst tried and proven in North America, have yet to be substantially exploited in Australia. As an existing operator with a large prospective acreage position in the Cooper Basin we're excited by these developments and their potential positive impact for Acer Energy.

Unlocking the value of our GMI Ridge Oil & Wet Gas acreage has been a priority for the new management team. In 2012 we very deliberately increased our ownership in these permits to 100% and commenced a whole of field approach to create shareholder value from our collective assets in the region.

Clint and his team have undertaken outstanding detailed technical due diligence on these assets utilising global industry experts to understand prior field performance and prepare a work program aimed at potentially confirming a large resource upgrade and demonstrating the fields productive capability. The work has been extensive and we are encouraged by what we have discovered. The company is now about to undertake its first field based work program in over four years with significant activity including multiple well work overs and potentially six new wells in the area. We expect the field work overs to immediately enhance production and provide valuable information for future well completions in a larger scale development of the assets.

Whilst the focus for 2012 and the initial part of 2013 will be towards our GMI Ridge tenements let's not forget the balance of the Acer Energy portfolio. We have a fantastic position in the highly prospective Cooper Basin Western Flank, upcoming unconventional activity in the basin has the potential to realise value in our Patchawarra Trough acreage and we've recently added a sizeable position in the NSW Darling Basin. We view this latest addition as an excellent exploration entry point that is strategically located in Australia's most populated state with the added benefit of nearby infrastructure in the form of large regional townships and major pipeline infrastructure.

I believe Acer Energy provides shareholders a unique offering. We are:

- One of the few genuine operators in Australia's premier onshore hydrocarbon basin;
- About to undertake major activity on a 100% owned proven resource with potential near term production growth and a unique, strategic follow up opportunity with outstanding economics; and
- Acer Energy offers shareholders exposure to a portfolio of additional plays including a large tenement position on the highly prospective Cooper Basin western flank, conventional and unconventional prospectivity in the Northern Patchawarra Trough and early stage exploration in the NSW Darling Basin.

On the 4th of October 2012 the Company received an unsolicited approach from Drillsearch Energy to acquire all the shares of Acer Energy by way of Off-Market Offer. At the date of this report your Board and its engaged advisors are considering the proposal and will respond in the best interest of shareholders. I encourage you to take no action with respect to the proposal until such time as we have formally responded.

I thank our stakeholders for their support as we continue with our strategy toward achieving results for our shareholders, investors, employees and the community. We are well positioned for growth and 2013 is potentially a momentous year for the company.

NICK DAVIES
Chairman



MANAGING DIRECTOR'S REPORT

When the new executive team joined the Company in April 2011, we were highly encouraged to see an existing business with several key components already in place which would serve as a solid platform upon which to grow the Company. Acer Energy was one of only a handful of full cycle E&P companies operating in the Cooper Basin, had already transitioned from explorer to producer, had made a number of large oil discoveries with significant further appraisal and exploration upside potential and had gained a material and lucrative JV interest in a large exploration permit in the Western flank. Having already refocused and recapitalised the company in 2011, we set about growing the business from the existing platform and applying technical excellence and rigour to unlock the potential of our assets.

2012 KEY ACHIEVEMENTS

Twelve months on, I'm pleased to report the company has made significant progress in achieving its 2012 goals and is now well placed and better equipped to execute and deliver on its 2012/2013 field activities and unlock the potential of its assets. Key 2012 achievements include:

- A more than twenty fold increase in net acreage held by the Company through the successful completion of four transactions involving eleven petroleum permit interests.
- Applications lodged for a further five new petroleum exploration licenses.
- Completion of the Flax/Juniper Tight Reservoir Study with Schlumberger.
- Completion of the Flax/Juniper 3D seismic acquisition. Subsequent processing, mapping and interpretation has delivered a significantly improved understanding of these discoveries.
- Further established a quality in-house G&G / Engineering / Operations team.

- Significant preparatory and planning work completed in gearing the company up to undertake a substantial new drilling and field work-over campaign in 2012/2013.
- Initial progress made towards a unique and potential game changing micro LNG business that would enable the company to unlock the significant value associated with its co-produced gas and nearby gas discoveries.

POSITIONED FOR GROWTH

The 2013 reporting period for Acer Energy will focus largely on execution and delivery of the field based multi well work-over and new well drilling campaigns in our GMI Ridge Oil & Wet Gas acreage. With weather conditions expected to return to normal we also look forward to being active in the highly prospective PEL 182 and PEL 100 Western Flank permits as well as our newly acquired Darling Basin acreage.

The well work-over campaign largely involves the further appraisal of both proven and previously untested reservoirs within selected existing Flax field wells with the aim of immediately increasing oil production and:

- Demonstrating the potential effectiveness of the larger, modern, fit-for-purpose designed hydraulic fracture stimulations;
- Testing the hydrocarbon composition and productivity of the new pay intervals to determine reservoir quality and size which will assist in high grading other identified pay intervals in existing wells and where the similar reservoirs are encountered in new wells; and
- Testing the level of improved well productivity from the use of artificial lift.

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INCREASED PRODUCTION FROM EXISTING ASSETS

Results from the work-over campaign will also be a key input into the well completion design for the new GMI Ridge multi well (3 – 6 well) appraisal and exploration drilling campaign scheduled to commence in the coming months. The new well campaign is essentially aimed at further appraising the Flax and Juniper discoveries but will also likely involve the drilling of a large conventional gas prospect known as Cypress. The primary drilling prospects for the new well campaign are:

1. Greater Flax Field - Appraisal (PRL 14 & PRL 18 – 100% Acer Energy)

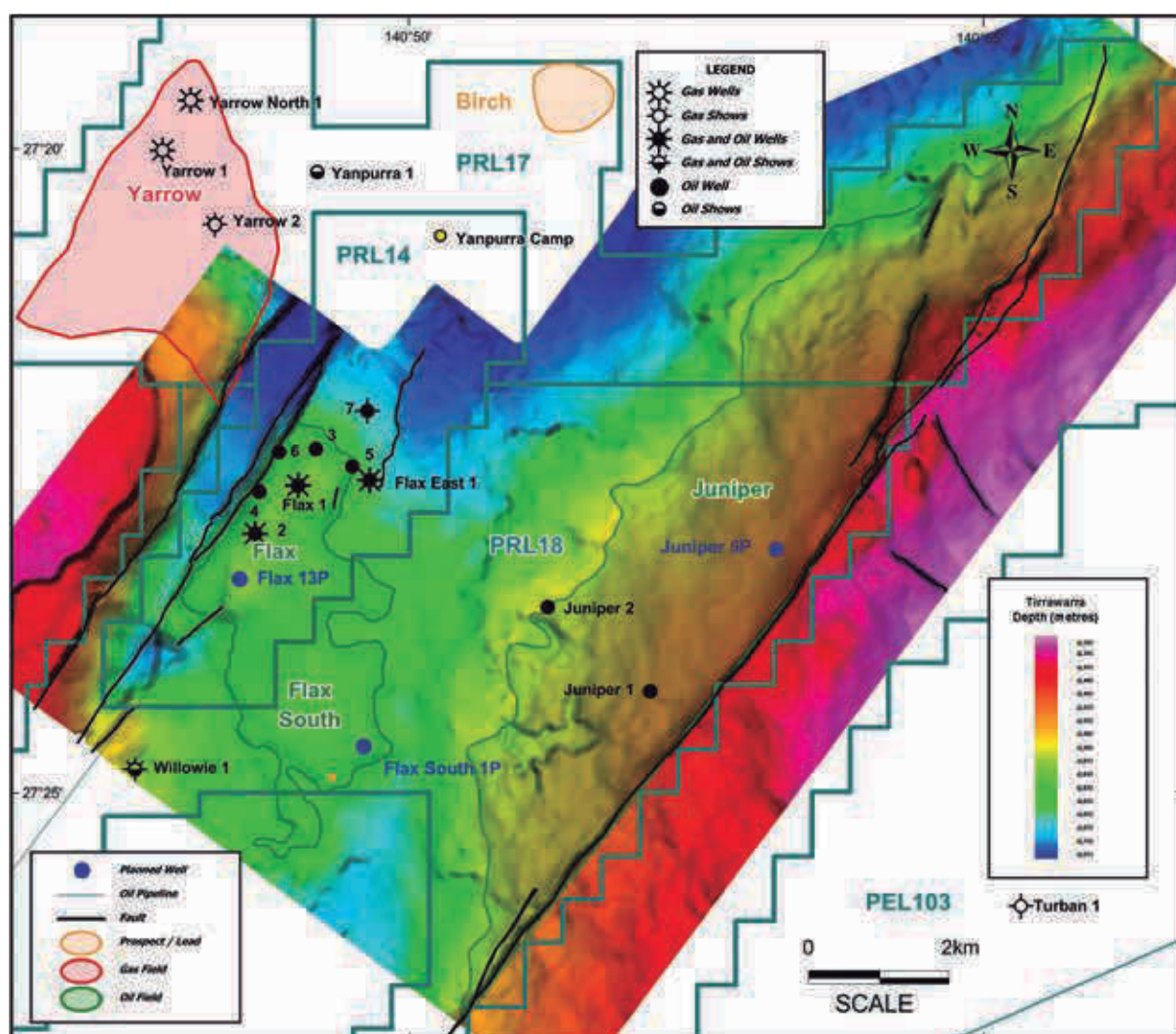
A large southern extension of the Flax field has been identified following interpretation of the new 3D seismic information. If confirmed the new structure would deliver a more than threefold increase in the areal extent of the Flax field at a common closing contour consistent with the existing Flax 5 well (~9.4 km² in area). The new mapping indicates that more than 80% of the Flax field has yet to be appraised with multiple new structurally high drilling locations identified.

2. Juniper Discovery – Appraisal (PRL 17 & PRL 18 – 100% Acer Energy)

Further appraisal of the Juniper discovery as part of this campaign may involve the drilling of at least one new well in an up dip location approximately 3 km North East of Juniper 1. Results from the 3D seismic have provided positive encouragement surrounding the Juniper discovery through:

- confirmation of the presence of one large continuous fault plane;
- approximately 30 metres of up dip potential extending several kilometres on trend; and
- seismic attributes that indicate increased sand probability.

The new 3D seismic mapping calculates the areal extent of the Juniper discovery to be ~33.7 km² at a closing depth consistent with the Juniper 2 well.



3. Cypress Prospect – Exploration

(PEL 103 – 100% Acer Energy)

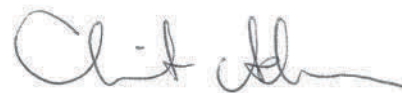
The Cypress prospect is a large sub crop gas prospect primarily targeting a Patchawarra formation interval which has been correlated to the lower gas bearing sand in the down dip Packsaddle discovery. Cypress is considered a moderate risk high reward prospect which in a success case would unlock further sub crop exploration plays on the flanks of the Innamincka Dome.

The new 3D seismic has also provided a number of new exploration prospects which the Company will continue to develop and determine if they meet drillable status requirements.

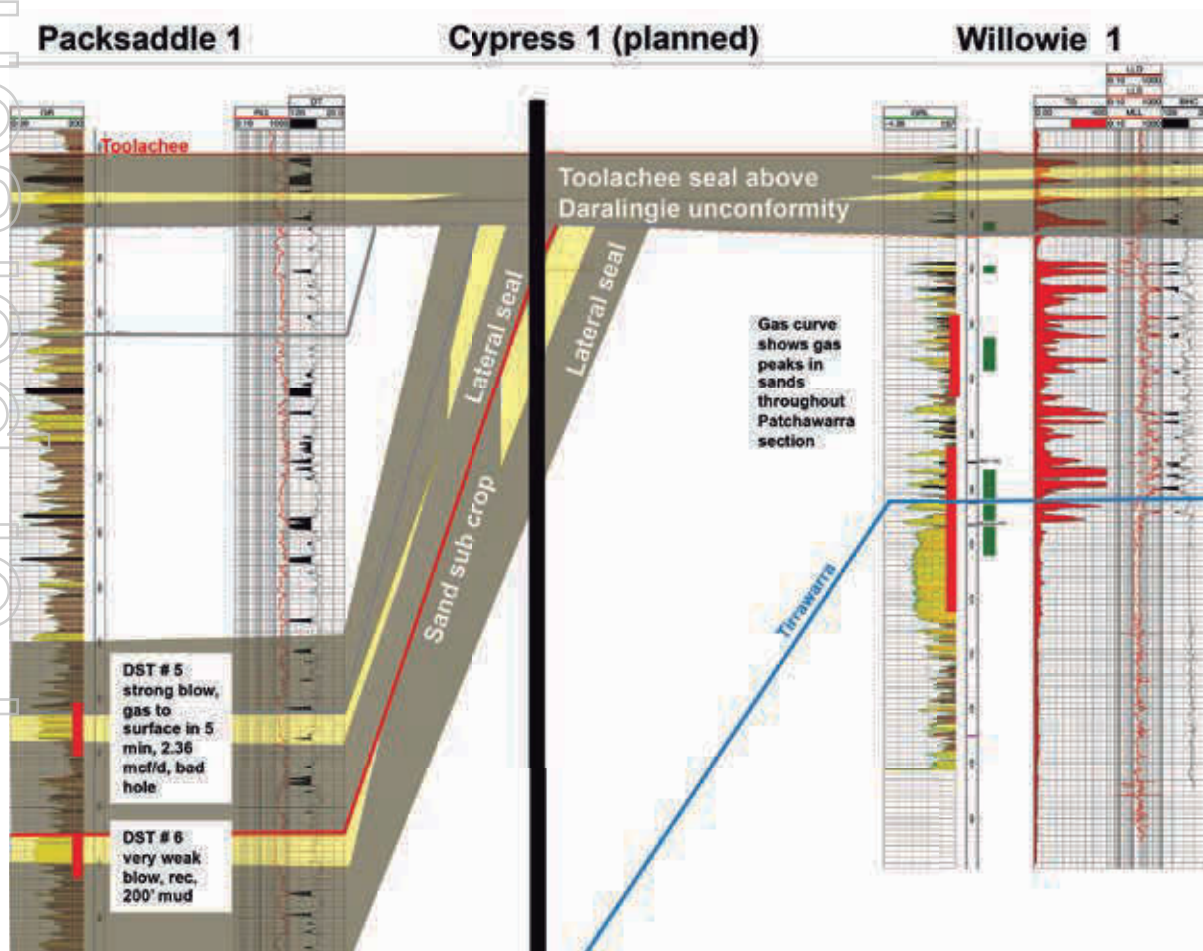
Following completion of the work-over and new drilling campaign the company expects that its understanding of the productive capability and size of the GMI Ridge Oil & Wet Gas resource will enable planning to commence on a full field development program. This will include an updated independent oil and gas reserve estimate and the commencement of advanced planning for the 1st train of a proposed domestic micro LNG facility.

We believe that our GMI Ridge acreage provides a unique opportunity for the development of a whole of field vertically integrated domestic LNG infrastructure project that delivers outstanding shareholder returns. Once we are able to demonstrate the improved productive capability of our oil resources we believe a significant opportunity exists to leverage the high quality co-produced gas, our optimum geographic location and our existing infrastructure footprint to deliver a project of strategic significance to the Cooper Basin.

We are about to embark on potentially a transformational period of activity and I want to thank the talented professionals who have contributed to the significant progress we have made this year at Acer Energy. I'm confident our preparatory work has been completed to the highest quality and we're well placed to commence our field activity in the coming months. I look forward to updating stakeholders on our progress.



CLINT ADAMS
Managing Director



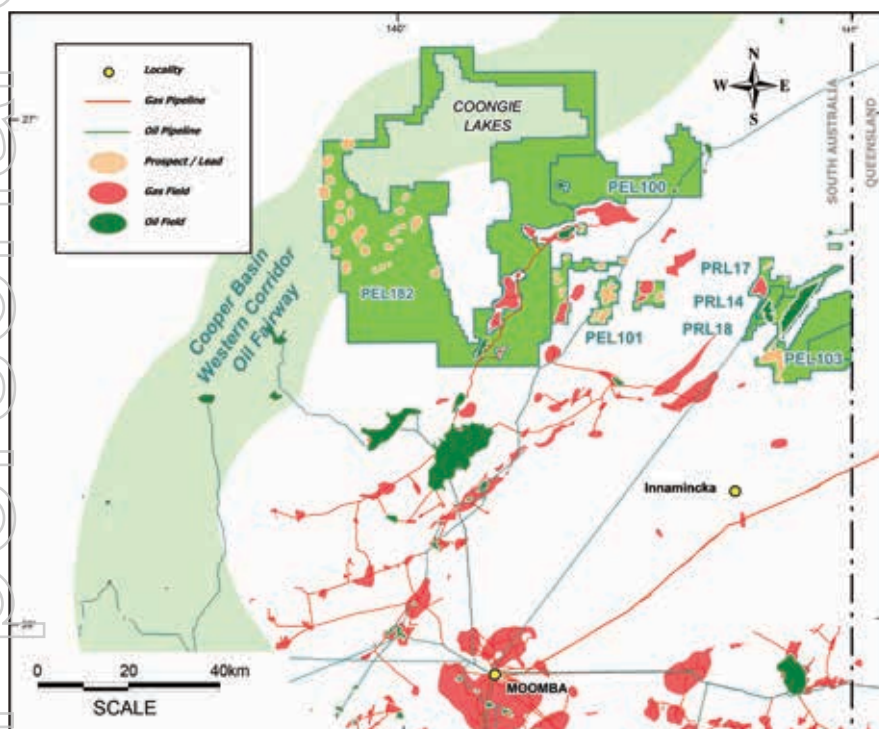


OPERATIONAL REVIEW OF PERMITS & ACTIVITIES

PRL's 14, 17 and 18 – GMI Ridge Oil + Wet Gas Project Acer Energy 100% Interest

PRL's 14, 17 and 18 encompass an area of 22km², 63 km² and 65 km² respectively and include the Flax, Juniper and Yarrow oil + wet gas fields. The fields, located approximately 40km north east of the town of Innamincka, were discovered in 2004 and 2005 respectively. The primary reservoirs are in the Tirrawarra Sandstone and Patchawarra Formations.

The partially developed Flax field has to date shown relatively low permeability and productivity. The Company believes there is the potential to substantially unlock the significant oil and wet gas resource volumes through the application of both established and new technologies – some of which are being successfully used in tight oil reservoirs in the US. Following a strategic review the company embarked upon several work streams to better understand the fields' potential.





Acer Energy (as Operator) successfully completed a 3D seismic acquisition program across the leases in September 2011. A total of 141km² was acquired with a wide azimuth, high fold design so as to utilise advances in processing and imaging which have been proven elsewhere, notably in North America. The 3D seismic acquisition was the initial step in a revitalised technical program which is aimed at achieving a greater understanding of the fields' reservoir characteristics as well as identification of optimum drilling locations across all leases. The 3D data has been mapped and interpreted and the results are encouraging.

In combination with the 3D seismic program, the Flax-Juniper Reservoir Evaluation Study has been completed. Tight reservoir specialists Schlumberger have completed a comprehensive review of all GMI Ridge field data, completions and geological information and provided their findings together with suggestions for improvement and comparisons with other similar fields. Additionally the study focused on optimising the completion methodology for the planned 2012 drilling program with the aim of maximising the recovery ratio from the fields. The Schlumberger tight reservoir centre in Denver has been engaged to act as peer reviewer and to utilise the extensive knowledge base of Schlumberger specialists in North America.

The recommended completion methodology differs significantly from that used by the Company previously. The prior stimulations the Company implemented were expected to provide a fracture half-length of approximately 100 metres whereas the new technology to be trialled is expected to provide penetration of 350 metres to 500 metres from the well bore.

In conjunction with the Schlumberger Study the Company has over the past 12 months undertaken a full re-evaluation of all well data to identify additional potential pay zones within the Company's 100% owned Flax field. The results of this evaluation have identified multiple target zones within the Patchawarra formation across several of the existing wells, above the current producing reservoirs.

In particular, a 9 metre mid-Patchawarra pay interval identified in the Flax-1 well was selected to test the oil and gas composition and productivity of these zones. During the year the Flax 1 well was re-entered and of the 9 metre pay interval, the lower 4.5 metres (being the presently accessible section) was successfully perforated. The well was returned to production with initial results confirming contribution from the un-stimulated additional reservoir.

The results of this well test are significant in that:

- This mid-Patchawarra interval represents a new productive reservoir that has not been included in the current independent P50 resource estimate of 15 million BOE OOIP and 34 Bcf OGIP for the Flax field;
- The post-test oil and gas composition from Flax 1 remains largely unchanged, indicating the new reservoir contains hydrocarbons of a consistent ratio to that of the lower productive reservoirs;
- The same mid-Patchawarra interval looks to be present in other wells and if confirmed could materially increase the size of the Flax field resource;
- It provides significant encouragement to test similar identified zones within the Patchawarra formation in other wells; and
- Enhances the potential economic returns of any future wells in the field.

OPERATIONAL REVIEW OF PERMITS & ACTIVITIES

This test was the initial step in the validation of a new in-field resource and we are extremely encouraged by the fact these resources form part of an existing producing oil field and can be tested and placed on production without the need to drill new wells. Fundamentally, more recoverable resource from an already developed and producing oil field represents the lowest cost, lowest risk and highest margin opportunity for shareholders.

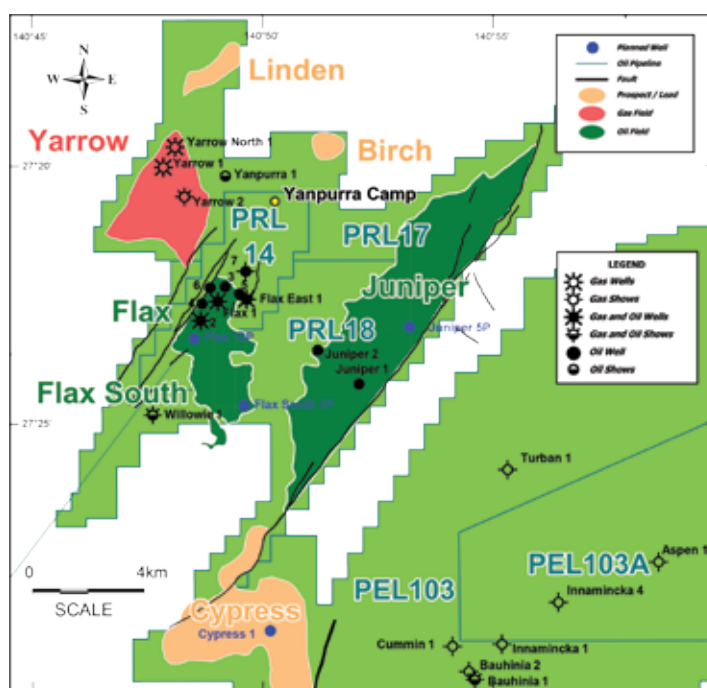
To fully test and validate the productive capability and potential size of this new resource and others, the Company is currently completing and testing these zones as part of a field workover campaign. One of the key activities in the work over campaign is to test the new fit-for-purpose completion design in both existing producing zones and newly identified up hole pay in existing wells. The presence of Flax's existing production and surface facilities provides a significant benefit in enabling any enhanced production from the existing wells to be immediately monetised.

Additionally Ensign Rig 18 is secured for a 3 to 6 well program that, following wet weather delays on previous third party assignments, is now expected to commence in late 2012. The recently acquired 3D seismic data has identified a number of exploration, appraisal and development prospects in the GMI Ridge area including;

- Multiple top of Flax structure locations with Birkhead channel sands as secondary targets.
- Flax South appraisal - located on the greater Flax structure and adjacent to the Juniper structure it now appears to be connected to the Flax field with 3D seismic indicating that the sandstone sequences are thicker in this area; and
- Juniper appraisal – the top of the Juniper structure looks to be 3-6 km's north of the Juniper 1 well and appears to have 30 meters of up dip potential.

All prospective new well site locations have been approved, cleared and prepared for drilling. Over the coming weeks we will select those sites for inclusion in our initial campaign.

Our GMI Ridge acreage contains sizeable gas resources that are unusually heavy in natural gas liquids (ethane, propane and butane) and relatively low in CO₂. The Flax and Juniper discoveries are gas solution drive reservoirs such that this high-value gas is co-produced with the light oil. The Company is well advanced in its assessment of a Micro LNG facility as a means to capitalise on this as yet non monetised resource.





PEL 103

Acer Energy 100% Interest

The permit is in two parts located adjacent to the South Australia-Queensland border, some 90km from Moomba and encompasses an area of 232km². Structurally the permit covers the south western apex of the Innamincka Dome separating the Nappamerri and Patchawarra Troughs.

The permit includes a farmout block referred to as PEL 103A where Acer Energy also holds a 75% interest.

The PEL 103 permit includes the significant Tallow and Cypress gas prospects in the southern section and the Banyan oil prospect in the northern fragment. Tallow and Cypress contain significant prospective gas resources and are an important part of a potential gas aggregation strategy. Acer Energy intends to test the Cypress prospect with an exploration well to be drilled in the upcoming campaign.

Banyan is an Eromanga reservoir oil prospect located nearby to the neighbouring Acrasia field and has the potential to be rapidly commercialised in the event of drilling success.

Independent expert RISC support an unrisks OIIP volumetric assessment for Banyan of 2.4mMMbbl.

PEL 101

Acer Energy 60% Interest

Encompassing an area of 154 km², the PEL 101 permit includes the north eastern syncline of the Patchawarra Trough and, to the south, extends onto the GMI Ridge. A number of gas fields covered by production licences held by other operators surround the permit.

The widespread distribution of gas fields throughout this region supports the view that valid traps in Permian reservoirs will most likely be gas charged. It is the reservoir quality of the Permian sandstones that will largely determine the commerciality of any existing or future gas discovery.

Acer Energy recognises the unconventional potential in the region as demonstrated by recent industry activity exploring tight gas sands, deep coal seam gas and shale gas. During the year the Company commissioned an independent analysis of the unconventional potential within the PEL 101 permit. The independent report assessed a potential in place gas resource of 12.65 TCF within tight gas, shale and deep coal reservoirs in the permit. With three cased and suspended wells PEL 101 represents an excellent location to accelerate the development of potential unconventional resources.

PEL 182

Acer Energy 37.6% Interest

PEL 182 is located on the highly prospective and productive western margin of the Cooper Basin, approximately 80km north of the Moomba facilities. The permit encompasses 1,750km², and is one of the largest underexplored blocks on the western flank oil trend. PEL 182 is adjacent to Acer Energy's PEL 101, and represents a very important asset within the company's Cooper Basin portfolio.

During the year there was a continuation of successful oil discoveries along the Cooper Basin western margin from Callawonga through to Growler and Snatcher-Charo that have significantly upgraded the potential of this permit. Operators in the area have demonstrated a high discovery success rate when drilling targets identified on 3D seismic and outstanding profit margins. An extension of this western margin oil trend is considered likely, and the future work programme beginning with a 3D seismic survey will aim to identify drilling targets to evaluate the oil prospectivity.

Previous exploration in this part of the Cooper Basin has been successful in finding a number of gas fields that produce from Triassic and Permian reservoirs. PEL 182 contains the Vanessa gas discovery and is considered to have additional gas potential.



OPERATIONAL REVIEW OF PERMITS & ACTIVITIES

PEL 100

Acer Energy 25.8% Interest

PEL 100 is strategically located in the northern margin of the Patchawarra Trough, Cooper Basin, South Australia with an area of 297km². The permit is immediately east of the Company's PEL 182 block and directly west of the Telopea and Keleary oil fields which have produced in excess of 2 million barrels.

Similar to the neighbouring PEL 182 block numerous oil discoveries along the Cooper Basin western margin have significantly upgraded the potential of this permit. An extension of the western margin oil trend is considered likely and a 3D seismic survey will aim to identify drilling targets to test the oil and gas prospectivity. The permit is operated by Senex Energy who has advised that an extensive 3D seismic acquisition is due to commence on the permit in early 2013 to be followed by a significant drilling campaign.

The southern part of the PEL 100 licence area is expected to be prospective for liquids rich wet gas as well as deeper unconventional potential. The upcoming 3D seismic campaign is expected to delineate prospects for future exploration.

PEL's 422, 424 and 471 –

Darling Basin NSW

Acer Energy 100% Interest

The Darling Basin, one of the largest frontier sedimentary basins onshore Australia, covers an area just over 80,000km² with the Acer exploration permits PELs 422, 424 and 471 consisting of approximately a quarter (18,000km²) of the total area. The basin is located in flat, sparsely populated, semi-desert country in western NSW close to the regional centres of Broken Hill and Cobar. The Acer tenements lie within large (50,000 plus hectares) pastoral leases and have a reasonably good network of roads and farm tracks for year-round access. The Moomba-Sydney gas pipeline runs between the PEL 424 and PEL 422 permits. This gas pipeline is currently underutilised therefore any commercial discovery can be quickly and economically developed.

Both the basin and the three tenements have been exposed to very little exploration. Regionally only 2400 km of modern multifold seismic has been acquired. Only 12 wells have been drilled beyond 1,000m and most structures drilled were inadequately defined by seismic. This lack of exploration has impeded understanding of the geological risks associated with the basin, but worldwide analogues have demonstrated excellent potential for Devonian-aged petroleum systems. The Devonian sedimentary section is comparable in age to the Adavale Basin in Queensland and the underlying lower Palaeozoic section is contemporaneous to the Arrowie and Warburton basins to the west.

The three permit areas contain three separate sub-basins which contain five wells and are covered by only seventy one seismic lines. The seismic surveys have identified large structural and stratigraphic structures that remain untested. Previous wells in the area encountered potential thick Devonian reservoir and seal units deposited in a wide range of prospective fluvial-deltaic and marine environments. Recent airborne and soil-gas geochemical anomalies recorded by previous operators indicate active seepage of methane, butane, ethane and propane, and support the presence of a viable source rock. The best direct hydrocarbon indications to date in the basin have been discovered within and surrounding Acer's PEL 471 permit. Gas shows and bitumen traces were discovered in ditch samples recovered from Bancannia South 1 and a stratigraphic bore to the south of the permit encountered an oil stained interval.

The Company's in-house technical team is pursuing activities aimed at initially verifying the presence of a working petroleum system in the area with work streams to include integration of existing geological data, creation of a holistic basin model and establishing the location of the richest source rock for future testing of hydrocarbon potential.

T/18P

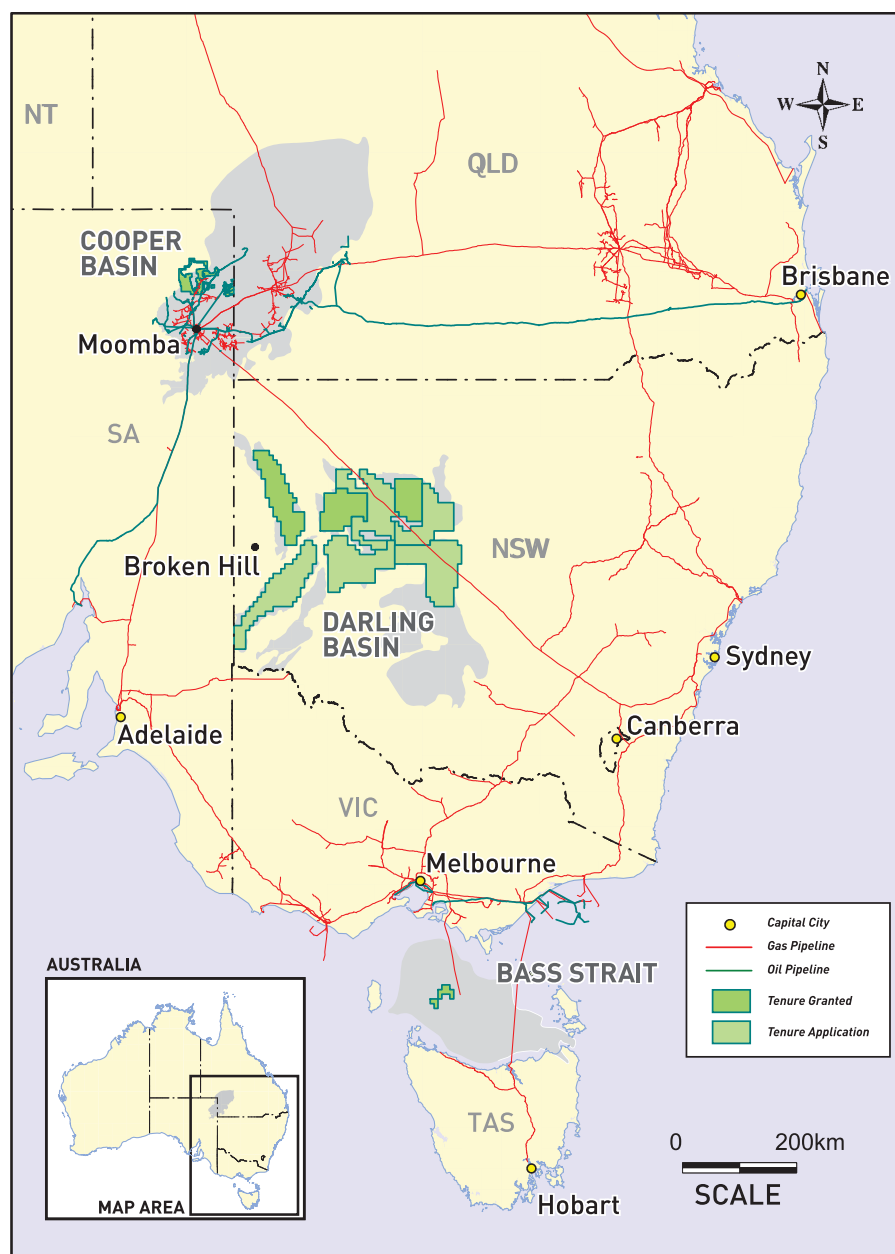
Acer Energy 5% Interest

T/18P lies in the central part of the proven liquids rich Bass Basin midway between Victoria and Tasmania. It is adjacent to the producing Yolla gas field, the 150 km undersea BassGas pipeline and associated infrastructure at Lang Lang and Pakenham. The permit contains the second largest field discovered in the Bass Basin, the White Ibis gas field (1998), and the Trefoil (2004) gas condensate discovery. The White Ibis well discovered oil and gas in 3 sands. The initial Trefoil discovery intersected 20 gas bearing intervals in the Eastern View Coal Measures, a fluvio-lacustrine late Cretaceous to early Cainozoic section that extends over a 200m interval. The field is liquids rich with yields ranging between 19-84 bbls/MMscf.

The current joint venture participation for the block is Origin Energy Ltd 39% and Operator, AWE 44.75%, Toyota Tsusho Ltd 11.25% and Acer Energy Limited 5%.

During the past permit year a second 3D survey, Chappell 3D, has been acquired and processed. Work is ongoing to identify future drilling targets and evaluate potential aggregation opportunities for the permits resources. There are a large number of untested stratigraphic and structural leads within the permit at Paleocene, Eocene and Top EVCN level. There are 8 highgraded prospects defined by the 3D surveys called Aroo East, Chappell, Lead AE, Gentoo, Lead R, White Ibis NW, White Ibis N, Chappell 2.

The Company's 5% interest is considered non-strategic and a disposal at the appropriate time is preferred.



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INCREASED RETURNS FINANCIAL CONTENTS

FOR YEAR ENDED 30 JUNE 2012

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ACER ENERGY LIMITED

(formerly Innamincka Petroleum Limited)

ABN 11 101 313 777

These financial statements are the financial statements of Acer Energy Limited. The financial statements are presented in the Australian currency.

Acer Energy Limited is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue by the directors on 26 September 2012. The directors have the power to amend and reissue the financial statements.

DIRECTORS' REPORT

Your directors present their report on the entity for the year ended 30 June 2012.

DIRECTORS

The following persons were directors of Acer Energy Limited during the whole of the financial year and up to the date of this report:

N P Davies – Non Executive Chairman
A R Johnson – Non Executive Director
D I McEvoy – Non Executive Director
S E Scott – Non Executive Director

A Awan was a Non Executive Director from the beginning of the financial year until his resignation on 2 April 2012.

C K Adams was appointed as Managing Director on 2 April 2012 and continues in office at the date of this report.

CHANGE OF NAME

At a general meeting of shareholders on 5 August 2011 the company's name was changed to Acer Energy Limited from Innamincka Petroleum Limited.

PRINCIPAL ACTIVITIES

During the year the principal continuing activity of the company was petroleum and gas exploration.

DIVIDEND

The directors do not recommend the payment of a dividend. No dividend was paid during the year.

REVIEW OF OPERATIONS

The net loss after income tax of the company for the year was \$3,942,000 (2011: \$16,017,000). The loss reflects the nature of the company's principal activity during this phase of exploration development.

Further information is disclosed on pages 8 to 13 of this report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the entity during the financial year were as follows:

On 5 December 2011 the Company acquired a 37.5% interest in PRL 14, 17 & 18 and PEL103 and a 35% interest in PEL 101 was from AGL Limited. The acquisition means that Acer Energy Limited now holds a 100% interest in PRL14, 17 & 18 and PEL 103, a 75% interest in PEL 103A and a 60% interest in PEL 101.

Other than as disclosed above and on pages 8 to 13 of this report there have been no other significant changes in the state of affairs of the entity during the financial year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Other than as disclosed on pages 8 to 13 of this report and in note 26 in the financial report, at the date of this report there are no matters or circumstances which have arisen since 30 June 2012 that have significantly affected, or may significantly affect:

- (a) the entity's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the entity's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS FROM OPERATIONS

For detailed information regarding immediate operations, please refer to the pages 8 to 13 of this report.

ENVIRONMENTAL REGULATION

The company is subject to significant environmental and other regulations in respect of its exploration activities in Australia and strives earnestly to undertake its operations in an environmentally responsible manner and to maintain compliance with the relevant regulations. Rehabilitation of individual field projects is completed progressively to ensure necessary environmental restoration is kept to a minimum at any particular time. The directors are satisfied that no material breaches of environmental legislation have occurred. No notices of any material breaches have been received from any authority.

GREENHOUSE GAS REPORTING REQUIREMENTS

The National Greenhouse and Energy Reporting Act 2007 requires the company to report its annual greenhouse gas emissions and energy use. The company has implemented systems and processes for the collections and calculation of the data required and submitted in its 2010/11 report to the Greenhouse and Energy Data Officer on 31 October 2011.

DIRECTORS' REPORT

CONTINUED

INFORMATION ON DIRECTORS

N P DAVIES

BSc (Hons) Mathematics with Engineering.
Chairman – Non-executive.

Experience and expertise

Nicholas Davies has over 30 years oil and gas industry experience in upstream development, strategic planning, new business development and marketing. Prior to becoming Chairman of Acer Energy Limited, he was CEO and Managing Director of Arrow Energy Limited from 2004 to 2010. Before this, he was President of BP's Asia Pacific Gas and Power business headquartered in Tokyo and immediately prior to that was President of Atlantic Richfield Company South East Asia, based in Singapore. Mr Davies currently resides in Singapore.

Other current directorships

Chairman of Dart Energy Limited
(director since July 2010)

Former directorships in last 3 years

Executive director of Arrow Energy Limited (from September 2004 to August 2010)

Non-executive director of Liquefied Natural Gas Limited (from September 2004 to August 2010)

Special responsibilities

Chairman of the Board.

Chairman of the Remuneration Committee.

Member of the Audit and Risk Committee.

Interests in shares and options

13,824,686 ordinary shares held indirectly

6,000,000 options over ordinary shares held directly.

A R JOHNSON

BA, LLB, MBA.
Non-executive director.

Experience and expertise

Mr Johnson graduated from the Australian National University with Degrees in Arts and Law. He has also completed a Masters Degree in Business Administration from the University of Virginia. In 1980 he established his legal practice. He is a past member of the Council of the Environment and Planning Law Association (NSW) Inc and is a former President of the Society of the Art Gallery of NSW. Adam is also the former Chairman and founding director of the company.

Other current directorships

Nil

Former directorships in last 3 years

Nil

Special responsibilities

Member of the Remuneration Committee.

Interests in shares and options

43,592 ordinary shares held directly

8,229,754 ordinary shares held indirectly

1,500,000 options over ordinary shares held directly.

D I MCEVOY

BSc, Grad Dip (Geophysics).
Non-executive director.

Experience and expertise

Non-executive director for 8 years.
Mr McEvoy has over 40 years experience in the oil and gas industry since joining Esso Australia Limited in 1969. Key positions held within Exxon affiliates included Esso Australia Limited's Exploration General Manager, Exploration and Development Vice President for Esso Resources Canada and Regional Vice President of Exxon Exploration Company responsible for Exxon's exploration activities in the Far East, USA, Canada and South America. He was the Business Development Vice President and member of the Management Committee of Exxon (subsequently ExxonMobil) Exploration Company, responsible for new exploration and development opportunities worldwide.

Other current directorships

Non-executive director of two public companies: Woodside Petroleum Limited (director since September 2005), AWE Limited (director since June 2006).

Former directorships in last 3 years

Po Valley Energy Limited
(from 2004 to May 2012)

Special responsibilities

Member of the Audit and Risk Committee.
Member of the Remuneration Committee.
Lead independent director.

Interests in shares and options

1,305,519 ordinary shares held directly
1,500,000 options over ordinary shares held directly.

S E SCOTT

B Bus (Accountancy), BA (Rec Admin), ACA.
Non-executive director.

Experience and expertise

Mr Scott is a Chartered Accountant with over 25 years of upstream and downstream experience in the oil and gas and energy sector in Australia, Asia and the United States. He previously held the roles of Chief Executive Officer, Chief Commercial Officer and Chief Financial Officer with Arrow Energy Limited. Prior to joining Arrow in 2004, his career spanned appointments as Group Finance Manager at Energy Developments Limited, Project Finance Director at NRG, and Manager of ARCO's international oil and gas M&A team.

Other current directorships

Executive director of Dart Energy Ltd (director since July 2010), Anaeco Limited (director since March 2011), Site Group International Limited (director since August 2011) and Titan Energy Services Limited (director since October 2011)

Former directorships in last 3 years

Nil

Special responsibilities

Chairman of the Audit and Risk Committee

Interests in shares and options

500,000 ordinary shares held directly
1,500,000 options over ordinary shares held directly.

C K ADAMS

B Bus (Accounting), ACA, F Fin.
Managing Director.

Experience and expertise

Mr Adams was formerly Chief Commercial Officer of Arrow Energy. He played a pivotal role in all of the major transactions undertaken by Arrow between 2006 and 2010. Prior to that, he worked as an independent energy advisor following an earlier role as Director, Business Development at NRG. He is a chartered accountant with more than 10 years prior E&P experience and more than 20 years experience in the energy and resources sectors.

Other current directorships

Nil

Former directorships in last 3 years

Nil

Special responsibilities

Managing Director

Interests in shares and options

2,084,473 ordinary shares held indirectly
979,703 ordinary shares held directly
9,000,000 options over ordinary shares held directly

DIRECTORS' REPORT

CONTINUED

COMPANY SECRETARY

The company secretary is Ms Leni Stanley CA, B.Com. Ms Stanley was appointed to the position of company secretary in 2003. Ms Stanley currently is a partner with a Chartered Accounting firm and holds the office of company secretary with other companies.

MEETINGS OF DIRECTORS

The numbers of meetings of the company's board of directors and of each board committee held during the year ended 30 June 2012, and the numbers of meetings attended by each director were:

	FULL MEETINGS OF DIRECTORS		MEETINGS OF COMMITTEES			
	A	B	AUDIT		REMUNERATION	
	A	B	A	B	A	B
N Davies	12	12	*	*	-	-
C Adams	3	3	*	*	*	*
A R Johnson	12	12	*	*	-	-
D McEvoy	12	12	1	1	-	-
A Awan	7	9	2	2	*	*
S Scott	12	12	2	2	*	*

A = Number of meetings attended.

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

* = Not a member of the relevant committee.

REMUNERATION REPORT

This remuneration report sets out remuneration information for Acer Energy Limited's non-executive directors, executive directors, other key management personnel of the company.

Directors and executives disclosed in this report

NAME	POSITION
<i>Non-executive and executive directors – see pages 16 to 17 above.</i>	
<i>Other key management personnel</i>	
S Cunningham	Chief Financial Officer
D Rogers	Chief Operating Officer
M Bucknill	General Manager, Exploration

Role of the Remuneration Committee

The Remuneration Committee is a committee of the board. It is primarily responsible for making recommendations to the board on:

- non-executive director fees
- executive remuneration (directors and other executives), and
- the over-arching executive remuneration framework and incentive plan policies.

Their objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the company.

The Corporate Governance Statement provides further information on the role of this committee.

PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

Non-executive directors

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the board. Non-executive directors do not receive performance based pay. However, to promote further alignment with shareholder interests directors have been issued with options.

Directors' fees

During the financial year the current base fees were reviewed. Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum base fees payable currently stands at \$500,000 per annum and was approved by shareholders at a general meeting held on 28 November 2007. No retirement benefits are payable to non-executive directors.

Retirement allowances for non-executive directors

In line with guidance from the ASX Corporate Governance Council on non-executive directors' remuneration the company does not pay retirement allowances to non-executive directors. Superannuation contributions required under the Australian superannuation guarantee legislation continue to be made and are deducted from the directors' overall fee entitlements.

Executive pay

The objective of the company's executive reward framework is to provide a fair and sufficient incentive to attract, motivate and retain a high quality management team which is focused on optimising the exploration potential of the company's current permits. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- capital management

The framework provides a mix of fixed and variable pay, and a blend of short and long term incentives.

The executive pay and reward framework currently has three elements:

- base pay and benefits, including superannuation
- short-term performance incentives, and
- long-term incentives through participation in the Acer Energy Limited Employee Option Plan.

The combination of these currently comprises the executives' total remuneration.

REMUNERATION REPORT

CONTINUED

Base pay and benefits

Structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executive's discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards.

Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

Superannuation

The company's superannuation guarantee obligation for its employees is paid into the superannuation fund nominated by individual employees.

Short-term incentives

All employees have the opportunity to earn an annual short-term incentive (STI) if predefined targets are achieved. Employees have a target STI opportunity ranging from 25% to 50% of base pay. STI's for all employees, with the exception of the CEO, have both a company and personal performance component. For the CEO, the STI's are based solely on company performance.

If the company achieves the KPI's set by the board, a short-term incentive is available to all employees. The short-term incentive is paid through the Employee Share Plan. For the year ended 30 June 2012 Employees were issued the equivalent value of their STI in shares, based on a 10 day VWAP of 12.44 cents.

STI awards for employees in the 2012 financial year were based on the scorecard measures and weightings as disclosed below. These targets are set by the Board of Directors and align to the company's strategic and business objectives.

EMPLOYEE CATEGORY	MAXIMUM STI OPPORTUNITY (% OF BASE)	PERSONAL PERFORMANCE COMPONENT	COMPANY PERFORMANCE COMPONENT
Managing Director	50%	0%	100%
Executive Management	40%	25%	75%
All Other Employees	25%	50%	50%

The Board of Directors are responsible for assessing whether the KPI's are met. To assist in the assessment, the board receives detailed reports on performance from management. The board has the discretion to adjust short-term incentives in light of unexpected or unintended circumstances.

Performance of Acer Energy Limited

The Company performance component assessment for the year ended 30 June 2012 was based on publicly stated achievements that were independent of financial metrics. For the year ended 30 June 2013 the Remuneration Committee has determined that the Company performance will be based on a Total Shareholder Return measure which will be compared against a peer group to determine achievement of KPI's

Long-term incentives

Long-term incentives are provided to all employees via the Acer Energy Limited Employee Option Plan which was approved by shareholders at the general meeting held on 5 August 2011.

The Acer Energy Limited Employee Option Plan is designed to provide long-term incentives for executives to deliver long-term shareholder returns. Under the plan, participants are granted options which only vest if the employees are still employed by the company at the end of the vesting period.

Use of remuneration consultants

Acer Energy Limited has not engaged the services of any remuneration consultants during the financial year.

DETAILS OF REMUNERATION

Amounts of remuneration

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

Key management personnel and non-executive Directors of Acer Energy Limited

	SHORT-TERM BENEFITS			POST-EMPLOYMENT	SHARE-BASED PAYMENTS	
2012 Name	Cash salary and fees \$	STI – Share based payments \$	Non-monetary benefits \$	Super-annuation \$	Options/ Shares \$	Total \$
NON-EXECUTIVE DIRECTORS						
N Davies	87,156	-	-	7,844	39,328	134,328
A R Johnson	68,807	-	-	6,193	50,297	125,297
D I McEvoy	68,807	-	-	6,193	50,297	125,297
A Awan *	56,250	-	-	-	19,394	75,644
S Scott	68,807	-	-	6,193	50,297	125,297
Sub-total non-executive directors	349,827	-	-	26,423	209,613	585,863
EXECUTIVE DIRECTORS						
C Adams	338,475	121,875	-	15,775	456,316	932,441
OTHER KEY MANAGEMENT PERSONNEL						
S Cunningham	234,925	74,750	-	15,775	125,428	450,878
D Rogers	253,245	81,250	3,480	15,775	251,884	605,634
M Bucknill	289,425	88,200	-	15,775	179,337	572,737
Total key management personnel compensation	1,465,897	366,075	3,480	89,523	1,222,578	3,147,553

* A Awan was a director until his resignation on 2 April 2012.

REMUNERATION REPORT

CONTINUED

Key management personnel and non-executive Directors of Acer Energy Limited

2011 Name	SHORT-TERM BENEFITS			POST-EMPLOYMENT	SHARE-BASED PAYMENTS	Total \$
	Cash salary and fees \$	Retention incentive \$	Non-monetary benefits \$	Super-annuation \$	Options \$	
NON-EXECUTIVE DIRECTORS						
N Davies (from 31/01/2011)	34,872	-	-	-	127,299	162,171
A R Johnson ¹	120,402	-	-	12,385	-	132,787
D I McEvoy A Awan (from 04/03/2011)	68,807	-	-	6,193	-	75,000
S Scott (from 16/03/2011)	24,518	-	-	-	-	24,518
S J Koroknay (to 24/06/2011)	19,848	-	-	1,786	-	21,634
	68,807	-	-	6,193	-	75,000
Sub-total non-executive directors	337,254	-	-	26,557	127,299	491,110
OTHER KEY MANAGEMENT PERSONNEL						
C Adams ²	192,914	-	-	6,562	321,220	520,696
S Cunningham	61,922	-	-	5,573	104,497	171,992
D Rogers	56,088	-	-	5,048	107,073	168,209
M Bucknill ³	60,126	-	-	5,411	160,610	226,147
D Kinsman (to 31/01/2011)	175,384	125,000	-	9,699	(2,045)	308,038
M Spiby (to 28/02/2011)	261,389	91,875	-	10,133	36,282	399,679
L P Stanley ⁴	11,625	-	-	-	-	11,625
Total key management personnel compensation	1,156,702	216,875	-	68,983	854,936	2,297,496

¹ Mr A R Johnson was non-executive Chairman from the beginning of the financial year until 31 January 2011. From 31 January 2011 he became a non-executive director.

² Mr C Adams was a consultant to the company from 1 February 2011 to 11 April 2011. On 11 April 2011 he became Chief Executive Officer of the company. Of the amount disclosed as cash salary and fees, \$120,000 relates to the period that he consulted to the company and \$72,914 relates to the period since he has been an employee.

³ On 11 April 2011 Mr M Bucknill became General Manager, Exploration and was considered a KMP from this time. The remuneration above represents the amount paid to Mr M Bucknill from the time he was considered a KMP.

⁴ Ms L Stanley was considered a KMP from the beginning of the financial year until 11 April 2011 at which time the company undertook a management restructure. Ms L Stanley continues to hold the office of Company Secretary. These payments to L Stanley are in the capacity of Company Secretary during the period Ms Stanley was deemed a KMP. Other fees for accounting and administration services are paid by the company to a firm of which L Stanley is a partner.

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

NAME	FIXED REMUNERATION		AT RISK - STI		AT RISK - LTI	
	2012	2011	2012	2011	2012	2011
EXECUTIVE DIRECTORS						
C Adams	38%	38%	13%	-	49%	62%
OTHER KEY MANAGEMENT PERSONNEL						
S Cunningham	56%	39%	17%	-	27%	61%
D Rogers	45%	36%	13%	-	42%	64%
M Bucknill	53%	29%	15%	-	32%	71%
D Kinsman	-	60%	-	41%	-	(1%)
M Spiby	-	68%	-	23%	-	9%
L P Stanley	-	100%	-	-	-	-

* Since the long-term incentives are provided exclusively by way of options, the percentages disclosed also reflect the value of remuneration consisting of options, based on the value of options expensed during the year. Negative amounts indicate expenses reversed during the year due to a failure to satisfy the vesting conditions.

SERVICE AGREEMENTS

Remuneration and other terms of employment of the Managing Director and other key management personnel are formalised in employment or service agreements. Each of these agreements provide for the provision of performance-related STI awards and participation in the Acer Energy Limited Employee Option Plan. Other major provisions of the agreements relating to the remuneration are set out below.

All contracts with executives may be terminated early by the company with 6 months notice and the employee with 3 months notice, subject to termination payments as detailed below.

NAME	TERM OF AGREEMENT	BASE SALARY INCLUDING SUPER-ANNUATION*	TERMINATION BENEFIT
C Adams	3 years	354,250	6 months
S Cunningham	On going commencing 21/03/2011	250,700	6 months
D Rogers	On going commencing 11/04/2011	272,500	6 months
M Bucknill	On going commencing 11/04/2011	305,200	6 months

* Base salaries quoted are for the year ended 30 June 2012; they are reviewed annually by the Remuneration Committee.

L P Stanley, Company Secretary

- L P Stanley is paid for company secretarial and accounting services through a partnership of which she is a partner based on normal commercial terms and conditions.

REMUNERATION REPORT

CONTINUED

SHARE-BASED COMPENSATION

The terms and conditions of each grant of options affecting remuneration in the current or a future reporting period are as follows:

GRANT DATE	VESTING AND EXERCISE DATE	EXPIRY DATE	EXERCISE PRICE	VALUE OF OPTION AT GRANT DATE	% VESTED
21 March 2011	4 August 2011	30 June 2014	\$0.40	\$0.10	100%
21 March 2011	30 June 2012	30 June 2014	\$0.40	\$0.10	100%
21 March 2011	30 June 2013	30 June 2014	\$0.40	\$0.10	0%
21 March 2011	4 August 2011	30 June 2014	\$0.60	\$0.09	100%
21 March 2011	30 June 2012	30 June 2014	\$0.60	\$0.09	100%
21 March 2011	30 June 2013	30 June 2014	\$0.60	\$0.09	0%
21 March 2011	4 August 2011	30 June 2014	\$0.80	\$0.07	100%
21 March 2011	30 June 2012	30 June 2014	\$0.80	\$0.07	100%
21 March 2011	30 June 2013	30 June 2014	\$0.80	\$0.07	0%
31 March 2011	30 June 2012	30 June 2014	\$0.40	\$0.06	100%
31 March 2011	30 June 2012	30 June 2014	\$0.60	\$0.04	100%
31 March 2011	30 June 2012	30 June 2014	\$0.80	\$0.04	100%
31 March 2011	30 June 2013	30 June 2014	\$0.40	\$0.06	0%
31 March 2011	30 June 2013	30 June 2014	\$0.60	\$0.04	0%
31 March 2011	30 June 2013	30 June 2014	\$0.80	\$0.04	0%
11 April 2011	4 August 2011	30 June 2014	\$0.40	\$0.12	100%
11 April 2011	30 June 2012	30 June 2014	\$0.40	\$0.12	100%
11 April 2011	30 June 2013	30 June 2014	\$0.40	\$0.12	0%
11 April 2011	4 August 2011	30 June 2014	\$0.60	\$0.10	100%
11 April 2011	30 June 2012	30 June 2014	\$0.60	\$0.10	100%
11 April 2011	30 June 2013	30 June 2014	\$0.60	\$0.10	0%
11 April 2011	4 August 2011	30 June 2014	\$0.80	\$0.08	100%
11 April 2011	30 June 2012	30 June 2014	\$0.80	\$0.08	100%
11 April 2011	30 June 2013	30 June 2014	\$0.80	\$0.08	0%
4 August 2011	4 August 2011	30 June 2014	\$0.40	\$0.05	100%
4 August 2011	30 June 2012	30 June 2014	\$0.40	\$0.05	100%
4 August 2011	30 June 2013	30 June 2014	\$0.40	\$0.05	0%
4 August 2011	4 August 2011	30 June 2014	\$0.60	\$0.04	100%
4 August 2011	30 June 2012	30 June 2014	\$0.60	\$0.04	100%
4 August 2011	30 June 2013	30 June 2014	\$0.60	\$0.04	0%
4 August 2011	4 August 2011	30 June 2014	\$0.80	\$0.03	100%
4 August 2011	30 June 2012	30 June 2014	\$0.80	\$0.03	100%
4 August 2011	30 June 2013	30 June 2014	\$0.80	\$0.03	0%
24 August 2011	30 June 2012	30 June 2015	\$0.40	\$0.05	100%
24 August 2011	30 June 2013	30 June 2015	\$0.40	\$0.05	0%
24 August 2011	30 June 2014	30 June 2015	\$0.40	\$0.05	0%
24 August 2011	30 June 2012	30 June 2015	\$0.60	\$0.04	100%
24 August 2011	30 June 2013	30 June 2015	\$0.60	\$0.04	0%
24 August 2011	30 June 2014	30 June 2015	\$0.60	\$0.04	0%

GRANT DATE	VESTING AND EXERCISE DATE	EXPIRY DATE	EXERCISE PRICE	VALUE OF OPTION AT GRANT DATE	% VESTED
24 August 2011	30 June 2012	30 June 2015	\$0.80	\$0.04	100%
24 August 2011	30 June 2013	30 June 2015	\$0.80	\$0.04	0%
24 August 2011	30 June 2014	30 June 2015	\$0.80	\$0.04	0%
24 February 2012	30 June 2012	30 June 2015	\$0.40	\$0.06	100%
24 February 2012	30 June 2013	30 June 2015	\$0.40	\$0.06	0%
24 February 2012	30 June 2014	30 June 2015	\$0.40	\$0.06	0%
24 February 2012	30 June 2012	30 June 2015	\$0.60	\$0.04	100%
24 February 2012	30 June 2013	30 June 2015	\$0.60	\$0.04	0%
24 February 2012	30 June 2014	30 June 2015	\$0.60	\$0.04	0%
24 February 2012	30 June 2012	30 June 2015	\$0.80	\$0.03	0%
24 February 2012	30 June 2013	30 June 2015	\$0.80	\$0.03	0%
24 February 2012	30 June 2014	30 June 2015	\$0.80	\$0.03	100%
9 March 2012	30 June 2012	30 June 2015	\$0.40	\$0.07	100%
9 March 2012	30 June 2013	30 June 2015	\$0.40	\$0.07	0%
9 March 2012	30 June 2014	30 June 2015	\$0.40	\$0.07	0%
9 March 2012	30 June 2012	30 June 2015	\$0.60	\$0.05	100%
9 March 2012	30 June 2013	30 June 2015	\$0.60	\$0.05	0%
9 March 2012	30 June 2014	30 June 2015	\$0.60	\$0.05	0%
9 March 2012	30 June 2012	30 June 2015	\$0.80	\$0.04	100%
9 March 2012	30 June 2013	30 June 2015	\$0.80	\$0.04	0%
9 March 2012	30 June 2014	30 June 2015	\$0.80	\$0.04	0%
2 April 2012	30 June 2013	30 June 2016	\$0.40	\$0.11	0%
2 April 2012	30 June 2014	30 June 2016	\$0.40	\$0.11	0%
2 April 2012	30 June 2015	30 June 2016	\$0.40	\$0.11	0%
2 April 2012	30 June 2013	30 June 2016	\$0.60	\$0.09	0%
2 April 2012	30 June 2014	30 June 2016	\$0.60	\$0.09	0%
2 April 2012	30 June 2015	30 June 2016	\$0.60	\$0.09	0%
2 April 2012	30 June 2013	30 June 2016	\$0.80	\$0.07	0%
2 April 2012	30 June 2014	30 June 2016	\$0.80	\$0.07	0%
2 April 2012	30 June 2015	30 June 2016	\$0.80	\$0.07	0%
11 April 2011	30 June 2012	30 June 2015	\$0.40	\$0.13	100%
11 April 2011	30 June 2013	30 June 2015	\$0.40	\$0.13	0%
11 April 2011	30 June 2014	30 June 2015	\$0.40	\$0.13	0%
11 April 2011	30 June 2012	30 June 2015	\$0.60	\$0.11	100%
11 April 2011	30 June 2013	30 June 2015	\$0.60	\$0.11	0%
11 April 2011	30 June 2014	30 June 2015	\$0.60	\$0.11	0%
11 April 2011	30 June 2012	30 June 2015	\$0.80	\$0.10	100%
11 April 2011	30 June 2013	30 June 2015	\$0.80	\$0.10	0%
11 April 2011	30 June 2014	30 June 2015	\$0.80	\$0.10	0%

Options granted under the plan carry no dividend or voting rights.

REMUNERATION REPORT

CONTINUED

Details of options over ordinary shares in the company provided as remuneration to each director of Acer Energy Limited and each of the key management personnel of the parent entity are set out below. When exercisable, each option is convertible into one ordinary share of Acer Energy Limited. Further information on the options is set out in note 29 to the financial statements.

NAME	NUMBER OF OPTIONS GRANTED DURING THE YEAR	VALUE OF OPTIONS AT GRANT DATE*	NUMBER OF OPTIONS VESTED DURING THE YEAR	NUMBER OF OPTIONS EXPIRED DURING THE YEAR	VALUE AT LAPSE DATE**
Directors of Acer Energy Limited					
N Davies	-	-	2,000,000		
C Adams	-	-	6,000,000	-	-
A R Johnson	1,500,000	\$58,183	1,000,000	-	-
D I McEvoy	1,500,000	\$58,183	1,000,000	-	-
A Awan	1,500,000	\$58,183	1,000,000	-	-
S Scott	1,500,000	\$58,183	1,000,000	(1,500,000)	\$58,183
Other key management personnel					
S Cunningham	-	-	2,000,000	-	-
D Rogers	-	-	2,000,000	-	-
M Bucknill	-	-	1,500,000	-	-

* The value at grant date calculated in accordance with AASB 2 Share-based Payment of options granted during the year as part of remuneration.

** The value at lapse date of options that were granted as part of remuneration and that lapsed during the year because a vesting condition was not satisfied. The value is determined at the time of lapsing, but assuming the condition was satisfied.

The assessed fair value at grant date of options granted to the individuals is included in the remuneration tables above. Fair value at grant date was independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

SHARES PROVIDED ON THE EXERCISE OF REMUNERATION OPTIONS

There have been no ordinary shares issued on the exercise of remuneration options during the financial year.

DETAILS OF REMUNERATION: OPTIONS

For each grant of options included in the tables on pages 24 to 25, the percentage of the grant that was paid, or that vested, in the financial year, and the percentage that was forfeited because the person did not meet the service and performance criteria is set out below.

NAME	YEAR GRANTED	VESTED %	OPTIONS		
			VESTED OPTIONS FORFEITED %	FINANCIAL YEARS IN WHICH OPTIONS MAY VEST	MAXIMUM TOTAL VALUE OF GRANT YET TO BE EXPENSED \$
N Davies	2011	67%	-	30/06/2013	39,221
C Adams	2011	67%	-	30/06/2013	111,078
A Johnson	2012	67%	-	30/06/2013	7,886
D McEvoy	2012	67%	-	30/06/2013	7,886
A Awan	2012	67%	100%		
S Scott	2012	67%	-	30/06/2013	7,886
S Cunningham	2011	67%	-	30/06/2013	31,751
D Rogers	2011	67%	-	30/06/2013	37,026
M Bucknill	2011	33%	-	30/06/2013	118,954
				30/06/2014	44,694

End of the Remuneration Report.

SHARES UNDER OPTION

Unissued ordinary shares of Acer Energy Limited under option at the date of this report are as follows:

DATE OPTIONS GRANTED	EXPIRY DATE	ISSUE PRICE OF SHARES	NUMBER UNDER OPTION
29 January 2009	One half 29 January 2013; One half 29 January 2014	\$0.24	33,334
31 March 2011 to 8 November 2012	30 June 2014	\$0.40	9,500,001
	30 June 2014	\$0.60	9,500,001
	30 June 2014	\$0.80	9,499,998
8 November 2011 to 10 July 2012	30 June 2015	\$0.40	2,250,000
	30 June 2015	\$0.60	2,250,000
	30 June 2015	\$0.80	2,250,000
10 July 2012	30 June 2016	\$0.40	700,000
	30 June 2016	\$0.60	700,000
	30 June 2016	\$0.80	700,000
			37,383,334

No option holder has any right under the options to participate in any other share issue of the company or of any other entity.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares of Acer Energy Limited issued during the year ended 30 June 2012 on the exercise of options granted. No further shares have been issued since that date. No amounts are unpaid on any of the shares.

2,150,000 options issued under the Employee Share Option Plan were forfeited and 99,999 options expired. Since the end of the financial year 33,334 options issued under the Employee Option Plan expired.

INSURANCE OF OFFICERS

During the financial year, Acer Energy Limited paid a premium of \$183,254 to insure the directors and officers of the Company.

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

AGREEMENT TO INDEMNIFY OFFICERS

Acer Energy Limited has entered into an agreement to indemnify the directors of the company.

The indemnity relates to any liability:

- (a) incurred in connection with or as a consequence of the directors acting in the capacity including, without limiting the foregoing, representing the Company on any body corporate, and
- (b) for legal costs incurred in defending an action in connection with or as a consequence of the director acting in the capacity.

No liability has arisen under these indemnities as at the date of this report.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

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

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company are important and where the company determines that auditor independence is not compromised.

Details of the amounts paid or payable to the auditor (PricewaterhouseCoopers) for non-audit services provided during the year are set out below.

The board of directors has considered the position and, in accordance with the advice received from the Audit and Risk Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The directors are satisfied that the provision of non-audit services by the auditor, 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 Audit and Risk Committee 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 APES 110 Code of Ethics for Professional Accountants.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

ASSURANCE SERVICES

	2012 \$	2011 \$
OTHER ASSURANCE SERVICES		
PricewaterhouseCoopers Australian firm:		
Audit of regulatory returns	1,500	1,000
Due diligence services	-	36,599
Total remuneration for other assurance services	1,500	37,599
Total remuneration for non-audit services	-	36,599

AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 31.

ROUNDING OF AMOUNTS

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

AUDITOR

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

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



N Davies

Chairman

26 September 2012



Auditor's Independence Declaration

As lead auditor for the audit of Acer Energy Limited for the year ended 30 June 2012, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Acer Energy Limited during the period.

A handwritten signature in black ink that reads 'Sarah Nelson'.

Sarah Nelson
Partner
PricewaterhouseCoopers

26 September 2012

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Liability limited by a scheme approved under Professional Standards Legislation.

CORPORATE GOVERNANCE STATEMENT

The directors and management of Acer Energy Limited are committed to following the Principles issued by ASX underpinning corporate governance best practice.

In responding to the Principles and associated Best Practice Recommendations, Acer Energy Limited has given due and careful regard to its particular circumstances and the best interests of its shareholders.

ASX Listing Rules require listed companies to disclose in their Annual Report the extent to which ASX Best Practice Recommendations have been followed; identify which Recommendations have not been followed; and provide reasons for their decisions.

As detailed in this corporate governance statement, Acer Energy Limited considers its current governance practices comply with 26 of the 27 ASX Recommendations. Where arrangements differ from the Recommendations, the directors and management believe this is appropriate to the Company's individual circumstances and represents good practice.

Current practices do not comply in the following areas:

R2.4 The board should establish a nomination committee.

The Company will keep the Recommendations in continuous review and as Company circumstances change we expect to move towards full compliance. Decisions will be based on what is in the best interest of shareholders.

The remainder of this statement sets out each Principle, associated Best Practice Recommendations, and the Company's response.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

PRINCIPLE 3: PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY.

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Companies should establish and disclose the respective roles and responsibilities of the board and management.

Recommendations and response:

R1.1 Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.

The board has defined the specific functions reserved for the board and its committees and those matters delegated to management.

The board is accountable to shareholders for Acer Energy Limited's performance. It oversees and guides management in protecting and enhancing the interests of shareholders and other stakeholders. It sets the strategic direction of the Company, establishes goals for management and monitors progress towards those goals.

R1.2 Companies should disclose the process for evaluating the performance of senior executives.

The board is accountable for the proper oversight of executive directors and senior management.

A process is in place for reviewing senior management performance and continuously improving the contributions executives make to the Company.

R1.3 Companies should provide the information indicated in the Guide to reporting on Principle 1.

Performance evaluation of senior executives has taken place in FY2012 and is in accordance with the process as set out in R1.1 and R1.2 above.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

Companies should have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties.

Recommendations and response:

R2.1 A majority of the board should be independent directors.

Acer Energy Limited recognises the importance of having a board of the appropriate composition, size and commitment for it to discharge its responsibilities and duties and believes that its board has a balance of skills, experience and independent thinking appropriate to the nature and scope of the Company's operations.

All but one director on the board meet the ASX definition of independence.

The board has determined the independence status of each current director as follows:

DIRECTOR	POSITION	INDEPENDENT	REASON
Mr Nicholas Davies	Chairman of Board, Chairman of the Remuneration Committee and member of the Audit and Risk Committee.	Yes	The board considers that Mr Davies is free of any relationship that could, or could be seen to, materially interfere with the independent exercise of judgement.
Mr Clint Adams	Managing Director	No	Executive Director.
Mr Adam Johnson	Non-executive director and member of the Remuneration Committee.	Yes	The board considers that Mr Johnson is free of any relationship that could, or could be seen to, materially interfere with the independent exercise of judgement.
Mr David McEvoy	Non-executive director, member of the Audit and Risk Committee and member of the Remuneration Committee.	Yes	The board considers that Mr McEvoy is free of any relationship that could, or could be seen to, materially interfere with the independent exercise of judgement.
Mr Shaun Scott	Non-executive director, Chairman of the Audit and Risk Committee.	Yes	The board considers that Mr Scott is free of any relationship that could, or could be seen to, materially interfere with the independent exercise of judgement.

R2.2 The chair should be an independent director.

The chair, Mr Nicholas Davies, is an independent director.

R2.3 The roles of chair and chief executive officer should not be exercised by the same individual.

The role of chief executive officer is exercised by Mr Clint Adams while the role of chair is exercised by Mr Nicholas Davies.

R2.4 The board should establish a nomination committee.

The board itself acts as the Nomination Committee rather than having a separate committee constituted for that purpose.

R2.5 Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.

A review of the Board's performance and effectiveness is conducted periodically. This review will generally take place annually, unless circumstances such as continuity of Board membership influence a more optimal timing. The review is prepared by the Chairman with collective responses from all directors and if considered necessary with the advice of external experts. The results are evaluated by the full board to identify strengths and areas for improvement. There is no separate review undertaken for the Audit and Risk Committee and the Remuneration Committee as they are made up of all Directors and as such their performance is reviewed as part of the overall Board Review.

R2.6 Companies should provide the information indicated in the Guide to reporting on Principle 2.

Departure from Recommendation R2.4 is explained above.

PRINCIPLE 3 – PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING

Actively promote ethical and responsible decision-making.

Recommendations and response:

R3.1 Companies should establish a code of conduct and disclose the code or a summary of the code as to:

- the practices necessary to maintain confidence in the Company's integrity
- the practices necessary to take into account their legal obligations and the expectations of their stakeholders
- the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The board and management are committed to establishing and maintaining a high degree of integrity among those who set or influence the Company's strategy and financial performance, together with responsible and ethical decision-making that takes into account legal obligations as well as significant stakeholders' interests.

Each director, senior executive and employee is individually accountable for bringing potential matters of unethical behaviour to the attention of the organisation at an appropriate level. An individual whose attention is so drawn is accountable for using the powers of their office/role to deal appropriately with such matters.

R3.2 Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.

The company values diversity and recognizes the benefits it can bring to the organisation's ability to achieve its goals.

Accordingly the company has developed a diversity policy, a copy of which can be found on the company website. This policy outlines the company's diversity objectives in relation to gender, age, cultural background and ethnicity. It includes requirements for the board to establish measurable objectives for achieving diversity, and for the board to assess annually both the objectives, and the company's progress in achieving them.

R3.3 Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.

The Board has established the following objectives in relation to gender diversity. The aim is to achieve these objectives over the coming 2 to 3 years as director and senior executive positions become vacant and appropriately skilled candidates are available. The Company's primary objective will be to employ the most suitable candidate for the position and will not discriminate based on gender, age, cultural background and ethnicity. Additionally the Company will not employ any candidate who isn't the most suited for a position as a means to meeting the objectives of the diversity policy.

	OBJECTIVE		ACTUAL	
	NUMBER	%	NUMBER	%
Number of women employees in the whole organisation	3	20%	3	20%
Number of women in senior executive positions	1	20%	-	-
Number of women on the board	1	20%	-	-

Responsibility for diversity has been included in the board charter.

R3.4 Companies should disclose in each annual report the proportion of women employees in the whole organization, women in senior executive positions and women on the board.

Refer to R3.3 above.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

PRINCIPLE 4 – SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

Have a structure to independently verify and safeguard the integrity of the Company's financial reporting.

Recommendations and response:

R4.1 The board should establish an Audit and Risk Committee.

The board has established an Audit and Risk Management Committee. The ultimate responsibility for the integrity of the Company's financial reporting rests with the full board.

R4.2 Structure the Audit and Risk Committee so that it consists of:

- only non-executive directors
- a majority of independent directors
- an independent chair, who is not chair of the board
- has at least three members.

The Audit and Risk Management Committee comprises three non-executive directors. Mr Shaun Scott is chair of the committee and all members meet the ASX test of independence.

R4.3 The Audit and Risk Committee should have a formal charter.

The Audit and Risk Management Committee works within a formal charter.

R4.4 Companies should provide the information indicated in the Guide to reporting on Principle 4.

Information related to Principle 4 is presented above.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

Promote timely and balanced disclosure of all material matters concerning the Company.

Recommendations and response:

R5.1 Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance and disclose those policies or a summary of those policies.

Acer Energy Limited has a Continuous Disclosure Policy which aims to provide a timely and balanced picture of all material matters and which requires disclosure of any information concerning Acer Energy Limited that a reasonable person would expect to have a material effect on the price or value of the Company's securities. A copy of the Continuous Disclosure Policy is available on the Company's website.

R5.2 Provide the information indicated in Guide to reporting on Principle 5.

Information related to Principle 5 is presented above.

PRINCIPLE 6 – RESPECT THE RIGHTS OF SHAREHOLDERS

Respect the rights of shareholders and facilitate the effective exercise of those rights.

Recommendations and response:

R6.1 Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.

Acer Energy Limited's shareholder communications strategy seeks to enable shareholders to be well informed about the performance and affairs of the Company. The Managing Director is accountable for implementing the communications strategy approved by the board. A copy of the Communications Policy is available on the Company's website.

R6.2 Companies should provide the information indicated in the Guide to reporting on Principle 6.

Information related to Principle 6 is presented above.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

Companies should establish a sound system of risk oversight and management and internal control.

Recommendations and response:

R7.1 Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.

Acer Energy Limited recognises the importance of risk management; it manages risk through effective oversight and internal control involving board and management systems.

This function is assisted by the Audit and Risk Management Committee.

R7.2 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.

Business risk is a periodic agenda item for board meetings where the effectiveness of the Company's risk management systems and activities are reported on and assessed.

R7.3 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.

The board requires the Managing Director and Chief Financial Officer to confirm in writing that declarations provided in accordance with section 295A of the Corporations Act are founded on a sound system of risk management and internal control and that the system is operating effectively.

R7.4 Companies should provide the information indicated in the Guide to reporting on Principle 7.

Information related to Principle 7 is presented above.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

Companies should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.

Recommendations and response:

R8.1 The board should establish a Remuneration Committee.

Acer Energy Limited knows that recognition and reward are key factors in attracting and retaining the skills required to achieve the performance expected by the board, management and shareholders.

The Remuneration Committee consists of Mr Davies who is chair, Mr McEvoy and Mr Johnson, all non-executive directors.

R8.2 The remuneration committee should be structured so that it:

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

Refer to R8.1 above.

R8.3 Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.

Total remuneration paid to non-executive directors may not exceed the limit set by shareholders at the annual general meeting (currently \$500,000). The remuneration of the non-executive directors is fixed rather than variable. In relation to executive remuneration, the board takes advice regarding the nature and direction for the Company's remuneration practices. The board ensures that a proportion of each senior manager's remuneration is linked to his or her performance and the Company's performance.

Acer Energy Limited executives participate in an option scheme that is linked to Acer Energy Limited's share performance. Remuneration is also benchmarked against the Company's peers in the resources industry.

The remuneration structure for directors and senior executives is reported in the remuneration report on pages 19 to 27.

R8.3 Companies should provide the information indicated in the Guide to reporting on Principle 8.

Information related to Principle 8 is presented above.

STATEMENT OF
COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 30 JUNE 2012

	NOTES	2012 \$'000	2011 \$'000
REVENUE FROM CONTINUING OPERATIONS	5	3,395	2,586
OTHER INCOME	6	1,211	-
EXPENSES			
Movement in oil stock		45	77
Field operation expenses		(907)	(1,094)
Oil transportation fees and charges		(353)	(200)
Employee benefits expense		(3,211)	(2,227)
Professional services expense		(410)	(2,357)
Depreciation and amortisation expense	7	(814)	(412)
Share based payment expense		(2,066)	(927)
Impairment of exploration and evaluation assets	7	-	(10,105)
General administration expenses		(885)	(1,358)
LOSS BEFORE INCOME TAX		(3,995)	(16,017)
Income tax benefit	8	53	-
Loss for the year		(3,942)	(16,017)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(3,942)	(16,017)
EARNINGS PER SHARE FOR LOSS FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY:			
		CENTS	CENTS
Basic earnings per share (loss)	28	(0.9)	(5.1)
Diluted earnings per share (loss)	28	(0.9)	(5.1)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2012

	NOTES	2012 \$'000	2011 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	9	17,973	30,272
Trade and other receivables	10	849	726
Inventory	11	122	92
Other assets	12	-	3,909
Total current assets		18,944	34,999
Non-current assets			
Property, plant and equipment	13	2,362	1,901
Exploration and evaluation costs	14	30,393	13,289
Other assets	15	286	228
Total non-current assets		33,041	15,418
Total assets		51,985	50,417
LIABILITIES			
Current liabilities			
Trade and other payables	16	1,720	1,175
Total current liabilities		1,720	1,175
Non-current liabilities			
Provisions	17	6,277	3,482
Total non-current liabilities		6,277	3,482
Total liabilities		7,997	4,657
Net assets		43,988	45,760
EQUITY			
Contributed equity	18	107,633	107,633
Reserves	19	6,609	4,439
Accumulated losses	19	(70,254)	(66,312)
Total equity		43,988	45,760

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2012

	NOTES	CONTRIB- UTED EQUITY \$'000	RESERVES \$'000	RETAINED EARNINGS \$'000	TOTAL \$'000
Balance at 1 July 2010		77,170	3,512	(50,295)	30,387
Loss for the year		-	-	(16,017)	(16,017)
Other comprehensive income		-	-	-	-
Total comprehensive income		-	-	(16,017)	(16,017)
Transactions with owners in their capacity as owners:	18	30,463	-	-	30,463
Contributions of equity, net of transaction costs					
Employee share options – value of employee services	19	-	927	-	927
Balance at 30 June 2011		107,633	4,439	(66,312)	45,760
Loss for the year		-	-	(3,942)	(3,942)
Other comprehensive income		-	-	-	-
Total comprehensive income		-	-	(3,942)	(3,942)
Transactions with owners in their capacity as owners:		-	-	-	-
Contributions of equity, net of transaction costs	19	-	1,387	-	1,387
Employee share options	19	-	679	-	679
Employee share scheme					
Share based payment – deferred consideration	19	-	104	-	104
Balance at 30 June 2012		107,633	6,609	(70,254)	43,988

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF
CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012

	NOTES	2012 \$'000	2011 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,838	2,528
Receipts of refunds of goods and services tax		547	237
Payments to suppliers and employees (inclusive of goods and services tax)		(7,050)	(7,651)
Interest received		1,103	557
Net cash inflow (outflow) from operating activities	27	(2,562)	(4,329)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation		(3,345)	(1,843)
Payments for property, plant and equipment		(1,063)	(63)
Payments for acquisition of interests in prospects	30	(6,531)	(5,000)
Payments for available-for-sale financial assets		(5,843)	-
Proceeds from sale of available-for-sale financial assets		7,054	-
Payment for security deposit		(9)	(127)
Net cash outflow from investing activities		(9,737)	(7,033)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue		-	30,926
Payments for share issue costs		-	(460)
Net cash inflow from financing activities		-	30,466
Net increase (decrease) in cash and cash equivalents		(12,299)	19,104
Cash and cash equivalents held at the beginning of the financial year		30,272	11,168
Cash and cash equivalents held at the end of the financial year	9	17,973	30,272

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012

NOTE 1. SUMMARY OF SIGNIFICANT 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) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*.

Acer Energy Limited is a for-profit entity for the purposes of preparing the financial statements.

(i) Compliance with IFRS

The financial statements of Acer Energy Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Company

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2011 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(iii) Early adoption of standards

The Company has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2011.

(iv) Historical cost convention

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

(v) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the management team.

(c) Income tax

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

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

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

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

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Amounts disclosed as revenue are net of returns, trade allowances and duties paid. Oil sales are recognised when the product is provided and Acer Energy Limited has a legally enforceable entitlement to the proceeds.

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

(e) Exploration expenditure

Costs carried forward

Exploration and evaluation expenditure incurred by or on behalf of the entity is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.

Each area of interest is limited to a size related to a known or probable petroleum resource target.

Exploration expenditure for each area of interest is carried forward as an asset provided that one of the following conditions is met:

- such costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
- exploration activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing.

Exploration expenditure which fails to meet at least one of the conditions outlined above is written off.

Expenditure is not carried forward in respect of any area of interest unless the Company's rights of tenure to that area of interest are current.

The ultimate recoupment of exploration and evaluation expenditure is dependent on successful development and commercial exploitation, or alternatively, sale of the respective area.

Amortisation

Amortisation of costs carried forward will be charged from the commencement of commercial production. When commercial production commences, costs of productive areas are amortised over the life of the area of interest to which such costs relate on the production output basis.

(f) Acquisitions of assets

The purchase method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition.

(g) Impairment of assets

Assets that have an indefinite life are not subject to amortisation and are tested annually for impairment. Exploration assets 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 there are separately identifiable cash flows (cash generating units).

(h) Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

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

Leasehold improvements	5 years
Plant and equipment	5-10 years
Field plant and equipment	10 years

The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

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 (note 1(g)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, it is Company policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(i) Trade and other creditors

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Cash and cash equivalents

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

(k) Receivables

All trade and other debtors are recognised at fair value. Collectability is reviewed on an ongoing basis. A provision for doubtful debts is made where there is objective evidence that the Company will not be able to collect all amounts due according to the original terms. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the effective interest rate. The amount of any provision is recognised in the income statement.

Trade receivables are due for settlement no more than 30 – 60 days from the date of recognition.

(l) Inventory

(i) Exploration inventory

Inventories are stated at the lower of cost and net realisable value. The costs are assigned to individual items on the basis of first in first out.

(iii) Oil inventory

Oil inventory is stated at the lower of cost or net realisable value and represents oil produced and awaiting sale.

(m) Site restoration

Provisions made for environmental rehabilitation are recognised where there is a present obligation as a result of exploration, development or production activities having been undertaken, and it is probable that an outflow of economic benefits will be required to settle the obligation. The estimated future obligations include the costs of removing facilities, abandoning wells and restoring the affected areas. The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the obligation at the reporting date, based on current legal requirements and technology. Future restoration costs are reviewed annually and any changes are reflected in the present value of the restoration provision at the end of the reporting period. The amount of the provision for future restoration costs relating to exploration and development activities is capitalised as a cost of those activities. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and where appropriate the risks specific to the liability. The unwinding of discounting on the provision is recognised as a finance cost.

(n) Earnings per share

(i) Basic earnings per share

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

(ii) Diluted earnings per share

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

(o) Goods and services tax

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

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

All cash outflows in respect of GST, including payments to suppliers and employees, payments for exploration and evaluation, property, plant and equipment, and payments for exploration inventory are included in payments to suppliers and employees from operating activities.

All cash inflows in respect of GST, including receipts from customers and receipts of GST paid by the Company and subsequently refunded by taxation authorities are included separately as an inflow from operating activities.

All cash flows from investing activities and from financing activities are net of GST as all associated GST cash flows are included in operating activities.

(p) Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Superannuation

Contributions are made by the company to accumulation superannuation funds. Contributions are charged to expenses as they are incurred.

(iv) Employee benefit on-costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(v) Share-based payments

Share-based compensation benefits are provided to employees via the Acer Energy Limited Employee Share Option Plan and through the STI arrangements. Information relating to the option plan is set out in note 29.

The fair value of options granted under the plan is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

(q) Joint venture operations

The proportionate interests in the assets, liabilities and expenses of joint venture operations have been incorporated in the financial statements under the appropriate headings.

Cost recovery from Joint Ventures in respect of personnel and associated charges undertaking activities on behalf of a joint venture, are shown in other revenue.

Where the Company has entered a farmout agreement which includes a provision for the farminee party to pay future costs in respect of the Company's interest in a joint venture, the amount of the future financial benefit to the Company in the form of the carry is recognised as a "Joint venture expenditure carry" in other current assets.

When relevant costs are incurred on the permit subject to the carry, these costs are funded by the farminee party paying Acer Energy Limited's share of costs. A corresponding amount representing the value of the carry payment funded by the farminee is charged against the "Joint venture expenditure carry" in Other current assets thereby reducing the value available for future funding and allocated to the relevant Non-current asset of Exploration and evaluation costs in respect of the permit, thereby increasing the amount carried in the relevant Non-current asset of Exploration and evaluation costs.

(r) Leases

Leases of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business, are not included in the cost of the acquisition as part of the purchase consideration.

(t) Rounding of amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

(u) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2012 reporting periods. The Company's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (effective from 1 January 2013)

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013 but is available for early adoption. When adopted, the standard will have no effect on the Company's accounting for its available-for-sale financial assets as the changes only affect the accounting for equity investments that are held for trading.

There will be no impact on the Company's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Company does not have any such liabilities. The derecognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed. The Company has not yet decided when to adopt AASB 9.

(ii) AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interest in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associated and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective 1 January 2013)

In August 2011, the AASB issued a suite of five new and amended standards which address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns. There is also new guidance on participating and protective rights and on agent/principal relationships. While the Company does not expect the new standard to have a significant impact on its composition, it has yet to perform a detailed analysis of the new guidance.

AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

AASB 11 is not expected to have any impact on the amounts recognised in the financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128. Application of this standard by the Company will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to the Company's investments.

The Company does not expect to apply the new standards before their operative date. They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2014.

(iii) AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013)

AASB 13 was released in September 2011. It explains how to measure fair value and aims to enhance fair value disclosures. The Company has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, applicable of the new standard will impact the type of information disclosed in the notes to the financial statements. The Company does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

NOTE 2. FINANCIAL RISK MANAGEMENT

The Company holds the following financial instruments:

	2012 \$'000	2011 \$'000
FINANCIAL ASSETS		
Cash and cash equivalents	17,973	30,272
Trade and other receivables	849	726
	18,822	30,998
FINANCIAL LIABILITIES		
Trade and other payables	1,720	1,175
	1,720	1,175

(a) Market risk

(i) Foreign exchange risk

The Company's activities expose it to foreign exchange risk. Foreign exchange risk arises when future commercial transactions are denominated in a currency that is not the company's functional currency.

The Company sources products and services internationally where prices are fixed in foreign currency – predominantly US Dollars. The Company also receives proceeds from incidental oil sales in US Dollars.

At this stage the company does not protect against foreign exchange exposure as the level of transacting in foreign currency is limited. At 30 June 2012, the company did not have any significant exposure to foreign currency risk.

Any future changes in exposure or approach will be given strategic direction by the Board of Directors.

The Company's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars, was as follows:

	30 JUNE 2012 USD \$'000	30 JUNE 2011 USD \$'000
Trade receivables	94	222

(ii) Cash flow and fair value interest rate risk

As the company has significant interest-bearing cash assets, the company's income and operating cash flows are exposed to changes in market interest rates. The company manages its exposure to changes in interest rates by using fixed term deposits.

At 30 June 2012 if interest rates had changed by +/- 100 basis points from the year-end rates with all other variables held constant, post-tax profit for the year would have been \$180,000 lower/higher (2011 – change of 100 bps: \$303,000 higher/lower), as a result of higher/lower interest income from cash and cash equivalents.

(b) Credit risk

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

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

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

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

	2012 \$'000	2011 \$'000
CASH AT BANK AND SHORT-TERM BANK DEPOSITS		
AAA	16,559	28,129
A	1,414	2,143
	17,973	30,272

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

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to meet obligations when due. At the end of the reporting period the company held deposits at call of \$16,559,000 (2011: \$28,129,000) that are expected to readily generate cash inflows for managing liquidity risk.

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows. No finance facilities were available to the Company at the end of the reporting period.

Maturities of financial liabilities

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

CONTRACTUAL MATURITIES OF FINANCIAL LIABILITIES	LESS THEN 6 MONTHS \$'000	6 – 12 MONTHS \$'000	BETWEEN 1 AND 2 YEARS \$'000	BETWEEN 2 AND 5 YEARS \$'000	OVER 5 YEARS \$'000	TOTAL CONTRAC- TUAL CASH FLOWS \$'000	CARRYING AMOUNT \$'000
AT 30 JUNE 2012							
Trade and other payables	1,449	83	-	-	-	1,532	1,532
	1,449	83	-	-	-	1,532	1,532
AT 30 JUNE 2011							
Trade and other payables	1,175	-	-	-	-	1,175	1,175
	1,175	-	-	-	-	1,175	1,175

(d) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The net fair value of financial assets and financial liabilities approximates their carrying values as disclosed in the balance sheet and notes to the financial statements.

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

NOTE 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Exploration and evaluation assets

The Company has capitalised exploration expenditure of \$30,393,000 (2011: \$13,289,000). This amount includes costs directly associated with exploration wells. These costs are capitalised as an intangible asset until the drilling of the well is complete and the results have been evaluated. These costs include employee remuneration, materials and fuel used, rig costs, delay rentals and payments to contractors. If hydrocarbons are not found, the exploration expenditure is written off as a dry hole. If hydrocarbons are found and, subject to further appraisal activity, which may include the drilling of further wells, are likely to be capable of commercial development, the costs continue to be carried as an asset. All such carried costs are subject to technical, commercial and management review at least once a year to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are written off.

Restoration obligations

The Company estimates the future removal costs of production facilities and wells at the time of installation of the assets. In most instances, removal of assets occurs many years into the future. This requires judgemental assumptions regarding removal date, future environmental legislation, the extent of reclamation activities required, the engineering methodology for estimating cost, future removal technologies in determining the removal cost, and asset specific discount rates to determine the present value of these cash flows. The Company's accounting policy for restoration obligations are set out in Note 1(m).

Impairment of oil and gas assets

The Company assesses whether oil and gas assets are impaired when preparing its annual and interim financial reports. Estimates of the recoverable amount of oil and gas assets are made based on the present value of future cash flows.

Reserves estimate

Estimates of recoverable quantities of proven and probable reserves reported include assumptions regarding commodity prices, exchange rates, discount rates, production and transportation costs for future cash flows. It also requires interpretation of complex and difficult geological and geophysical models in order to make an assessment of the size, shape, depth and quality of reservoirs and their anticipated recoveries. The economic, geological and technical factors used to estimate reserves may change from period to period. Changes in reported reserves can impact asset carrying values, the provision for restoration and the recognition of any deferred tax assets, due to changes in expected future cash flows.

NOTE 4. SEGMENT INFORMATION

The company operates solely within one segment being the oil and gas exploration industry in Australia.

	2012 \$'000	2011 \$'000
NOTE 5. REVENUE		
From continuing operations		
Sales revenue		
Oil sales	1,917	1,034
Other revenue		
Cost recoveries from operated joint ventures	326	995
Interest	1,152	557
	3,395	2,586

	2012 \$'000	2011 \$'000
NOTE 6. OTHER INCOME		
Net gain on sale of available-for-sale financial assets	1,211	-

	2012 \$'000	2011 \$'000
NOTE 7. EXPENSES		
Loss before income tax includes the following specific expenses:		
Impairment of exploration and evaluation assets	-	10,105
Amortisation – leasehold improvements	62	-
Depreciation – field plant and equipment	737	400
Depreciation – plant and equipment	15	12
	814	412
Operating lease rentals – minimum lease payments	303	144

NOTES TO THE
FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

	2012 \$'000	2011 \$'000
NOTE 8. INCOME TAX		
(a) Numerical reconciliation of income tax expense / (income) to prima facie tax payable:		
Total profit/(loss) before income tax	(3,995)	(16,017)
Tax at the Australian tax rate of 30% (2011: 30%)	(1,199)	(4,805)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Entertainment	3	3
Other	636	278
	(560)	(4,524)
Prior year research and development claim	(53)	-
Net adjustment to deferred tax assets and liabilities for tax losses and temporary differences not recognised	560	4,524
Income tax (benefit)	(53)	-
(b) Unrecognised net deferred tax assets:		
Unused tax losses for which no deferred tax asset has been recognised	85,088	68,681
Unused capital losses for which no deferred tax asset has been recognised	194	194
Temporary differences for which no deferred tax asset/(liability) has been recognised:		
- Accruals	48	45
- Provisions	6,270	3,367
- Business capital costs	1,959	2,890
- Employee entitlements	173	99
- Lease incentive	188	58
- Property, plant and equipment	1,437	1,461
- Royalty Rights	526	527
- Prepayments	(23)	(36)
- Exploration and Development Costs	(28,924)	(11,397)
	66,936	65,889
Potential tax effect at 30%	20,081	19,767

The above deferred tax liability has not been recognised as there are sufficient tax losses for which no deferred tax asset has been recognised to offset the potential deferred tax liability.

Unused losses which have not been recognised as an asset, will only be obtained if:

- (i) the company derives future assessable income of a nature and of an amount sufficient to enable the losses to be realised;
- (ii) the company continues to comply with the conditions for deductibility imposed by the law; and
- (iii) no changes in tax legislation adversely affect the company in realising the losses.

(c) Petroleum Resources Rent Tax (PRRT)

On March 2012, legislation to extend the PRRT regime to all Australian offshore and onshore oil and gas projects from 1 July 2012 was substantively enacted. The legislation provides for the company to adopt a starting base for existing projects which is deductible in determining future taxable profit.

Petroleum Resources Rent Tax (PRRT) is recognised as an income tax under AASB 112 – Income taxes. No PRRT expense or deferred tax balances have been recognised in the financial statements for projects which are in the exploration and evaluation phase and are not producing oil or gas at commercial levels.

Once a Petroleum Licence has been awarded in relation to these projects, the impact of the PRRT will be incorporated into the financial statements as at this point it will be possible to reliably estimate the potential impact of the PRRT legislation on the respective exploration permit interests.

	2012 \$'000	2011 \$'000
NOTE 9. CURRENT ASSETS – CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	17,973	30,272

Cash at bank and in hand are bearing interest rates of 0.00% to 4.95% (2011 – 0.00% to 5.58%).

NOTE 10. CURRENT ASSETS – TRADE AND OTHER RECEIVABLES		
Trade debtors	94	222
Other receivables	542	338
Prepayments	160	166
Tax receivable	53	-
	849	726

NOTE 11. CURRENT ASSETS – INVENTORY		
Oil stock	122	77
Exploration inventory	-	15
	122	92

NOTE 12. CURRENT ASSETS – OTHER ASSETS		
Joint venture expenditure carry	-	3,909

An amount of \$1,104,000 was carried by AGL during the period in connection with exploration and development costs incurred during the year. The remaining amount of \$2,806,000 was forgiven as part of the acquisition of the additional interest in PRL 14, 17 & 18, PEL103 and PEL101 (refer note 30).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

	2012 \$'000	2011 \$'000
NOTE 13. NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT		
Buildings		
Leasehold improvements – at cost	311	228
Less: Accumulated amortisation	(62)	(169)
	249	59
Plant and equipment		
Plant and equipment – at cost	97	170
Less: Accumulated depreciation	(14)	(142)
	83	28
Field plant and equipment		
Field plant and equipment – at cost	5,025	4,072
Less: Accumulated depreciation	(1,724)	(987)
Less: Impairment charge	(1,271)	(1,271)
	2,030	1,814
	2,362	1,901

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the financial year are set out below:

	LEASEHOLD IMPROVE- MENTS \$'000	PLANT & EQUIPMENT \$'000	FIELD PLANT & EQUIPMENT \$'000	TOTAL \$'000
2012				
Carrying amount at 1 July 2011	59	28	1,814	1,901
Additions	252	93	953	1,298
Disposals	-	(23)	-	(23)
Depreciation/amortisation	(62)	(15)	(737)	(814)
Carrying amount at 30 June 2012	249	83	2,030	2,362

	LEASEHOLD IMPROVE- MENTS \$'000	PLANT & EQUIPMENT \$'000	FIELD PLANT & EQUIPMENT \$'000	TOTAL \$'000
2011				
Carrying amount at 1 July 2010	-	36	1,416	1,452
Additions	59	4	798	861
Disposals	-	-	-	-
Depreciation/amortisation	-	(12)	(400)	(412)
Carrying amount at 30 June 2011	59	28	1,814	1,901

	2012 \$'000	2011 \$'000
NOTE 14. NON-CURRENT ASSETS – EXPLORATION AND EVALUATION COSTS		
Exploration and evaluation phase costs		
Geological, geophysical, drilling and other expenditure – at cost	30,393	13,289
The capitalised exploration and evaluation costs carried forward above have been determined as follows:		
Opening balance	13,289	15,401
Costs incurred during the year	4,840	2,463
Site restoration charge	2,801	1,421
Acquisition of additional interest in prospects	9,463	4,109
Impairment charge relating to exploration and evaluation assets	-	(10,105)
Closing balance as shown above	30,393	13,289

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

The carrying values of capitalised exploration and evaluation costs are reviewed for each area of interest in accordance with Note 1(e). There has been no impairment in the current year. The prior year impairment reflects the write down of T/18P in the offshore Bass Straight and ATP543P in Queensland. The Directors determined that an impairment charge against capitalised exploration and evaluation costs for the T18/P permit was required and an impairment charge was levied to provide a cost base which would equal the estimated future recoupment of capitalized costs for these areas. The write down of ATP543P follows the unsuccessful application for the renewal of this permit.

	2012 \$'000	2011 \$'000
NOTE 15. NON-CURRENT ASSETS – OTHER		
Security deposit	286	228

	2012 \$'000	2011 \$'000
NOTE 16. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES		
Trade payables	1,215	706
Other payables	317	469
Accrued lease incentive	188	-
	1,720	1,175

Other payables include accruals for annual leave. The entire obligation is presented as current, since the Company does not have an unconditional right to defer settlement. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave within the next 12 months. The following amounts reflect leave that is not expected to be taken within the next twelve months:

	2012 \$'000	2011 \$'000
Annual leave obligation expected to be settled after 12 months	21	11

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

	2012 \$'000	2011 \$'000
NOTE 17. NON-CURRENT LIABILITIES – PROVISIONS		
Employee benefits – long service leave	7	13
Site restoration provision	6,270	3,469
	6,277	3,482

Movements in each class of provision during the financial year, other than provisions relating to employee benefits, are set out below:

Balance at 1 July	3,469	2,048
Revisions to existing provisions	576	328
Increase/(decrease) due to changes in ownership	2,225	1,093
Balance at 30 June	6,270	3,469

	2012 SHARES	2011 SHARES	2012 \$'000	2011 \$'000
NOTE 18. CONTRIBUTED EQUITY				
(a) Share capital				
Fully paid ordinary shares	459,586,853	458,731,853	107,633	107,633

(b) Movements in ordinary share capital:

DATE	DETAILS	NOTE	NUMBER OF SHARES	ISSUE PRICE \$	\$'000
1 July 2010	Opening balance		261,548,890		77,170
3 March 2011	Rights issue		87,182,963	0.115	10,026
28 April 2011	Placement		110,000,000	0.19	20,900
	Share issue costs		-		(463)
30 June 2011	Closing balance		458,731,853		107,633
8 November 2011	Issued under employee share plan		855,000	-	-
			459,586,853		107,633

Options

As at 30 June 2012, the number of options to purchase ordinary shares in the company were as follows:

NO. OF OPTIONS	EXERCISE PRICE	EXPIRY DATE
33,334	\$0.36	8 August 2012
33,334	\$0.24	29 January 2013
9,500,001	\$0.40	30 June 2014
9,500,001	\$0.60	30 June 2014
9,499,998	\$0.80	30 June 2014
1,650,000	\$0.40	30 June 2015
1,650,000	\$0.60	30 June 2015
1,650,000	\$0.80	30 June 2015
33,516,668		

All options are exercisable for cash.

Ordinary shares

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

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

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

Capital risk management

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

In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

	2012 \$'000	2011 \$'000
NOTE 19. RESERVES AND ACCUMULATED LOSSES		
(a) Reserves		
Share-based payments reserve	6,609	4,439
Movements:		
Share based payments reserve		
Balance 1 July	4,439	3,512
Employee share based payment expense	2,066	927
Capitalised in exploration and evaluation costs	104	-
Balance 30 June	6,609	4,439
(b) Accumulated losses		
Movements in accumulated losses were as follows:		
Balance 1 July	(66,312)	(50,295)
Net loss for the year	(3,942)	(16,017)
Balance 30 June	(70,254)	(66,312)

(c) Nature and purpose of reserves

Share-based payments reserve

The share-based payments reserve is used to recognise the fair value of options issued but not exercised and the fair value of shares issued under the STI.

NOTE 20. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Key management personnel compensation

	2012 \$'000	2011 \$'000
Short-term employee benefits	1,835,452	1,156,702
Retention incentive	-	216,875
Post employment benefits	89,523	68,983
Share based payments	1,222,578	854,936
	3,147,553	2,297,496

Detailed remuneration disclosures are provided in the remuneration report on pages 19 to 27.

(b) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in the remuneration report on pages 19 to 27.

(ii) Option holdings

The numbers of options over ordinary shares in the company held during the financial year by each director of Acer Energy Limited and other key management personnel of the entity, including their personally related parties, are set out below.

2012	HELD	BALANCE AT 1/7/11	GRANTED DURING THE YEAR AS REMU- NERATION	OPTIONS EXERCISED	OTHER CHANGES DURING THE YEAR	BALANCE AT 30/6/12	VESTED AND EXER- CISABLE	UNVESTED
Directors								
N Davies	Direct	6,000,000	-	-	-	6,000,000	4,000,000	2,000,000
A R Johnson	Direct	-	1,500,000	-	-	1,500,000	1,000,000	500,000
D I McEvoy	Direct	-	1,500,000	-	-	1,500,000	1,000,000	500,000
A Awan	Direct	-	1,500,000	-	(1,500,000)	-	-	-
S Scott	Direct	-	1,500,000	-	-	1,500,000	1,000,000	500,000
C Adams	Direct	9,000,000	-	-	-	9,000,000	6,000,000	3,000,000
		15,000,000	6,000,000	-	(1,500,000)	19,500,000	13,000,000	6,500,000
Other key management personnel								
S Cunningham	Direct	3,000,000	-	-	-	3,000,000	2,000,000	1,000,000
D Rogers	Direct	3,000,000	-	-	-	3,000,000	2,000,000	1,000,000
M Bucknill	Direct	4,500,000	-	-	-	4,500,000	1,500,000	3,000,000
		10,500,000	-	-	-	10,500,000	5,500,000	5,000,000

2011	HELD	BALANCE AT 1/7/10	GRANTED DURING THE YEAR AS REMU- NERATION	OPTIONS EXERCISED	OTHER CHANGES DURING THE YEAR	BALANCE AT 30/6/11	VESTED AND EXER- CISABLE	UNVESTED
Directors								
N Davies	Direct	-	6,000,000	-	-	6,000,000	2,000,000	4,000,000
A R Johnson		-	-	-	-	-	-	-
D I McEvoy		-	-	-	-	-	-	-
A Awan		-	-	-	-	-	-	-
S Scott		-	-	-	-	-	-	-
S J Koroknay		-	-	-	-	-	-	-
		-	6,000,000	-	-	6,000,000	2,000,000	4,000,000
Other key management personnel								
C Adams	Direct	-	9,000,000*	-	-	9,000,000	-	9,000,000
S Cunningham	Direct	-	3,000,000*	-	-	3,000,000	-	3,000,000
D Rogers	Direct	-	3,000,000*	-	-	3,000,000	-	3,000,000
M Bucknill	Direct	-	4,500,000*	-	-	4,500,000	-	4,500,000
D Kinsman	Direct	200,000	-	-	(200,000)	-	-	-
M Spiby	Direct	800,000	-	-	(800,000)	-	-	-
L P Stanley		-	-	-	-	-	-	-
		1,000,000	19,500,000	-	(1,000,000)	19,500,000	-	19,500,000

* At 30 June 2011 these option were not yet issued.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

NOTE 20. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

(iii) Share holdings

The numbers of shares in the company held during the financial year by each director of Acer Energy Limited and other key management personnel of the entity, including their personally related parties, are set out below. For details of shares granted under the employee share plan refer to note 29(b).

2012	HELD	BALANCE AT 1/7/11	CEASING / COMMENCING EMPLOYMENT	ISSUED UNDER EMPLOYEE SHARE PLAN*	OTHER CHANGES DURING THE YEAR	BALANCE AT 30/6/12
Directors						
N Davies	Indirect	13,824,686	-	-	-	13,824,686
A R Johnson	Direct	43,592	-	-	-	43,592
	Indirect	8,229,754	-	-	-	8,229,754
D I McEvoy	Direct	1,305,519	-	-	-	1,305,519
A Awan	Direct	2,338,000	(2,338,000)	-	-	-
	Indirect	177,408,369	(177,408,369)	-	-	-
S Scott	Direct	500,000	-	-	-	500,000
C Adams	Direct	-	-	979,703	-	979,703
	Indirect	1,084,473	-	-	1,000,000	2,084,473
		204,734,393	(179,746,369)	979,703	1,000,000	26,967,727
Other key management personnel						
S Cunningham	Direct	-	-	600,884	-	600,884
	Indirect	390,000	-	-	-	390,000
D Rogers	Direct	-	-	1,508,135	-	1,508,135
	Indirect	150,000	-	-	-	150,000
M Bucknill	Direct	82,693	-	709,003	-	791,696
	Indirect	192,036	-	-	-	192,036
		814,729	-	2,818,022	-	3,632,751

*At 30 June 2012 these shares had not been issued. They were issued on 10 July 2012.

2011

Directors

	HELD	BALANCE AT 1/7/10	CEASING / COMMENCING EMPLOYMENT	OTHER CHANGES DURING THE YEAR	BALANCE AT 30/6/11
N Davies	Indirect	-	6,800,000	7,024,686	13,824,686
A R Johnson	Direct	32,694	-	10,898	43,592
	Indirect	8,422,315	-	(192,561)	8,229,754
D I McEvoy	Direct	957,693	-	347,826	1,305,519
A Awan	Direct	-	-	2,338,000	2,338,000
	Indirect		69,746,369	107,662,000	177,408,369
S Scott	Direct	-	-	500,000	500,000
S J Koroknay	Indirect	171,134	(285,224)	114,090	-
		9,583,836	76,261,145	117,804,939	203,649,920

Other key management personnel

C Adams	Indirect	-	-	1,084,473	1,084,473
S Cunningham	Indirect	-	140,000	250,000	390,000
D Rogers	Indirect	-	50,000	100,000	150,000
M Bucknill	Direct	-	-	82,693	82,693
	Indirect	-	192,036	-	192,036
D Kinsman	Direct	6,000	(6,000)	-	-
M Spiby	Direct	190,000	(190,000)	-	-
L P Stanley	Indirect	62,500	(83,334)	20,834	-
		258,500	102,702	1,538,000	1,899,202

(c) Other transactions with key management personnel

During the year to 30 June 2012 the company paid fees totaling \$161,461 for accounting and administration services provided by Stanley Yeates & Associates, a firm of Chartered Accountants, of which L P Stanley is a partner, on normal commercial terms and conditions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

	2012 \$'000	2011 \$'000
NOTE 21. REMUNERATION OF AUDITORS		
During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:		
Audit services		
PricewaterhouseCoopers Australian firm		
Audit and review of financial reports and other audit work under the <i>Corporations Act 2001</i>	67,350	67,350
Total remuneration for audit services	67,350	67,350
Other assurance services		
PricewaterhouseCoopers Australian firm		
Audit of regulatory returns	1,500	1,000
Due diligence services	-	36,599
Total remuneration for other assurance services	1,500	37,599
Total remuneration for assurance services	68,850	104,949
	68,850	104,949

It is the Company's policy to employ PricewaterhouseCoopers on assignments additional to their statutory audit duties where PricewaterhouseCoopers' expertise and experience with the Company are important. It is the Company's policy to seek competitive tenders for all major consulting projects.

NOTE 22. CONTINGENCIES

The Company had no contingent liabilities at 30 June 2012.

Joint ventures

For contingent liabilities relating to joint ventures refer to note 25.

NOTE 23. COMMITMENTS

(a) Lease commitments: company as lessee

The Company leases office space under a non-cancellable operating lease expiring in 5 years.

Commitments for minimum lease payments in relation to non-cancelable operating leases are payable as follows:

Within one year	227	218
Later than one year but not later than 5 years	741	968
Later than 5 years	-	-
	968	1,186

Operating leases solely comprise a lease of premises under normal commercial operating lease terms and conditions.

(b) Exploration and evaluation commitments

Commitments for payments under exploration permits at the reporting date but not recognised as liabilities is as follows :

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

NOTE 24. RELATED PARTIES

(a) Key management personnel

Disclosures relating to key management personnel are set out in note 20.

NOTE 25. INTERESTS IN JOINT VENTURES

Joint venture operations

Acer Energy Limited's interests in joint venture operations are set out in the table below:

JOINT VENTURE OPERATION	2012 \$'000	2011 \$'000
PEL 103	100.0%	62.5%
PEL103 Aspen	75.0%	37.5%
PEL101	60.0%	25.0%
ATP543P (South)	-	50.0%
T18/P	5.0%	5.0%
PEL182	37.6%	37.6%
PEL100	25.8%	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

NOTE 25. INTERESTS IN JOINT VENTURES (CONTINUED)

During the financial year the company acquired AGL Limited 37.5% interest in the PEL103 Joint Venture. This increases Acer Energy's interest in PEL103 to 100% and therefore PEL103 is no longer considered to be a joint venture operation and the assets and liabilities employed in PEL103 are not included in the disclosure below.

The company's interests in the assets and liabilities employed in the joint ventures are included in the statement of financial position, in accordance with the accounting policy described in note 1(q), under the following classifications:

	2012 \$'000	2011 \$'000
CURRENT ASSETS		
Cash assets	211	1,118
Receivables	183	279
Inventory	-	15
Total current assets	394	1,412
NON-CURRENT ASSETS		
Security deposits	-	62
Plant and equipment	-	1,815
Exploration costs	6,251	13,289
Total non-current assets	6,251	15,166
Total assets	6,645	16,578
CURRENT LIABILITIES		
Payables	769	627
Total current liabilities	769	627
NON-CURRENT LIABILITIES		
Provisions	497	3,469
Total non-current liabilities	497	3,469
Total liabilities	1,266	4,096
Share of assets employed in joint venture	5,379	12,482

Joint venture activities comprise exploration for gas and petroleum.

The directors believe the company has no contingent liabilities or capital commitments arising from its interests in joint ventures. Commitments for expenditure in respect of the joint venture interests are disclosed in note 23.

NOTE 26. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

At the date of this report there have been no matters or circumstances which have arisen since 30 June 2012 that have significantly affected, or may significantly affect:

- (a) the entity's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the entity's state of affairs in future financial years.

NOTE 27. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH OUTFLOWS FROM OPERATING ACTIVITIES

	2012 \$'000	2011 \$'000
Loss from ordinary activities after income tax	(3,942)	(16,017)
Impairment of exploration and evaluation assets	-	10,105
Depreciation and amortisation	814	412
Fixed assets written off	23	-
Asset acquisition expenses		
Profit on sale of available-for-sale financial assets	(1,211)	-
Foreign exchange movements	12	(1)
Share based payments	2,066	927
Change in operating assets and liabilities:		
(Increase)/decrease in receivables	(288)	367
(Increase)/decrease in oil stock	(45)	(77)
(Increase)/decrease in prepayments	6	8
Increase/(decrease) in payables	3	(53)
Net cash inflows / (outflows) from operating activities	(2,562)	(4,329)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

	2012 CENTS	2011 CENTS
NOTE 28. EARNINGS PER SHARE		
(a) Basic earnings per share		
Basic earnings per share attributable to the ordinary equity holders of the company	(0.9)	(5.1)
(b) Diluted earnings per share		
Diluted earnings per share attributable to the ordinary equity holders of the company	(0.9)	(5.1)
	2012 NUMBER	2011 NUMBER
(c) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	459,282,332	313,285,118
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	459,282,332	313,285,118

(d) Earnings used in calculating earnings per share

Earnings for the purpose of the calculation of basic earnings per share is the net loss of \$3,942,000.

Earnings for the purpose of the calculation of diluted earnings per share is also the net loss of \$3,942,000.

(e) Information concerning the classification of securities

Options

Options granted are usually considered to be potential ordinary shares and taken into account in the determination of diluted earnings per share and are not included in the determination of basic earnings per share. In the circumstances of the company, the options are not dilutive and are therefore not used in the calculation of diluted earnings per share. Details of the options are set out in note 18.

NOTE 29. SHARE-BASED PAYMENTS

(a) Employee Share Option Plan

Options are granted under the Acer Energy Limited Employee Share Option Plan which was approved by shareholders at a General Meeting of Shareholders held on 5 August 2011.

All directors and employees are eligible to participate in the plan. To determine who is eligible to participate in the plan, the Board may consider, amongst other things, the position held by the employee or contractor, their length of service and the contribution made to the Company. Each option entitles the holder to subscribe for, and be issued, one fully paid share. Options are issued for free. The number of options to be issued under the plan, as a general rule, must not exceed 5% of the Company's issued capital. Offers to senior managers do not count towards the 5% limit. The exercise price and exercise period of each option will be determined by the Board at time of issue. Options will lapse if not exercised by their expiry date of the participant ceases being employed or engaged by the Company or an Associated Body Corporate. A participant may also exercise their options in the event of a takeover, scheme of arrangement or change of control in respect of the Company. A participant may not dispose of, transfer, charge or encumber the plan options unless determined otherwise by the Board. The options do not entitle the holders to participate in rights issues or bonus issues.

Options granted under the plan carry no dividend or voting rights and when exercisable, each option is convertible into one ordinary share.

Set out below are summaries of options granted under the plan:

2012

GRANT DATE	EXPIRY DATE	EXER- CISE PRICE	BALANCE AT START OF THE YEAR NUMBER	GRANTED DURING THE YEAR NUMBER	EXPIRED DURING THE YEAR NUMBER	FORFEITED DURING THE YEAR NUMBER	BALANCE AT END OF THE YEAR NUMBER	VESTED AND EXER- CISABLE AT END OF THE YEAR NUMBER
8 August 2007	8 August 2012	\$0.36	166,667	-	(83,333)	(50,000)	33,334	33,334
29 January 2009	29 January 2013 to 29 January 2014	\$0.24	50,000	-	(16,666)	-	33,334	33,334
21 March 2011 to 10 May 2011	30 June 2014	\$0.40	6,000,000	-	-	-	6,000,000	4,000,000
21 March 2011 to 10 May 2011	30 June 2014	\$0.60	6,000,000	-	-	-	6,000,000	4,000,000
21 March 2011 to 10 May 2011	30 June 2014	\$0.80	6,000,000	-	-	-	6,000,000	4,000,000
11 April 2011 to 22 August 2011	30 June 2015	\$0.40	1,500,000	950,000	-	(200,000)	2,250,000	750,000
11 April 2011 to 22 August 2011	30 June 2015	\$0.60	1,500,000	950,000	-	(200,000)	2,250,000	750,000
11 April 2011 to 9 March 2012	30 June 2015	\$0.80	1,500,000	950,000	-	(200,000)	2,250,000	750,000
2 April 2012	30 June 2016	\$0.40	-	700,000*	-	-	700,000	-
2 April 2012	30 June 2016	\$0.60	-	700,000*	-	-	700,000	-
2 April 2012	30 June 2016	\$0.80	-	700,000*	-	-	700,000	-
Weighted average exercise price			\$0.60	\$0.60	\$0.34	\$0.58	\$0.60	\$0.60

* These options have been issued subsequent to year end.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

NOTE 29. SHARE-BASED PAYMENTS (CONTINUED)

2011

GRANT DATE	EXPIRY DATE	EXER- CISE PRICE	BALANCE AT START OF THE YEAR NUMBER	GRANTED DURING THE YEAR NUMBER	EXPIRED DURING THE YEAR NUMBER	FORFEITED DURING THE YEAR NUMBER	BALANCE AT END OF THE YEAR NUMBER	VESTED AND EXER- CISABLE AT END OF THE YEAR NUMBER
5 June 2006	5 June 2011	\$0.34	150,000	-	(150,000)	-	-	-
8 August 2007	8 August 2011 to 8 August 2012	\$0.36	250,000	-	(83,333)	-	166,667	166,667
18 February 2008	18 February 2011 to 18 February 2013	\$0.90	800,000	-	-	(800,000)	-	-
29 January 2009	29 January 2012 to 29 January 2014	\$.24	250,000	-	-	(200,000)	50,000	33,333
21 March 2011 to 10 May 2011	30 June 2014	\$0.40	-	6,000,000	-	-	6,000,000	-
21 March 2011 to 10 May 2011	30 June 2014	\$0.60	-	6,000,000	-	-	6,000,000	-
21 March 2011 to 10 May 2011	30 June 2014	\$0.80	-	6,000,000	-	-	6,000,000	-
11 April 2011	30 June 2015	\$0.40	-	1,500,000	-	-	1,500,000	-
11 April 2011	30 June 2015	\$0.60	-	1,500,000	-	-	1,500,000	-
11 April 2011	30 June 2015	\$0.80	-	1,500,000	-	-	1,500,000	-
Weighted average exercise price			\$0.64	\$0.60	\$0.35	\$0.77	\$0.60	\$0.34

In addition to the options granted under the plan shown in the table above, the following options were issued to directors during the current financial year following shareholder approval. A summary of the terms of those options is set out below:

2012

GRANT DATE	EXPIRY DATE	EXER- CISE PRICE	BALANCE AT START OF THE YEAR NUMBER	GRANTED DURING THE YEAR NUMBER	EXPIRED DURING THE YEAR NUMBER	FORFEITED DURING THE YEAR NUMBER	BALANCE AT END OF THE YEAR NUMBER	VESTED AND EXER- CISABLE AT END OF THE YEAR NUMBER
31 March 2011 to 8 November 2011	30 June 2014	\$0.40	2,000,000	2,000,000	-	(500,000)	3,500,000	2,333,334
31 March 2011 to 8 November 2011	30 June 2014	\$0.60	2,000,000	2,000,000	-	(500,000)	3,500,000	2,333,334
31 March 2011 to 8 November 2011	30 June 2014	\$0.80	2,000,000	2,000,000	-	(500,000)	3,500,000	2,333,332
Weighted average exercise price			\$0.60	\$0.60	-	\$0.60	\$0.60	\$0.60

2011

GRANT DATE	EXPIRY DATE	EXER- CISE PRICE	BALANCE AT START OF THE YEAR NUMBER	GRANTED DURING THE YEAR NUMBER	EXPIRED DURING THE YEAR NUMBER	FORFEITED DURING THE YEAR NUMBER	BALANCE AT END OF THE YEAR NUMBER	VESTED AND EXER- CISABLE AT END OF THE YEAR NUMBER
31 March 2011	30 June 2014	\$0.40	-	2,000,000	-	-	2,000,000	666,667
31 March 2011	30 June 2014	\$0.60	-	2,000,000	-	-	2,000,000	666,667
31 March 2011	30 June 2014	\$0.80	-	2,000,000	-	-	2,000,000	666,666
Weighted average exercise price			-	\$0.60	-	-	\$0.60	\$0.60

No options were exercised during the period covered by the above tables.

The weighted average remaining contractual life of share options outstanding at the end of the period was 2.28 years (2011 – 2.98).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

NOTE 29. SHARE-BASED PAYMENTS (CONTINUED)

Fair value of options granted

The assessed fair value at grant date of options granted to the individuals is included in the remuneration tables above as the grant date is also the vesting date. Fair value at grant date was independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended 30 June 2012 included:

ISSUE A

- (a) options were granted for no consideration, all options vest based on fulfilling service conditions. 33.33% are exercisable on 4 August 2011, 33.33% are exercisable after 30 June 2012 and 33.33% are exercisable after 30 June 2013.
- (b) exercise price: 33.33% exercisable at \$0.40, 33.33% exercisable at \$0.60 and 33.33% exercisable at \$0.80.
- (c) grant date: 4 August 2011
- (d) expiry date: 30 June 2014
- (e) share price at grant date: \$0.14.
- (f) expected price volatility of the shares: 90.569%.
- (g) expected dividend yield: 0%
- (h) risk-free interest rate: 3.67%.

ISSUE B

- (a) options were granted for no consideration, all options vest based on fulfilling service conditions. 33.33% are exercisable after 30 June 2012, 33.33% are exercisable after 30 June 2013 and 33.33% are exercisable after 30 June 2014.
- (b) exercise price: 33.33% exercisable at \$0.40, 33.33% exercisable at \$0.60 and 33.33% exercisable at \$0.80.
- (c) grant date: 11 April 2011 to 24 August 2011
- (d) expiry date: 30 June 2015
- (e) share price at grant date: \$0.135 to \$0.235.
- (f) expected price volatility of the shares: 84.105%.
- (g) expected dividend yield: 0%
- (h) risk-free interest rate: 3.68% to 5.39%.

ISSUE C

- (a) options were granted for no consideration, all options vest based on fulfilling service conditions. 33.33% are exercisable after 30 June 2012, 33.33% are exercisable after 30 June 2013 and 33.33% are exercisable after 30 June 2014.
- (b) exercise price: 33.33% exercisable at \$0.40, 33.33% exercisable at \$0.60 and 33.33% exercisable at \$0.80.
- (c) grant date: 24 February 2012 to 9 March 2012
- (d) expiry date: 30 June 2015
- (e) share price at grant date: \$0.18 to \$0.20.
- (f) expected price volatility of the shares: 70.859%.
- (g) expected dividend yield: 0%
- (h) risk-free interest rate: 3.625% to 3.710%.

ISSUE D

- (a) options were granted for no consideration, all options vest based on fulfilling service conditions. 33.33% are exercisable after 30 June 2013, 33.33% are exercisable after 30 June 2014 and 33.33% are exercisable after 30 June 2015.
- (b) exercise price: 33.33% exercisable at \$0.40, 33.33% exercisable at \$0.60 and 33.33% exercisable at \$0.80.
- (c) grant date: 2 April 2012
- (d) expiry date: 30 June 2016
- (e) share price at grant date: \$0.24
- (f) expected price volatility of the shares: 70.859%.
- (g) expected dividend yield: 0%
- (h) risk-free interest rate: 3.63%.

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(b) Employee share scheme

A scheme under which shares may be issued by the company to employees for no cash consideration was approved by shareholders at a general meeting of shareholders held on 5 August 2011. All Australian resident permanent employees are eligible to participate in the scheme.

All employees have the opportunity to earn an annual short-term incentive (STI) if predefined targets are achieved. Employees are issued the equivalent value of the STI in shares, based on a 10 day VWAP.

	2012 NUMBER	2011 NUMBER
Number of shares issued under the plant to participating employees*	4,633,620	-

* These shares were awarded during the 2012 financial year however they were not issued until 10 July 2012.

In addition to the above 855,000 shares were issued to Darren Rogers in accordance with his employment contract. The fair value of these shares was \$99,779.

(c) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period:

	2012 \$'000	2011 \$'000
Options issued under employee option plan	1,390	927
Shares issued under employee share scheme	676	-
	2,066	927

NOTE 30. ASSET ACQUISITION

(a) Summary of acquisition of additional interest in PRL 14, 17 & 18, PEL103 and PEL101.

On 5 December 2011 a Sale and Purchase Agreement to acquire a 37.5% interest in PRL 14, 17 & 18 and PEL103 and a 35% interest in PEL101 was completed. The acquisition means that Acer Energy Limited now holds a 100% interest in PRL14, 17 & 18 and PEL103, a 75% interest in PEL103A and a 60% interest in PEL101.

Cost of the additional interest includes:

	\$'000
Cash consideration paid	6,428
Forgiveness of joint venture expenditure carry	2,806
Costs associated with acquisition	359
Total cost of the acquisition	9,593
Total cost of the acquisition has been allocated to the following assets:	
Exploration and evaluation costs	8,641
Field plant and equipment	952
	9,593

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2012 CONTINUED

NOTE 30. ASSET ACQUISITION (CONTINUED)

(b) Summary of acquisition of interest in PEL100

During the financial year two Sale and Purchase Agreements to acquire a 23.33% and 2.5% interests respectively, in PEL100 were executed. The impact of these two transactions are outlined below.

Cost of the additional interest includes:

	\$'000
Cash consideration paid	554
Fair value of deferred consideration	104
Costs associated with the acquisition	92
Total cost of the acquisition	750
Total cost of the acquisition has been allocated to:	
Exploration and evaluation costs	750
	750

(c) Summary of acquisition of Darling Basin Permits

During the financial year the company entered into a conditional Sale and Purchase Agreement to acquire 100% of PEL 422, PEL 424 and PEL 471.

Cost of the additional interest includes:

	\$'000
Cash consideration paid	50
Costs associated with the acquisition	22
Total cost of the acquisition	72
Total cost of the acquisition has been allocated to:	
Exploration and evaluation costs	72
	72

(d) Reconciliation to the Statement of Cash Flows

	\$'000
Cash consideration and costs paid for acquisition (a) above	6,787
Cash consideration and costs paid for acquisition (b) above	646
Cash consideration and costs paid for acquisition (c) above	50
Net payments for interests in prospects	7,483
Net payments for interest in prospects disclosed in the Statement of Cashflows under the following categories:	
Payments for property, plant and equipment	952
Payments for acquisition of interests in prospects	6,531
	7,483

DIRECTORS' DECLARATION

In the directors' opinion:

- (a) the financial statements and notes set out on pages 38 to 72 are in accordance with the *Corporation Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the Managing Director and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

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



N Davies
Chairman

Brisbane
26 September 2012

Independent auditor's report to the members of Acer Energy Limited

Report on the financial report

We have audited the accompanying financial report of Acer Energy Limited (the company), which comprises the statement of financial position as at 30 June 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

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

Auditor's responsibility

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

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

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

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

Independence

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

Auditor's opinion

In our opinion:

PricewaterhouseCoopers, ABN 52 780 433 757

Riverside Centre, 123 Eagle Street, BRISBANE QLD 4000, GPO Box 150, BRISBANE QLD 4001

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Liability limited by a scheme approved under Professional Standards Legislation.

- (a) the financial report of Acer Energy Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the company's financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the remuneration report included in pages 19 to 27 of the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion, the remuneration report of Acer Energy Limited for the year ended 30 June 2012, complies with section 300A of the *Corporations Act 2001*.

PricewaterhouseCoopers

PricewaterhouseCoopers

Sarah Nelson

Sarah Nelson
Partner

26 September 2012

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 28 September 2012

A. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of equity security holders by size of holding:

HOLDING	CLASS OF EQUITY SECURITY NUMBER OF HOLDERS
1 – 1,000	284
1,001 – 5,000	656
5,001 – 10,000	845
10,001 – 100,000	1,709
100,001 and over	410
	3,904

There were 455 holders of less than a marketable parcel of ordinary shares.

B. EQUITY SECURITY HOLDERS

Twenty largest quoted equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

NAME	ORDINARY SHARES	
	NUMBER HELD	PERCENT- AGE OF ISSUED SHARES
HSBC Custody Nominees (Australia) Limited	166,341,344	35.83%
Citicorp Nominees Pty Limited	44,245,284	9.53%
Mid Continent Equipment (Australia) Pty Ltd	9,598,846	2.07%
Numbla Vale Pty Ltd	8,229,754	1.77%
Bond Street Custodians	7,263,593	1.56%
National Nominees Limited	5,943,594	1.28%
Invia Custodian Pty Limited	4,000,000	0.86%
Mirrabooka Investments Limited	4,000,000	0.86%
Chris & Betsy Carr	3,700,000	0.80%
Nefco Nominees Pty Ltd	3,678,000	0.79%
DMG & Partners Securities Pte Ltd	3,598,404	0.78%
Keith Murray Steel	3,000,000	0.65%
Act 2 Pty Ltd	2,500,000	0.54%
Stuart Alfred Fysh	2,494,432	0.54%
Phillip Securities Pte Ltd	2,434,581	0.52%
Blamco Trading Pty Ltd	2,200,000	0.47%
Kock Keng Liem	2,100,000	0.45%
JP Morgan Nominees Australia Limited	2,098,008	0.45%
Barry William Quail & Pamela Louise Quail	2,000,001	0.43%
Passio Pty Ltd	2,000,000	0.43%
	281,425,841	60.61%

Unquoted equity securities

	NUMBER ON ISSUE	NUMBER OF HOLDERS
Unquoted options	37,383,334	20

Holders of greater than 20% of unquoted equity securities

NAME	NUMBER HELD	PERCENT- AGE OF UNQUOTED OPTIONS
Clint Adams	9,000,000	24%

C. SUBSTANTIAL HOLDERS

Substantial holders in the company are set out below:

	NUMBER HELD	PERCENT- AGE
Ordinary shares		
Republic Investment Management Pte Ltd	179,746,369	38.72%

D. VOTING RIGHTS

The voting rights attaching to each class of equity securities are set out below:

(a) Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(b) Options

No voting rights.

CORPORATE DIRECTORY

ACER ENERGY LIMITED **ABN 11 101 313 777**

DIRECTORS

Nicholas Davies
Clint Adams
Adam Johnson
David McEvoy
Shaun Scott

COMPANY SECRETARY

Leni Stanley, CA B.Com.

REGISTERED OFFICE

Acer Energy Limited

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QLD 4002

EXECUTIVE STAFF

Clint Adams

Managing Director

Simon Cunningham

Chief Financial Officer

Darren Rogers

Chief Operations Officer

Mike Bucknill

General Manager - Exploration

AUDITORS

PricewaterhouseCoopers

Level 15, 123 Eagle Street
Brisbane Qld 4000

SOLICITORS

Carter Newell

Level 13, 215 Adelaide Street
Brisbane Qld 4000

BANKERS

Macquarie Bank Ltd

1 Martin Place
Sydney NSW 2000

Commonwealth Bank of Australia

240 Queen Street
Brisbane QLD 4000

SHARE REGISTRY

Link Market Services Limited

Level 15, 324 Queen Street
Brisbane QLD 4000
Ph 02 8280 7454

STOCK EXCHANGE

Acer Energy Limited shares are listed
on the Australian Securities Exchange.

ASX CODE - ACN

WEBSITE ADDRESS

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