

23 November 2018

ASX Announcement

AGREEMENT OVER WILUNA WEST GOLD PROJECT

Highlights

- A binding Heads of Agreement (“HoA”) has been executed between Blackham Resources Limited (ASX: BLK) and GWR Group Limited (ASX: GWR) for the exploration, development, mining and processing of gold resources from GWR’s Wiluna West Gold Project providing access to additional free milling inventory.
- The mineral processing Joint Venture Arrangement is a 65% (BLK) and 35% (GWR) profit share.
- An existing resource of 254,000 ounces is located 40km by road from the Wiluna processing plant.
- Under the HoA, GWR is responsible for drilling deposits to JORC (2012) Indicated Resource category at their cost.
- Blackham will conduct Feasibility Studies, and if positive, undertake mining, transport and processing of gold ore. All costs after the feasibility studies will be shared in proportion to ownership.
- Initial focus will be on Golden Monarch, Emu and Eagle deposits with approval processes well advanced with mining potentially commencing in mid-2019.

Blackham Resources Limited (ASX: BLK) (Blackham or the Company) is pleased to advise it has executed a binding Heads of Agreement with the GWR Group Limited (ASX: GWR) with respect to the Wiluna West Gold Project. GWR’s gold project lies approximately 40km west by road of Blackham’s treatment plant. The Wiluna West Gold Project has defined free milling gold resources with a combined inventory of 254,000 ounces.

The Mineral Resource Estimate for the Wiluna West Gold Project was originally published in GWR’s ASX announcement dated 14 June 2010 and was prepared and first disclosed under the JORC Code 2004. A JORC 2012 Mineral Resource estimate for the Golden Monarch gold deposit of 747,000 tonnes at 2.2 g/t Au for 52,400 oz using a 0.5 g/t lower cut off within a 0.5 g/t wireframe was announced on the 31st October 2017.

Blackham Managing Director, Bryan Dixon said “This GWR Agreement represents an opportunity to partner with an emerging junior in the Wiluna District for the benefit of both parties and is consistent with Blackham’s strategy of strengthening and lengthening its free milling reserves within trucking distance of its Wiluna Gold Plant. The agreement applies to 25km of prospective strike of free milling mineralisation with existing resources that has had limited drilling over the past 15 years.”

A joint venture agreement is planned for execution in December 2018 defining the comprehensive agreement terms outlined in the HoA. The key terms are:

- GWR will be responsible for drilling the separate gold deposits to JORC (2012) compliant level with a minimum Indicated category at their cost. GWR will also be responsible for initial metallurgical test work and approvals associated with the deposits.

BOARD OF DIRECTORS

Milan Jerkovic - Executive Chairman
Bryan Dixon - Managing Director
Greg Fitzgerald – Non-Executive Director
Tony James - Non-Executive Director
Geoff Jones - Non-Executive Director

ASX CODE

BLK

CORPORATE INFORMATION

1,341M Ordinary Shares
534M Quoted Options
53M Unquoted Options

PRINCIPAL AND REGISTERED OFFICE

L3, 1 Altona Street
West Perth WA 6005

POSTAL ADDRESS

PO Box 1412
West Perth WA 6872

www.blackhamresources.com.au

E: info@blackhamresources.com.au

P: +61 8 9322 6418

F: +61 8 9322 6398

- Blackham will undertake Feasibility Studies to determine the economic potential of the deposits. Upon completion of a positive Feasibility Study, Blackham can elect to schedule the commencement of mining and processing of the ore reserves.
- Blackham will commit to be the manager of the Joint Venture, which includes the predevelopment/mine setup, mining operations and processing the gold ore from the Wiluna West Gold Project through the Wiluna Gold Plant.
- Once mining commences all costs will be shared in proportion to the JV ownership (BLK: 65%, GWR: 35%) with the bullion produced shared under the same ratio.

GWR has recently completed additional resource definition drilling and is undertaking the necessary ancillary studies to facilitate mining approvals. The first planned deposits to be mined are Golden Monarch and Eagle/Emu. Further details are provided in GWR's ASX release dated 22 November 2018.

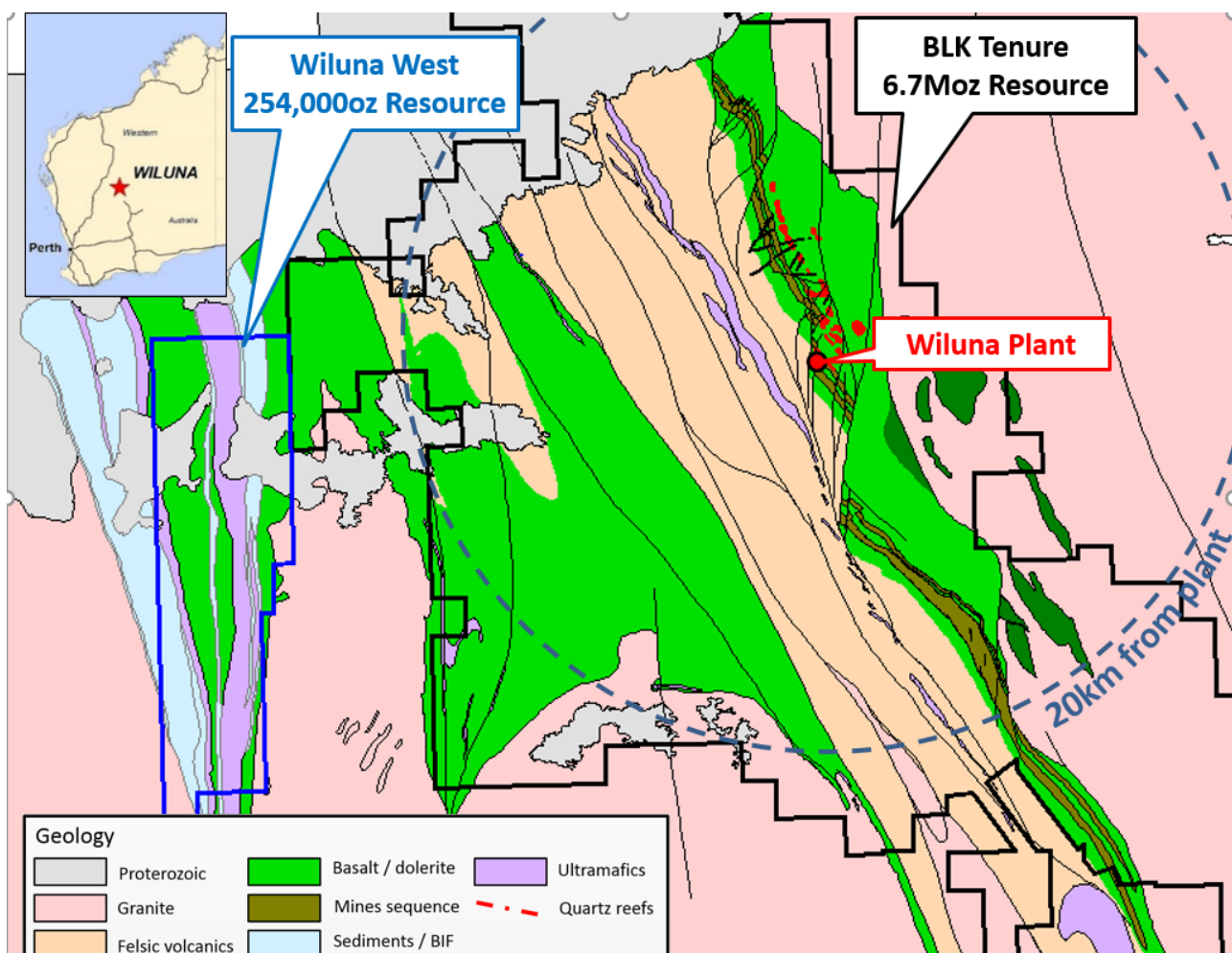


Figure 1: Wiluna West Gold Project Location Plan – 40km West of Wiluna Plant by road

For further information on Blackham please contact:

Milan Jerkovic
 Executive Chairman
 +61 8 9322 6418

Bryan Dixon
 Managing Director
 +61 8 9322 6418

Jim Malone
 Investor Relations
 +61 419 537 714

About Blackham Resources Limited

The Wiluna-Matilda Gold Operation is located in Australia's largest gold belt which stretches from Norseman through Kalgoorlie to Wiluna. The Operation now includes resources of 96Mt @ 2.2g/t for 6.7Moz Au all within 20kms of the central processing facility. Blackham has consolidated the entire Wiluna Goldfield within a +1,440km² tenure package which has historically produced in excess of 4.4 million ounces over a 120-year mining history.

Forward Looking Statements

This announcement includes certain statements that may be deemed 'forward-looking statements'. All statements that refer to any future production, resources or reserves, exploration results and events or production that Blackham Resources Ltd ('Blackham' or 'the Company') expects to occur are forward-looking statements. Although the Company believes that the expectations in those forward-looking statements are based upon reasonable assumptions, such statements are not a guarantee of future performance and actual results or developments may differ materially from the outcomes. This may be due to several factors, including market prices, exploration and exploitation success, and the continued availability of capital and financing, plus general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, and actual results or performance may differ materially from those projected in the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

Competent Persons Statements

Matilda - Wiluna Gold Operation

The information contained in the report that relates to all Mineral Resources is based on information compiled or reviewed by Mr Marcus Osiejak, who is a full-time employee of the Company. Mr Osiejak, is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Osiejak has given consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Golden Monarch JORC 2012 Mineral Resource Estimate

The information in this report which relates to the Golden Monarch Mineral Resource Estimate is based on information compiled by Mr Philip A. Jones, who is a Member of the Australian Institute of Geosciences ("AIG") and the Australasian Institute of Mining & Metallurgy ("AusIMM") and is an independent consultant to the Company. Mr Jones has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Jones consents to inclusion in this Announcement of the matters based on this information in the form and context in which it appears.

JORC 2004 Mineral Resource Estimates

The information in this report which relates to Exploration Targets, Exploration Results and 2004 Mineral Resource Estimates is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("AIG"), a Corporate Member of the Australasian Institute of Mining & Metallurgy ("AusIMM") and independent consultant to the Company. Mr Maynard is the Director and principal geologist of Al Maynard & Associates Pty Ltd and has over 35 continuous years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Maynard consents to inclusion in the report of the matters based on this information in the form and context in which it appears.