ASX ANNOUNCEMENT

26th July 2011

INITIAL DRILLING BY BLACKHAM AT ZANTHUS PROVIDES POSITIVE RESULTS

- **Drilling confirms significant coal intercepts in line with resource model**
- **Drilling suggests the average energy content of the Zanthus coal seam maybe up to 49% higher than previous resource modelling**

Blackham Resources Ltd (ASX Code: **BLK)** has received positive drill results from the Company's confirmation drilling programme at the 100% owned Zanthus project near Balladonia, Western Australia. The air core program was aimed at confirming the coal seam quality in the existing resource area. The drilling results all confirm that the coalfield extends over 10km in length. The best intercepts are seen below in Table 1.

Table 1: Infill drill results

Hole ID	From (m)	Intercept (m)	Gross Dry Calorific Value MJ/kg	Gross Wet Calorific Value MJ/kg
ZAC 003	28	3	22.2	9.6
ZAC 004	24	1	20.2	10.0
ZAC 005	34	9	23.2	10.3
ZAC 007	32	4	21.3	9.9
ZAC 009	33	2	18.6	8.6
ZAC 010	26	10	21.0	10.0
ZAC 011	35	9	23.6	10.5
ZAC 017	52	9	18.5	9.0
ZAC 018	47	4	18.3	8.9
Drill Programme Average		**5.7**	**21.2**	**9.8**
Resource Average		**7.9**	**14.2**	**7.1**

The infill drilling within the resource area has added confidence to the existing resource model. The current drilling programme has confirmed the coal seams are thickest in the centre of the coal deposit. The drilling results use a 30% ash cut off on a dry basis. For full drilling results please see the Table 2 in Appendix A.

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Appendix A

Table 2: Lignite Analysis

Hole ID	Easting	Northing	Dip	From (m)	Intercept (m)	Total Moisture % as received*	Ash Yield % dry basis	Volatile Matter % dry basis	Fixed Carbon % dry basis	Total Sulphur % wet basis	Chlorine % wet basis	Gross Dry Calorific Value MJ/kg	Gross Wet Calorific Value MJ/kg
ZAC 003	550760	6474322	Vertical	28	3	56.9	18.2	47.1	34.7	2.1	2.1	22.2	9.6
ZAC 004	551140	6474078	Vertical	24	1	50.4	23.9	42.6	33.5	3.1	1.3	20.2	10.0
ZAC 005	550608	6478295	Vertical	34	9	55.6	18.3	46.5	35.2	3.5	2.2	23.2	10.3
ZAC 007	551267	6477704	Vertical	32	4	53.5	21.6	43.4	35.0	2.9	3.2	21.3	9.9
ZAC 009	553387	6483557	Vertical	33	2	53.6	28.5	40.3	31.2	2.8	3.1	18.6	8.6
ZAC 010	550126	6472600	Vertical	26	10	52.6	22.7	43.6	33.7	2.8	2.6	21.0	10.0
ZAC 011	549728	6472911	Vertical	35	9	55.1	17.1	47.1	35.8	3.4	2.2	23.6	10.5
ZAC 017	551473	6480082	Vertical	52	9	51.2	30.3	39.5	30.2	3.1	3.1	18.5	9.0
ZAC 018	551826	6479800	Vertical	47	4	51.5	29.0	39.2	31.8	2.8	3.9	18.3	8.9
Drill Programme Average					**5.7**	**53.6**	**22.7**	**43.7**	**33.6**	**3.0**	**2.6**	**21.2**	**9.8**
Resource Average					**7.9**	**50**	**39.3**	**36.3**	**24.5**	**4.2**	**2.1**	**14.2**	**7.1**

*as received basis +GDA 94 zone 51

Sample Analysis

The samples were tested on maximum of 1 metre intervals and analysed for moisture content and ash yields using a Leco MAC Analyser. Volatile mater is determined according to AS2434.2. Gross wet calorific values are determined according to AS1038.5.

Competent Persons Statement

The information contained in the report that relates to Resources or Exploration Results is based on information compiled or reviewed by Mr Jason Detheridge, who is an employee of the Company. Mr Detheridge is a Member of the Australasian Institute of Geoscientists 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Detheridge has given consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

[1] *The JORC Code – "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", the Joint Ore Reserves Committee of the AusIMM AIG and MCA, December 2004.*

About Blackham

Australian energy company, Blackham continues to evaluate the development of the Scaddan and Zanthus Energy Projects into Australia's premier coal to liquid (CTL) facility.

The Scaddan and Zanthus Energy Projects, located near Esperance, Western Australia, contain world scale coal deposits totalling 1.4 billion tonnes with over 10,600 PJ of energy at shallow depth and very low mining costs. The project has the potential to produce 860 million barrels oil equivalent, consisting mainly of a clean diesel, as well as additional power for the region.

The Scaddan Energy Project is surrounded by complimentary infrastructure approximately 60 kilometres north of the town and major port of Esperance and 10 kilometres east of the Esperance to Kalgoorlie highway, gas pipeline and railway line. Blackham has large landholdings in the Esperance region.

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