

24 July 2018

ASX Announcement

WILUNA TAILINGS (WILTAILS) - MAIDEN RESOURCE

Highlights

- 620,000oz added to Wiluna free milling gold Mineral Resource base
- The maiden Mineral Resource for the Wiluna Tailings is 33.6Mt at 0.57 g/t Au. 77% of the Mineral Resource is classified under JORC 2012 as Indicated Resources (see Table 1)
- Metallurgical test work completed to date indicates a recovery of between 42-50% for the historical tailings in a standard gold leaching process similar to the existing Wiluna CIL circuit.
- Ongoing technical work will be completed on the tailings to confirm potential mining and processing options for possible integration into the Company's future operations.

Blackham Resources Limited (ASX: BLK) (Blackham or the Company) is pleased to provide an initial Mineral Resource estimate for the historical tailings at the Company's Wiluna Gold Operations all within 2km of the Wiluna processing plant. The historical tailings have accumulated at the site since the 1930's and recent independent metallurgical test work has shown that potential gold recoveries of between 42-50% can be achieved through standard mining and gold leaching processes. Additional metallurgical test work will potentially enhance the gold recovery and validate how this material may supplement the Company's operating plans.

Blackham has successfully identified additional free milling ore associated with the Golden Age mineralisation and the Wiluna oxidised zones (see announcements "Wiluna High Grade Free Milling Mineralisation Extended" dated 21 June 2018 and "Multiple High-Grade Extensions Identified at Golden Age" dated 12 June 2018).

The Company also continues its exploration programs into its priority Lake Way targets and has now completed the first phase of drilling. This drilling is the first new drilling in that area for 12 years and the Company is awaiting final results.

Blackham will continue to add to its free-milling resource inventory at its Wiluna operations with a view to fully utilising its available assets and increasing shareholder value. Annual updated Mineral Resource estimates are currently underway for all areas at Wiluna and will be reported in the current quarter.

BOARD OF DIRECTORS

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

ASX CODE BLK

CORPORATE INFORMATION

1,266M Ordinary Shares 534M Quoted Options 55.2M Unquoted Options

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Mineral Resource Estimate

	I	ndicated			Inferred			Total	
	Tonnes (kt)	Grade (g/t)	Metal (koz)	Tonnes (kt)	Grade (g/t)	Metal (koz)	Tonnes (kt)	Grade (g/t)	Metal (koz)
Squib	1,200	0.69	27	-	-	-	1,200	0.69	27
Adelaide	1,010	0.68	22	-		-	1010	0.68	22
Dam H	-	-	-	6,750	0.66	143	6,750	0.66	143
Western Extension	3,630	0.65	76	-	-	-	3,630	0.65	76
Golden Age	720	0.64	15	-	-	-	720	0.64	15
Moonlight	1,600	0.61	31	-	-	-	1,600	0.61	31
Dam C*	18,690	0.51	306	-	-	-	18,690	0.51	306
TOTAL	26,850	0.55	477	6,750	0.66	143	33,600	0.57	620
TOTAL excluding C	8,160	0.65	171	6,750	0.66	143	14,910	0.66	314

Table 1: JORC 2012 Compliant Resource Estimate for Wiluna Tailings

*Note: Dam C comprises sulphide ore residues (top 40% of total with an average grade of 0.60g/t) over oxide ore residues (with an average grade of 0.45g/t)

Tailings material has been deposited since the 1930's around the Wiluna processing plant from over 4.4Moz of gold production. Since the mid 1990's both purpose built tailings storage facilities (TSF) and open pit voids have been utilised. The tailings being deposited from current operations into Storage Dam J is not included in this resource.

Resources were estimated by Blackham personnel for the various tailings impoundments using historical data and the data from two recent drill campaigns.

A significant proportion of the tailings resulted from processing of the Wiluna UG sulphide ores through the Biox[®] plant with historic processing records indicating an average tailings grade of 0.72g/t over the last 13 years. This was deposited into all of the above locations except Dam C which was the first storage location. Recent metallurgical testing has indicated that further recovery of the residual gold is possible through the oxide milling circuit. Two recent drill programmes have enabled sufficient data to estimate the grade for the separate repositories.



Figure 1. Location map of tailings

The separate tailings storage areas are:

- Dam C largest single resource. The material is layered with the upper part resulting from processing of sulphide ore (~40%) and the lower part from oxide ore treatment.
- Dam H and the Western Extension of Dam C. Both containing residue from sulphide ore treatments.
- Pits Adelaide, Golden Age, Moonlight and Squib. All containing residues from largely sulphide ore treatment. (Tailings have also been placed in the Gun Barrell Pits, North and South, these potential resources have not yet been tested.)

The Mineral Resource has been classified as Indicated (77%) and Inferred in accordance with the JORC Code, 2012 Edition on a qualitative basis taking into consideration numerous factors including drill hole spacing, estimation statistics and sample data. All factors that have been considered are detailed below or included in the Appendices. There have been no prior estimates for this material.

Project Location

The Wiltails resource base is located on the Wiluna mine site within approximately 2km of the operating CIL processing plant at the northern end of the Norseman-Kalgoorlie-Wiluna gold belt 600km north of Kalgoorlie.

Geology and Geological Interpretation

The tailings material has been derived from the treatment of the ores around the Wiluna mine area. The mineralisation is shear hosted typical of Archean gold deposits. Rock types range from sedimentary rocks and Felsic to Mafic volcanics. Gold is contained in quartz vein and in alteration zones. In un-weathered rock the mineralisation is commonly associated with sulphides such as pyrite and arsenopyrite.

Processing records indicate that the majority of the tailings were emplaced during the treatment of fresh sulphide rich ores. The notable exception is the material in the bottom part of Dam C that contains primarily oxide and transitional ore residues from the mining of the Wiluna open pits between 1985 and 1997.

Drilling and Sampling Techniques

Two recent drill campaigns were completed over the Wiluna tailings. An initial programme of rotary auger drilling in 2017 tested:

Prospect	Total Number of Holes	Total Metres Drilled
Squib	2	40
Adelaide	2	40
Moonlight	1	20
Golden Age	2	40
Western Cell	3	49
Dam H	16	286.5
Totals	26	475.5

The holes were drilled vertically with most holes 20m long to the base of the TSF. Holes were sampled by removing material from the auger at 5m intervals. Only the 16 holes drilled in Dam H were used in the resource estimation.

A second programme of AC drilling was drilled on a nominal 100mx100m grid with a total of 63 holes for 1,576m completed in June 2018. The holes were drilled vertically and varied in length to reach the base of the TSF or pit being assessed. Holes were sampled in 2m intervals.

Prospect	Total Number of Holes	Total Metres Drilled
Squib	8	218
Adelaide	4	78
Moonlight	6	165
Golden Age	6	146
Dam H	8	120
Western Extension	6	105
Dam C	25	744
Totals	63	1,576

The six holes drilled in Dam H were not used in the resource estimation owing to sample contamination caused by overlying calcined tailings stockpiles.

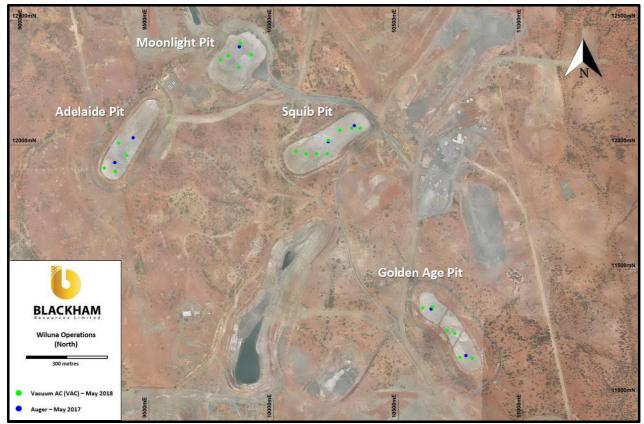


Figure 2. Wiluna Tailings Hole Location Plan (Northern Half) with Stage 1 drilling in green and Stage 2 drilling in blue

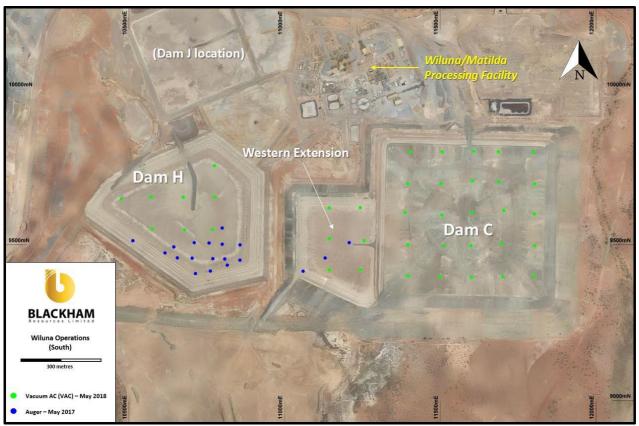


Figure 3. Wiluna Tailings Hole Location Plan (Southern Half) with Stage 1 drilling in green and Stage 2 drilling in blue

Sample Analysis Method

Samples from both programmes were assayed for gold using a 50g charge fire assay by independent certified laboratories following standard sub-sampling procedures. Samples from the initial auger drilling programme were further analysed for their metallurgical properties by an independent consultant.

Bulk Density

A further phase of drilling was completed in July 2018 using sonic core drilling aimed primarily at providing bulk density data for use in the resource estimation. Standard Penetration Tests were taken periodically during drilling to obtain density, strength and consolidation characteristics for the tailings. For the current Mineral Resource Estimate a figure of 1.6 t/m³ was assigned as the global dry bulk density.

Estimation Methodology

The volume of the tailings was estimated either within an existing open pit or a tailings storage facility (TSF). Digital terrain models based on final pit surveys conducted prior to the tails deposition were constructed for the open pits with current topographic models being used for the TSF discounting the material being used for building bunds and/or walls of the TSF.

Gold grades were estimated into the model by inverse distance squared using the block model field coding to constrain the estimate. Only samples contained within each individual domain were used for the estimate of that domain. Top cuts were used to cap anomalously high grade data. The stage 2 drill holes (aircore) for Dam H were not used owing to contamination of samples. Any assays that appeared as outliers from the median grade were cut.

The search ellipse was based on considerations of the drill hole spacing and domain geometry. In addition, visual inspection, using tools available in Surpac, were undertaken to assess the pattern of informing sample selection. The search ellipsoid radii ratios were then chosen to provide an optimal sample neighbour selection for estimation. The search neighbourhood radii were chosen to be as small as possible while still fulfilling the requirement of filling all blocks in the estimation domains with estimates. Search ellipse orientations were flat. Some stratification of the tails sediments was observed in the drilling and the grade interpolation attempted to honour this stratification.

One search pass was used to populate blocks allowing for a maximum of 2 samples per drill hole with a maximum of 8 samples per block estimate. The estimate was validated using a number of techniques including but not limited to:

- A visual comparison of block grade estimates and the drill hole data;
- A comparison of the composite and estimated block grades;
- SWATH Plots

Cut-off Grades

No cut-off grade was applied to the resource estimate and it is quoted as a total in-situ resource.

Mineral Resource Classification

The Mineral Resource is classified as Measured, Indicated and Inferred, in accordance with the JORC Code (2012 Edition). A range of criteria were considered when addressing the suitability of the classification boundaries to the resource estimate including:

- Drill hole spacing;
- Quality of dill hole information accounting for type, and sampling technique; and
- Available mining information.

The classification for this model has predominantly being based on the drill hole type and spacing. In resources drilled by Air Core with 4.5" diameter holes with the specialised 'vacuum bit' with at least 100m x 100m on the TSF and 50m by 50m in the open pits an indicated classification was given. Where rotary auger drill sampling was completed an inferred resource was given due to the lower quality of the sampling.

Economic Extraction

A scoping study was competed for the Wiluna tailings retreatment in 2016 by Independent Metallurgical Operations Pty Ltd. The study comprised preliminary metallurgical test work using Dam H tailings data and a review of potential recovery and treatment options for all storage facilities and pits. The options considered produced acceptable financial returns and indicated a potential metallurgical recovery of 42-50% for gold via a whole of ore leach.

Initial test works have confirmed the tailings material is sized between 38-75micron removing the need for further grinding - significantly reducing re-processing costs. The tailings can be treated through the current operating CIL circuit without the need for further milling or concentration, making reprocessing a simple, low cost option.

This resource and scoping study justifies the assumption for eventual economic extraction and treatment of the Wiluna Tailings.

Further feasibility studies are ongoing aimed at:

- Confirming the metallurgical properties and optimal flowsheet;
- Assessing best method of materials handling (mining, dredging or re-pulping); and
- Integration with the existing free milling and planned sulphide operations.

For further information on Blackham please contact:

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Competent Persons Statement

The information contained in the report that relates to Exploration Targets and Exploration Results at the Matilda-Wiluna Gold Operation ("Operation") is based on information compiled or reviewed by Mr Cain Fogarty, who is a full-time employee of the Company. Mr Cain Fogarty is a Member of the Australian 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Fogarty 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.

The information contained in the report that relates to all other 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.

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 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.

Appendix 1

JORC Code, 2012 Edition – Table 1 (Wiluna Tailings - Wiltails)

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	 Nature and quality of sampling (eg cuchannels, random chips, or specifis specialised industry standarm measurement tools appropriate to the minerals under investigation, such as dow hole gamma sondes, or handheld XR instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken the ensure sample representivity and the appropriate calibration of an measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work habeen done this would be relatively simpling (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg wa pulverised to produce a 30 g charge for fir assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent samplin problems. Unusual commodities of mineralisation types (eg submarin nodules) may warrant disclosure or detailed information. 	 Rotary auger drill sampling completed in 2017 on two tailings storage facilities (TSF) and in 5 pit voids Holes sampled at 5 m intervals by scraping samples from auger and subsampled with a trowel to produce a nominal 3kg sample for assay. Remaining sample bagged for metallurgical test work. Holes drilled vertically to base of tailings dam or pit void to a maximum depth of 20m Drill Programme 2 - 1576 m of drilling Air Core drilling completed in 2018 Holes sampled at 1m intervals from which two ~3kg samples were collected from bulk sample by spear, for fire assay and metallurgical testing. Sampling procedures are in line with standard industry practice to ensure sample representivity. At the laboratory, samples >3kg were 50:50 riffle split to become <3kg. The <3kg splits were pulverized via LM5 to 90% passing 75µm to produce a 50g charge for fire assay. Blackham Resources analysed samples using Intertek Genalysis and ALS laboratories in Perth. Analytical method was Fire Assay with a 50g charge and AAS or Inductively coupled plasma optical emission spectrometry finish.
Drilling techniques	 Drill type (eg core, reverse circulation open-hole hammer, rotary air blast, auger Bangka, sonic, etc) and details (eg cor diameter, triple or standard tube, depth or diamond tails, face-sampling bit or othe type, whether core is oriented and if so, b what method, etc). 	 Programme 2 - AC 4.5" diameter holes with specialised 'vacuum bit' used to maximise sample recovery on TSF. All holes vertical and not surveyed
Drill sample recovery	 Method of recording and assessing core and chip sample recoveries and result assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample bias may have occurred due to preferential loss/gain of fine/coars material. 	 recovery of drilled material. No specific measurement of recovery was completed. For AC drilling, sample recovery is visually estimated by volume for each 1m bulk sample bag, and recorded digitally in the sample database. Recoveries were typically 100%, however less-compacted zones near the top of the hole sometimes had a reduced recovery. In order to maximise recovery a specialised 'vacuum bit' was used while AC drilling.
Logging	 Whether core and chip samples have been geologically and geotechnically logged to level of detail to support appropriat Mineral Resource estimation, minin studies and metallurgical studies. 	a e

Sub-sampling techniques and sample preparation	 Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all 	 Auger drilling sampled with a trowel. No further sampling detail captured AC samples were split on 1m intervals using a cone splitter and spear sampled from bulk sample. Most samples were moist; the moisture content data was logged and digitally captured. Where it proved impossible to maintain dry samples, at most three consecutive wet samples were obtained before drilling was abandoned, as per procedure. At the laboratory, >3kg samples are split so they can fit into a LM5
	 sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	 pulveriser bowl. At the laboratory, >3kg samples are split 50:50 using a riffle splitter so they can fit into a LM5 pulveriser bowl. AC drilling field duplicates were collected approximately every 40m down hole for Blackham holes. Analysis of results indicated good correlation between primary and duplicate samples. AC duplicates were speared in the field. Sample sizes are considered appropriate for homogenised fine grain-size tailings.
Quality of assay data and laboratory tests	 The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	 50g charge fire assay used for both drilling programmes, through Intertek Genalysis (Welshpool) for programme 1 and ALS laboratories in Perth for programme 2. Intertek applies a 0.005ppm detection limit and ALS 0.01ppm both considered fit for purpose. Fire assay is a total digestion method. The certified laboratories both completed the analyses using industry best-practice protocols. For the auger drilling laboratory inserted standards and blanks were inserted and duplicate assays undertaken For the AC drilling certified reference material, blanks and duplicates were submitted at approximately 1:20. Results show good correlation between original and repeat analyses with very few samples plotting outside acceptable ranges (+/- 20%).
Verification of sampling and assaying	 The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	 Blackham's intercepts have been verified by several company personnel, including the database manager and exploration manager. Twinned holes were not drilled owing to the preliminary stage of drilling. Data is stored in Datashed SQL database. Internal Datashed validations and validations upon importing into Micromine were completed, as were checks on data location, logging and assay data completeness and down-hole survey information. QAQC and data validation protocols are contained within Blackham's manual "Blackham Exploration Manual 2017v2". The only adjustment of assay data is the conversion of lab non-numeric code to numeric for estimation.
Location of data points	 Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	 Auger drill collars were surveyed using a GPS to metre-scale accuracy with nominal RL applied from topographic survey data AC drill collars were surveyed using a GPS to sub-metre-scale accuracy including height Grid systems used in this report are Wil10 local mine grid and GDA 94 Zone 51 S. An accurate topographical model covering the mine site has been obtained, drill collar surveys are closely aligned with this. Away from the mine infrastructure, drill hole collar surveys provide adequate topographical control.
Data spacing and distribution	 Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve 	 As shown on diagrams in text AC holes generally drilled 100m apart on a square pattern. Spacing of 100m is considered appropriate to establish grade continuity given the nature of mine tailings. The mineralisation shows sufficient continuity of both geology and grade down and between holes to support the estimation of

	estimation procedure(s) and classifications applied.Whether sample compositing has been applied.	 resources which comply with the 2012 JORC guidelines Samples have been composited to 5m for auger samples and 2m for AC samples
Orientation of data in relation to geological structure	 Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	 Auger/AC drill holes have been drilled vertically to base of TSF/pit or to 20m deep maximum for auger holes With the sub horizontal layering resulting from the progressive deposition of tailings material the drilling direction is optimal to prevent any sampling bias
Sample security	 The measures taken to ensure sample security. 	 Drill samples are delivered to McMahon Burnett freight yard in Wiluna by Blackham personnel, where they are stored in a gated locked yard (after hours) until transported by truck to laboratories in Perth. In Perth the samples are likewise held in a secure compound.
Audits or reviews	 The results of any audits or reviews of sampling techniques and data. 	 No external audit has been completed. The drilling, data has been validated in Datashed and upon import into Micromine. QAQC data has been evaluated and found to be satisfactory.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	 Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area. 	 The drilling is located wholly within M53/200 and M53/96. The tenements are owned 100% by Blackham Resources Ltd. The tenements are in good standing and no impediments exist. Minor royalty payments accrue to third parties based on gold production.
Exploration done by other parties	 Acknowledgment and appraisal of exploration by other parties. 	 No known previous drilling has been completed on the TSF tailings or pit void tailings.
Geology	 Deposit type, geological setting and style of mineralisation. 	 The tailings material has been derived from the treatment of the ores around the Wiluna mine area. The mineralisation is shear hosted typical of Archean gold deposits. Rock types range from sedimentary rocks and Felsic to Mafic volcanics. Gold is contained in quartz vein and in alteration zones. In unweathered rock the mineralisation is commonly associated with sulphides such as pyrite and arsenopyrite. TSF and pit voids containing tailings typically exhibit sub horizontal layering resulting from the progressive deposition of tailings All tailings areas tested (excepting Dam C) are reported to have been filled during the treatment of fresh sulphidic ores and have no discernible structure or layering Dam C contains sulphidic ores in the upper 40% of volume and primarily oxide/transitional ore residues in the lower part of the Dam. Gold mineralisation is expected and metallurgical testing is being used to determine the ore type and recovery
Drill hole Information	 A summary of all information material to the understanding of the exploration results including a tabulation of the 	See tables appended to this report.

	 following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	
Data aggregation methods	 In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	See tables and commentary in to this report.
Relationship between mineralisation widths and intercept lengths	 These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').z 	 No relationships exist between mineralisation widths and intercepted lengths. Drilled width is true width.
Diagrams	 Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	See body of this report.
Balanced reporting	 Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	See body of this report.
Other substantive exploration data	 Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	 Further metallurgical assessment of treatment characteristics ongoing. IMO Project Services completed the "Wiluna Tailings Retreatment Project "scoping study report in 2016 that provided indicating gold recovery data and assessed methods for reclaiming the tailings. Further test work commenced using the AC drilling samples, again through IMO A small third drilling campaign using Sonic core drilling was completed in July 2018 with results pending. Main purpose was to use Standard Penetration Tests periodically during drilling to obtain density, strength and consolidation characteristics for the tailings. The analysis of the data indicated a range of dry bulk density for the tailings of 1.4-2.0. For the current Mineral Resource Estimate a figure

		of 1.6t/m3 was assigned as the global dry bulk density
Further work	 The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	 Follow-up resource definition drilling is contemplated to drill holes on a closer grid spacing to permit a higher JORC classification and for any further metallurgical characterisation as required, All tailings areas have now been tested except for two small pits further north of those tested at the Gunbarrel North and South pits.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	 Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. Data validation procedures used. 	 All data has been uploaded using Datashed which incorporates a series of internal checks. The Wiluna Tailings dataset has been validated in Datashed and Surpac using internal validation macros and checks. Holes have been checked and corrected where necessary for: Intervals beyond EOH depth Overlapping intervals Missing intervals Holes with duplicate collar co-ordinates (i.e. same hole with different names) Missing dip / azimuth Holes missing assays Holes missing geology AC drill holes WUAC55-62 were not used in the estimate owing to contamination during drilling form over-lying calcined tailings in Dam H. The auger drilling was only used in the estimation of the Dam H tailings
Site visits	 Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case. 	Site visits are regularly undertaken by the competent person, who is a full-time employee of BLK.
Geological interpretation	 Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology. 	The deposit is historic tailings, comprised of sediments pumped into either a purpose-built tailings storage facility (TSF) or an existing open pit. The tailings material has been derived from the treatment of the ores around the Wiluna mine area. The confidence in the geology and the associated mineralisation is high. The tails are constrained within either an existing open pit or a TSF. Digital terrain models (DTMs) based on surveys conducted prior to the tails deposition were constructed for the open pits with current topographic models being used for the TSF taking into account any material being used for building bunds and/or walls of the TSF. Drill hole data was used to locate the positions of the sample data. No alternate interpretations have been considered Some stratification of the tails sediments was observed in the drilling and the grade interpolation attempted to honour this stratification. Tails were deposited according to the location of the discharge points resulting in varying grades of metal over time, based upon the performance of the processing facility (recoveries of ore).
Dimensions	 The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral 	The tails are constrained within either an existing open pit or a TSF. The open pits are irregular DTMs based on surveys conducted prior to the tails deposition. They range in size from between 250 and 360

Estimation and modelling techniques	 Resource. The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. The assumptions made regarding recovery of byproducts. Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. Any assumptions about correlation between variables. Description of how the geological interpretation was used to control the resource estimates. Discussion of basis for using or not using grade cutting or capping. The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available. 	metres long and between 90 and 195 metres wide. Depth is variable between 40 and 55 metres Current topographic models were being used to define the TSF taking into account any material being used for building bunds and/or walls. Dam C is the largest being approximately 660 metres by 710 metres with a depth of 40 metres. The sample domains (the individual open pits and TSF's) were flagged into an Access database from a validated wireframe. A composites string-file was then created in Surpac with a 4.0 m composite length. Although drill sampling occurred predominantly at 1m intervals the 4m composite length was deemed appropriate due to the low variance of the data. Gold grades were estimated into the model by inverse distance squared using the blockmodel field coding to constrain the estimate. Only samples contained within each individual domain were used for the estimate of that domain. Top cuts were used to cap high grade data that had possibly occurred due to contamination. All high-grade metal was recovered during processing of the primary ore prior to tails deposition any assays that appeared as outlies from the median grade were cut. No previous mining has occurred so no reconciliation data is available for comparison. A block model with parent cell sizes 25 m (E) by 25 m (N) by 5 m (RL) was employed, with sub-celling to 6.25 m E by 6.25 m N by 2.5 m RL. The blockmodel was not rotated. The search ellipse was based on considerations of the drillhole spacing and domain geometry. In addition, visual inspection, using tools available in Surpac, were undertaken to assess the pattern of informing sample selection. The search ellipsoid radii ratios were flat. One search pass was used to populate blocks allowing for a maximum of 2 samples per drill hole with a maximum of 8 samples per block estimates. No assumptions have been made regarding the recovery of by-products. The block size is approximately half the typical drill spacing of the well drilled areas. No assumptions were made regarding the recovery of by-pro
Moisture	 Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content. 	Tonnages are estimated on a dry basis.
Cut-off parameters Mining factors	 The basis of the adopted cut-off grade(s) or quality parameters applied. Assumptions made regarding possible mining 	No cut-off grade is used to report the resource. All blocks within the block model are reported. No mining factors or assumptions have been.
or assumptions	methods, minimum mining dimensions and internal (or, if applicable, external) mining	J

	dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	
Metallurgical factors or assumptions	 The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made. 	A scoping study was competed for the Wiluna tailings retreatment in 2016 by independent consultant group IMO Project Services. The study comprised of preliminary metallurgical test work using Dam H tailings data and a review of potential recovery and treatment options for all storage facilities and pits. The options considered produced acceptable financial returns and indicated a potential metallurgical recovery of 40-50% for gold.
Environmental factors or assumptions	 Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made. 	A full feasibility study is yet to be completed yet all areas are disturbed mining tenure, so no environmental issues considered likely
Bulk density	 Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. Discuss assumptions for bulk density estimates used in the evaluation process of the different materials. 	Drilling completed in July 2018 using sonic core drilling aimed at providing additional samples for test work. The programme completed Standard Penetration Tests (SPT) periodically during drilling to obtain density, strength and consolidation characteristics for the tailings. The analysis of the data indicated a range of dry bulk density for the tailings of 1.4-2.0. For the current Mineral Resource Estimate a figure of 1.6t/m3 was assigned as the global dry bulk density.
Classification	 The basis for the classification of the Mineral Resources into varying confidence categories. Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). Whether the result appropriately reflects the Competent Person's view of the deposit. 	 The Mineral Resource is classified as Measured, Indicated and Inferred, in accordance with the JORC Code (2012 Edition). A range of criteria were considered when addressing the suitability of the classification boundaries to the resource estimate including: Drill hole spacing; Quality of dill hole information accounting for type, and sampling technique; and Available mining information. The classification for this model has predominantly being based on the drill hole type and spacing. In resources drilled by Air Core with 4.5" diameter holes with the specialised 'vacuum bit' with at least 100m x 100m on the TSF and 50m by 50m in the open pits an indicated classification was given.

		Where rotary auger drill sampling was used (Dam H only) an inferred resource was given due to the lower quality of the sampling.
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	None
Discussion of relative accuracy/ confidence	accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a	The Mineral Resource accuracy is communicated through the classification assigned to this Mineral Resource. The Mineral Resource estimate has been classified in accordance with the JORC Code, 2012 Edition using a qualitative approach. All factors that have been considered have been adequately communicated in Section 1 and Section 3 of this Table. The Mineral Resource statement is a global estimate. No domaining of grade has taken place and all classified blocks in the tails model are reported.

Appendix 2

Drill hole and hole assay data

Auger Drilling Hole Details

Prospect	Hole_ID	Hole_Type	Max_Depth	NAT_Grid_ID	NAT_East	NAT_North	NAT_RL
Dam H	BKIM01	Auger	20	MGA94_51	225910.881	7050665.595	500
Dam H	BKIM02	Auger	20	MGA94_51	225861.813	7050668.594	500
Dam H	BKIM03	Auger	20	MGA94_51	225823.699	7050668.591	500
Dam H	BKIM04	Auger	20	MGA94_51	225757.000	7050668.576	500
Dam H	BKIM05	Auger	20	MGA94_51	225709.358	7050668.584	500
Dam H	BKIM06	Auger	20	MGA94_51	225768.947	7050619.575	500
Dam H	BKIM07	Auger	20	MGA94_51	225816.395	7050628.585	500
Dam H	BKIM08	Auger	20	MGA94_51	225870.412	7050648.585	500
Dam H	BKIM09	Auger	17	MGA94_51	225909.825	7050714.594	500
Dam H	BKIM10	Auger	18	MGA94_51	225852.633	7050715.590	500
Dam H	BKIM11	Auger	17.5	MGA94_51	225810.370	7050718.584	500
Dam H	BKIM12	Auger	18	MGA94_51	225762.727	7050718.592	500
Dam H	BKIM13	Auger	20	MGA94_51	225697.713	7050703.591	500
Dam H	BKIM15	Auger	20	MGA94_51	225669.559	7050683.588	500
Dam H	BKIM16	Auger	20	MGA94_51	225565.308	7050720.582	500
Dam H	BKIM17	Auger	16	MGA94_51	225851.511	7050767.587	500
Golden Age	BKIM18	Auger	20	MGA94_51	225644.192	7052553.574	500
Golden Age	BKIM19	Auger	20	MGA94_51	225788.384	7052369.579	500
Squib	BKIM20	Auger	20	MGA94_51	225320.796	7053281.585	500
Squib	BKIM21	Auger	20	MGA94_51	225217.407	7053214.576	500
Adelaide	BKIM22	Auger	20	MGA94_51	224434.569	7053213.579	500
Adelaide	BKIM23	Auger	20	MGA94_51	224363.235	7053112.572	500
Moonlight	BKIM24	Auger	20	MGA94_51	224852.631	7053587.580	500
Western	BKIM28	Auger	11	MGA94_51	226114.370	7050634.584	500
Western	BKIM29	Auger	18	MGA94_51	226184.205	7050678.581	500
Western	BKIM30	Auger	20	MGA94_51	226260.695	7050729.591	500

Aircore Drilling Hole Details

Prospect	Hole_ID	Hole_Type	Max_Depth	NAT_Grid_ID	NAT_East	NAT_North	NAT_RL
Golden Age	WUAC0001	Aircore	32	MGA94_51	225747.820	7052716.591	510.616
Golden Age	WUAC0002	Aircore	34	MGA94_51	225787.411	7052721.368	510.373
Golden Age	WUAC0003	Aircore	21	MGA94_51	225848.658	7052627.700	508.530
Golden Age	WUAC0004	Aircore	24	MGA94_51	225877.895	7052616.783	508.422
Golden Age	WUAC0005	Aircore	15	MGA94_51	225899.994	7052521.751	507.107
Golden Age	WUAC0006	Aircore	20	MGA94_51	225949.745	7052519.167	506.646
Squib	WUAC0007	Aircore	30	MGA94_51	225479.260	7053431.336	504.096
Squib	WUAC0008	Aircore	42	MGA94_51	225446.710	7053430.206	503.745
Squib	WUAC0009	Aircore	36	MGA94_51	225399.428	7053421.014	503.140
Squib	WUAC0010	Aircore	41	MGA94_51	225354.425	7053379.524	502.363
Squib	WUAC0011	Aircore	37	MGA94_51	225266.151	7053323.502	499.429
Squib	WUAC0012	Aircore	17	MGA94_51	225225.584	7053333.064	498.590
Squib	WUAC0013	Aircore	36	MGA94_51	225309.175	7053325.741	501.131
Squib	WUAC0014	Aircore	10	MGA94_51	225351.011	7053326.774	502.069
Adelaide	WUAC0015	Aircore	20	MGA94_51	224458.443	7053249.226	504.112
Adelaide	WUAC0016	Aircore	30	MGA94_51	224502.817	7053236.597	503.999
Adelaide	WUAC0017	Aircore	25	MGA94_51	224546.905	7053302.308	503.766
Adelaide	WUAC0018	Aircore	13	MGA94_51	224512.474	7053350.953	503.359
Moonlight	WUAC0019	Aircore	40	MGA94_51	224945.108	7053709.711	502.094
Moonlight	WUAC0020	Aircore	32	MGA94_51	224992.501	7053759.226	504.150
Moonlight	WUAC0021	Aircore	40	MGA94_51	225037.860	7053715.593	504.013
Moonlight	WUAC0022	Aircore	36	MGA94_51	224988.826	7053664.243	501.628
Moonlight	WUAC0023	Aircore	17	MGA94_51	224914.166	7053692.123	501.413
Western Cell	WUAC0024	Aircore	19	MGA94_51	226430.924	7051002.002	518.900

Western Cell	WUAC0025	Aircore	18	MGA94 51	226331.310	7050999.337	515.482
Western Cell	WUAC0025 WUAC0026	Aircore	18	MGA94_51 MGA94 51	226331.310	7050899.806	515.482
Western Cell	WUAC0020	Aircore	17	MGA94_51 MGA94_51	226333.074	7050899.800	517.100
	WUAC0027 WUAC0028	Aircore	17				
Western Cell	WUAC0028 WUAC0029	Aircore		MGA94_51	226435.270	7050801.957	517.100
Western Cell		Aircore	17	MGA94_51	226335.247	7050799.784	517.100
Dam C	WUAC0030	Aircore	29	MGA94_51	226692.635	7050786.394	529.022
Dam C	WUAC0031	Aircore	30	MGA94_51	226588.514	7050786.752	529.420
Dam C	WUAC0032	Aircore	29	MGA94_51	226586.850	7050886.653	529.046
Dam C	WUAC0033	Aircore	30	MGA94_51	226575.422	7050989.270	528.996
Dam C	WUAC0034	Aircore	29	MGA94_51	226580.915	7051082.672	528.581
Dam C	WUAC0035		31	MGA94_51	226586.478	7051184.343	530.501
Dam C	WUAC0036	Aircore	31	MGA94_51	226690.588	7051186.786	530.362
Dam C	WUAC0037	Aircore	31	MGA94_51	226790.396	7051191.401	530.509
Dam C	WUAC0038	Aircore	31	MGA94_51	226870.036	7051191.224	530.461
Dam C	WUAC0039	Aircore	31	MGA94_51	226982.646	7051192.723	531.030
Dam C	WUAC0040	Aircore	30	MGA94_51	226989.087	7051091.063	529.897
Dam C	WUAC0041	Aircore	31	MGA94_51	226989.926	7050993.770	530.416
Dam C	WUAC0042	Aircore	30	MGA94_51	226993.017	7050892.207	529.890
Dam C	WUAC0043	Aircore	31	MGA94_51	226993.606	7050795.191	530.210
Dam C	WUAC0044	Aircore	29	MGA94_51	226892.800	7050789.236	528.690
Dam C	WUAC0045	Aircore	30	MGA94_51	226793.027	7050786.080	529.315
Dam C	WUAC0046	Aircore	31	MGA94_51	226873.925	7051094.472	529.085
Dam C	WUAC0047	Aircore	30	MGA94_51	226789.231	7051096.193	529.466
Dam C	WUAC0048	Aircore	29	MGA94_51	226790.237	7050994.362	528.134
Dam C	WUAC0049	Aircore	29	MGA94_51	226886.057	7050896.183	528.520
Dam C	WUAC0050	Aircore	28	MGA94_51	226787.573	7050888.308	527.969
Dam C	WUAC0051	Aircore	29	MGA94_51	226700.602	7050885.137	528.358
Dam C	WUAC0052	Aircore	29	MGA94_51	226892.186	7051002.954	528.506
Dam C	WUAC0053	Aircore	28	MGA94_51	226693.509	7050984.137	528.026
Dam C	WUAC0054	Aircore	28	MGA94_51	226688.188	7051085.541	528.145
Dam H	WUAC0055	Aircore	15	MGA94_51	225867.096	7050918.411	513.803
Dam H	WUAC0056	Aircore	14	MGA94_51	225956.474	7050920.897	513.781
Dam H	WUAC0057	Aircore	14	MGA94_51	225960.928	7051025.430	518.011
Dam H	WUAC0058	Aircore	15	MGA94_51	225959.772	7051126.334	517.873
Dam H	WUAC0059	Aircore	16	MGA94_51	225860.884	7051023.258	518.208
Dam H	WUAC0060	Aircore	15	MGA94_51	225757.436	7051022.048	519.695
Dam H	WUAC0061	Aircore	16	MGA94_51	225662.508	7051014.366	519.844
Dam H	WUAC0062	Aircore	15	MGA94_51	225763.208	7050919.500	520.135
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Assay data – average drill hole assay values

Hole_ID	From	То	Interval	Au g/t
BKIM01	0	20	20	0.65
BKIM02	0	20	20	0.56
BKIM03	0	20	20	0.57
BKIM04	0	20	20	0.55
BKIM05	0	20	20	0.74
BKIM06	0	20	20	0.77
BKIM07	0	20	20	0.76
BKIM08	0	20	20	0.78
BKIM09	0	17	17	0.54
BKIM10	0	18	18	0.70
BKIM11	0	17.5	17.5	0.64
BKIM12	0	18	18	0.56
BKIM13	0	20	20	0.59
BKIM15	0	20	20	0.77
BKIM16	0	20	20	0.90
BKIM17	0	16	16	0.68
BKIM18	0	20	20	0.80
BKIM19	0	20	20	0.59
BKIM20	0	20	20	1.26
BKIM21	0	20	20	0.80
BKIM22	0	20	20	0.55
BKIM23	0	20	20	0.92

BKIM24		20	20	0.67
	0	20	20	
BKIM28	0	10	10	0.86
BKIM29	0	18	18	0.68
BKIM30	0	20	20	0.59
WUAC0001	0	31	14	0.33
	-	-	34	
WUAC0002	0	34	-	1.25
WUAC0003	0	20	20	0.42
WUAC0004	0	24	24	0.70
WUAC0005	0	14	14	0.53
WUAC0006	0	19	19	0.54
	-	-		
WUAC0007	0	29	29	0.78
WUAC0008	0	42	42	1.00
WUAC0009	0	35	35	0.84
WUAC0010	0	41	41	0.62
WUAC0011	0	37	37	0.66
	-	-	-	
WUAC0012	0	16	16	0.63
WUAC0013	0	36	36	0.69
WUAC0014	0	9	9	1.20
WUAC0015	0	20	20	0.96
WUAC0016	0	19	19	0.89
WUAC0017	0	25	25	0.57
WUAC0018	0	12	12	0.70
WUAC0019	0	40	40	0.55
WUAC0020	0	31	31	0.59
WUAC0021	0	40	40	0.65
	-	-	-	
WUAC0022	0	36	36	0.61
WUAC0023	0	16	16	0.63
WUAC0024	0	19	19	0.69
WUAC0025	0	18	18	0.69
WUAC0026	0	16	16	0.59
		-	-	
WUAC0027	0	16	16	0.59
WUAC0028	0	16	16	0.61
WUAC0029	0	16	16	0.65
WUAC0030	0	28	28	0.56
WUAC0031	0	30	30	0.54
WUAC0032	0	28	28	0.50
WUAC0033	0	30	30	0.48
WUAC0034	0	29	29	0.56
WUAC0035	0	30	30	0.52
WUAC0036	0	30	30	0.55
WUAC0037	0	30	30	0.50
WUAC0038	0	30	30	0.54
WUAC0039	0	31	31	0.60
WUAC0040	0	29	29	0.56
WUAC0041	0	31	31	0.57
WUAC0042	0	29	29	0.53
				0.52
WUAC0043	0	30	30	
WUAC0044	0	28	28	0.55
WUAC0045	0	29	29	0.50
WUAC0046	0	30	30	0.53
WUAC0047	0	30	30	0.34
WUAC0048	0	28	28	0.40
WUAC0049	0	29	29	0.46
WUAC0050	0	27	27	0.41
WUAC0051	0	28	28	0.49
WUAC0052	0	29	29	0.54
WUAC0053	1	27	26	0.51
WUAC0054	0	28	28	0.49
WUAC0055	0	15	15	0.56
WUAC0056	0	13	13	0.54
WUAC0057	0	13	13	2.63
WUAC0058	0	14	14	2.27
WUAC0059	0	14	14	
				1.89
WUAC0060	0	14	14	2.88
WUAC0061	0	16	16	2.67
WUAC0062	0	15	15	2.98