

31 January 2011

Manager of Company Announcements
Australian Securities Exchange
Level 6, 20 Bridge Street
Sydney NSW 2000

By E-Lodgement

QUARTERLY REPORT

Period Ended 31 December 2010

DECMEBER 2010 QUARTER – HIGHLIGHTS

- Change of Company Name to "Blackwood Corporation Limited"
- Appointment of 2 Non-Executive Directors
- Capital raising successfully completed raising \$12 million
- Relist on ASX under new ASX code "BWD"
- Focus on Coal Tenements

CORPORATE

During the quarter Blackwood Corporation Limited (formerly Matilda Minerals Limited) (the "Company") underwent a restructure as it traded out of voluntary administration and successfully relisted on the Australian Securities Exchange ("ASX").

The Company changed its name in November 2010 and appointed Messrs William Randall and Brendan McPherson as Non-Executive Directors of the Company, as nominated by its major shareholder, Noble Group Limited ("Noble"). The Company also appointed Mr William Dixon as Interim Chief Executive Officer and Mr Brendan Schilling as General Manager of Business Development. The Company moved its operational offices to Brisbane, Queensland to continue its focus on its suite of coal exploration tenements in Queensland.

In addition during the quarter, the Company entered into a Technical Services Agreement (to provide specialist geological expertise) and a Product Sales Agreement with subsidiaries of Noble.

The Company successfully completed a capital raising to raise \$12 million by way of a prospectus to issue 120 million shares at an offer price of \$0.20 per share. The raising was fully underwritten by RBS Morgans and well supported by the market. Leading commodity group Noble subscribed for 30.8 million shares in the Company through its subsidiary Osendo Pty Ltd and now holds a 25% interest in the Company.

Following the successful completion of the capital raising, the Company relisted on the ASX and its shares recommenced trading on 10 December 2010. The Company's focus is on the exploration of its coal tenement portfolio consisting of 46 granted (and approved for grant) Exploration Permits for Coal ("EPC") covering more than 6,000km² and a further 21 EPC applications covering an additional 2,100km² in the major world class coal basins in Queensland, being the Bowen, Surat, Clarence Morton and Galilee Basins. The strategy is to explore its key priority targets with the aim of establishing JORC-compliant resources.

OPERATIONS

The recent flooding in Queensland has had little impact on the Company's exploration programme as drilling was not scheduled to commence until late in the March quarter. The Company is endeavouring to secure drilling capacity as soon as possible and to commence negotiations with landholders for access.

Six Exploration Permits for Coal (EPCs) were granted during the quarter:

- EPC1485 – 76 sub-blocks - Galilee Project
- EPC1496 – 179 sub-blocks - Galilee Project
- EPC1733 – 14 sub-blocks – Dalby Project
- EPC1734 – 8 sub-blocks – Dalby Project
- EPC2045 – 1 sub-block – Warwick Project
- EPC2046 – 4 sub-blocks – Chinchilla Project

Subsequently a further EPC (1486 – 299 sub-blocks – Galilee Project) was granted on 21 January 2011.

Exploration planning is advanced on four of the Company's most prospective projects:

ROLLESTON PROJECT

The Company holds three granted EPCs in the Rolleston area (EPC1467, EPC1531 and EPC2191), with an additional one (EPC2112) expected to be granted in due course. Four target areas have been chosen for initial drilling, three of which are in EPC1531, which is coming up for renewal in March.

SPRINGSURE PROJECT

The Springsure Project consists of EPC1522, in which four target areas are being investigated for drilling.

CAPELLA PROJECT

Three target areas have been identified on EPCs 1466, 1599 and 1725.

GALLEE PROJECT

The recent granting of large permits to Blackwood Corporation in the Galilee Basin and the success of neighbouring explorers has accelerated the Company's plans in this area. Shallow coal deposits in close proximity to the existing rail line near Pentland are prospective targets.

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Blackwood Corporation Limited

ABN

31 103 651 538

Quarter ended ("current quarter")

31 December 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	6
1.2 Payments for (a) exploration & evaluation	-	(132)
(b) development	-	-
(c) production	-	-
(d) administration	(6,690)	(6,965)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	13	74
1.5 Interest and other costs of finance paid	(2)	(8)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
	(6,679)	(7,025)
Net Operating Cash Flows		
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
	-	-
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(6,679)	(7,025)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(6,679)	(7,025)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	11,172	11,172
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	11,172	11,172
	Net increase (decrease) in cash held	4,493	4,147
1.20	Cash at beginning of quarter/year to date	6,289	6,635
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	10,782	10,782

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	205
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Cash payment to Barry Bolitho for reimbursement of expenses associated with Blackwood Corporations recapitalisation. Cash payment to Andrew Simpson for travel related expenses for board meeting.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	234
4.2 Development	-
4.3 Production	-
4.4 Administration	194
Total	428

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	10,782	27
5.2 Deposits at call	-	6,294
5.3 Bank overdraft	-	(32)
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	10,782	6,289

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL25819 ELA26066 EL26103	Exploration licenses in NT	100% 100% 100%	0% 0% 0%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2 Interests in mining tenements acquired or increased	EPC1485	Exploration permits in QLD	0%	100%
	EPC1496		0%	100%
	EPC1733		0%	100%
	EPC1734		0%	100%
	EPC2045		0%	100%
	EPC2064		0%	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	160,350,269	160,350,269		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	5,000,000 4,200,000 60,000,000	5,000,000 4,200,000 60,000,000		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
Executive options – 1:1	350,000		\$0.53	1/9/11
Executive options – 1:1	750,000		\$0.51	11/10/11
7.8 Issued during quarter				
7.9 Exercised during quarter				

+ See chapter 19 for defined terms.

7.10	Expired during quarter	100,000		45 cents	24/10/10
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.



31 January 2011

Sign here: Date:
(~~Director~~/Company secretary)

Print name: Shannon Jayne Caporn
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Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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