ASX Announcement
22 February 2016

BLACKHAM
Resources Limited

NEW DISCOVERIES OF REPEATING LODES AT MATILDA MINE

- **Matilda DFS pit designs finalised with DFS due this week**
- **Matilda drilling continues focus on finding further repeating and stacked lodes and drilling out the recently identified lodes**
- **New discovery of shallow higher grade shoot at M6 North:**
  - **20m @ 1.81 g/t from 22m from 30m (MARC0334)**
  - **7m @ 4.71 g/t from 42m incl. 2m @ 11.9 g/t from 44m (MARC0325)**
  - **5m @ 4.04 g/t from 15m (MARC0324)**
- **M10 East shoot infill drilling includes:**
  - **9m @ 2.78 g/t from 19m (MARC0316)**
  - **3m @ 2.62 g/t from 50m & 2m @ 2.13 g/t from 57m (MARC0321)**
- **Highly anomalous AC sterilisation composite results reveal newgold lode:**
  - **16m @ 0.61 g/t from 32m & 16m @ 1.16 g/t from 60m (MAAC0008)**
  - **12m @ 0.50 g/t from 40m (MAAC0002)**
  - **12m @ 0.33 g/t from (MAAC0001)**
- **Matilda Mine DFS reserves are imminent with further reserve updates expected prior to production**

Blackham Resources Ltd **(ASX: BLK) ("Blackham")** is pleased to announce the latest results received from drilling at the Matilda Gold Project in Western Australia. The latest of 24 RC holes for 1,775m has identified two new highly prospective lodes. Drilling at M10 East successfully in-filled the current resource block model and results are in line with expectations.

Drilling at M6 North (800m south of the M1 Pit) intersected a new high-grade shoot immediately north of the M6 pit that was mined during the early 1990's. Follow-up stage 2 drilling is planned to occur in the coming days utilising the RC rig currently on site.

Aircore (AC) sterilisation drilling of the planned Matilda waste dump location returned highly anomalous composited grades from a new Au-mineralised structure that extends between the M10 East shoot and the M4 pit (Fig 1). Follow up drilling of this new structure will begin shortly.

The Matilda Mine is an important source of open pit ore that will provide base load ore for the recommissioning of the Wiluna Gold Plant. The base load Matilda ore will be supplemented with high grade quartz reefs (see ASX announcement 25 January 2016) to increase the average feed grade to the plant.

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The successful drilling of the Matilda Mine has recently grown the resource to **12.9Mt @ 1.8 g/t for 724,000oz** Au with 61% now in the Measured and Indicated resource category (**7.6Mt @ 1.8g/t for 439,000oz Au**). The Matilda Mine is 19km by existing haul road from the Wiluna Gold Plant and will provide the base load open pit feed the plant has not had since the early 1990's. The Matilda mineralisation is soft, deeply weathered oxide with a number of stacked loads that often repeat along strike and down plunge.

Drilling along strike between the M1/M4 DFS pit designs and the M6/M10 pits is mainly limited to historical 25m deep RAB drilling which has 8m composites at the bottom of hole. This historical RAB drilling has proven to be ineffective due to the combined effect of the shallow depletion zone, limited extent and wide composite interval. The RAB anomalies continue to be a very efficient and cost effective tool in identifying further repeating lodes at the Matilda Mine.

Shallow higher grades intersected at M6 North

The M6 North shoot is situated immediately north of the previously mined M6 pit, and is on the same Au-mineralised structure as the M1 deposit that is located 800m further north (Fig 1). Highly encouraging results have been received from numerous holes drilled into the M6 North shoot and scope remains to find further shoots along ~800m of strike on 3 poorly-tested Au-mineralised corridors between M6 and M1 pits.

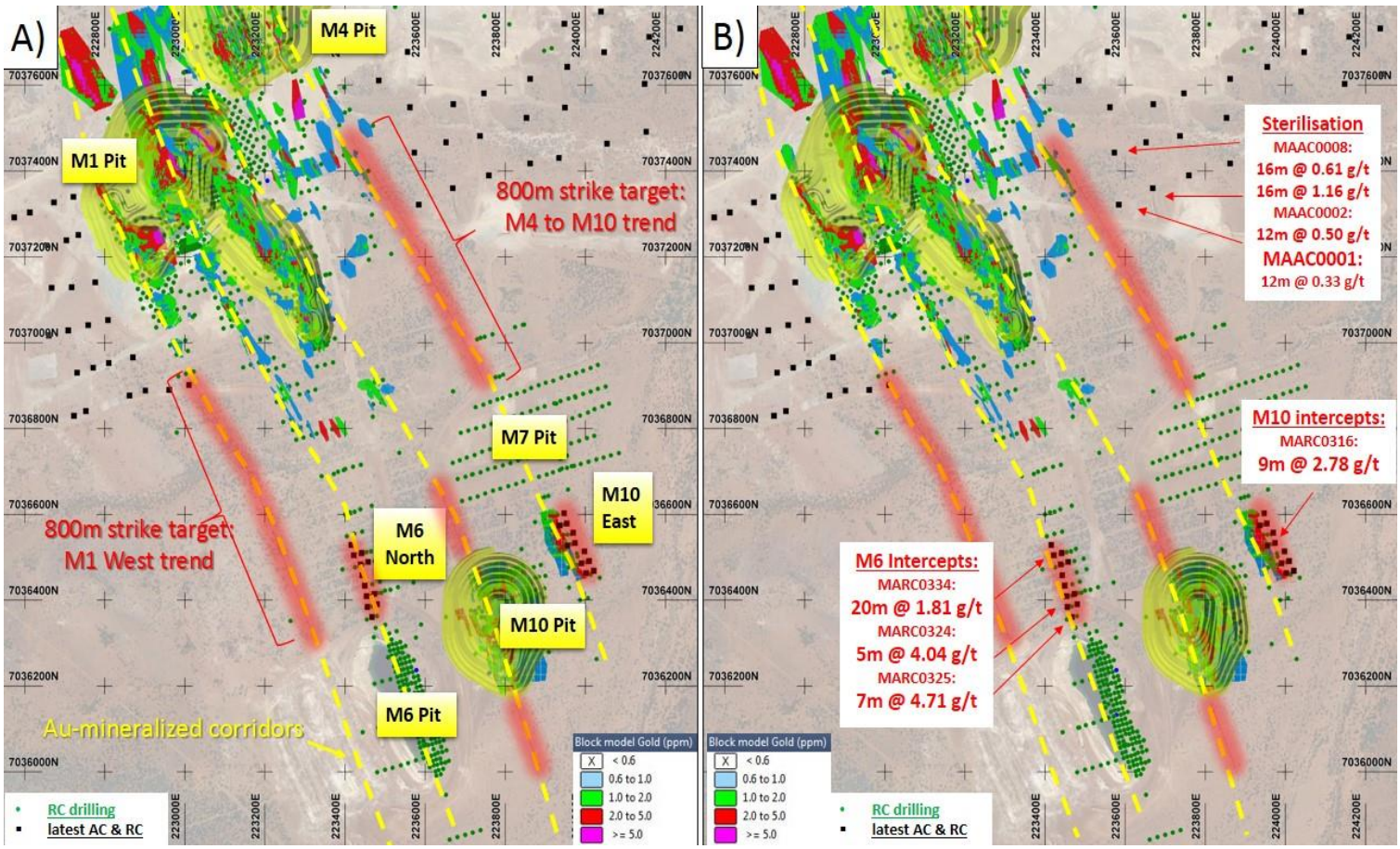

Fig 1. A) Stacked Au mineralised corridors at Matilda with limited drilling; B) M6 North and M10 East drill targets and results

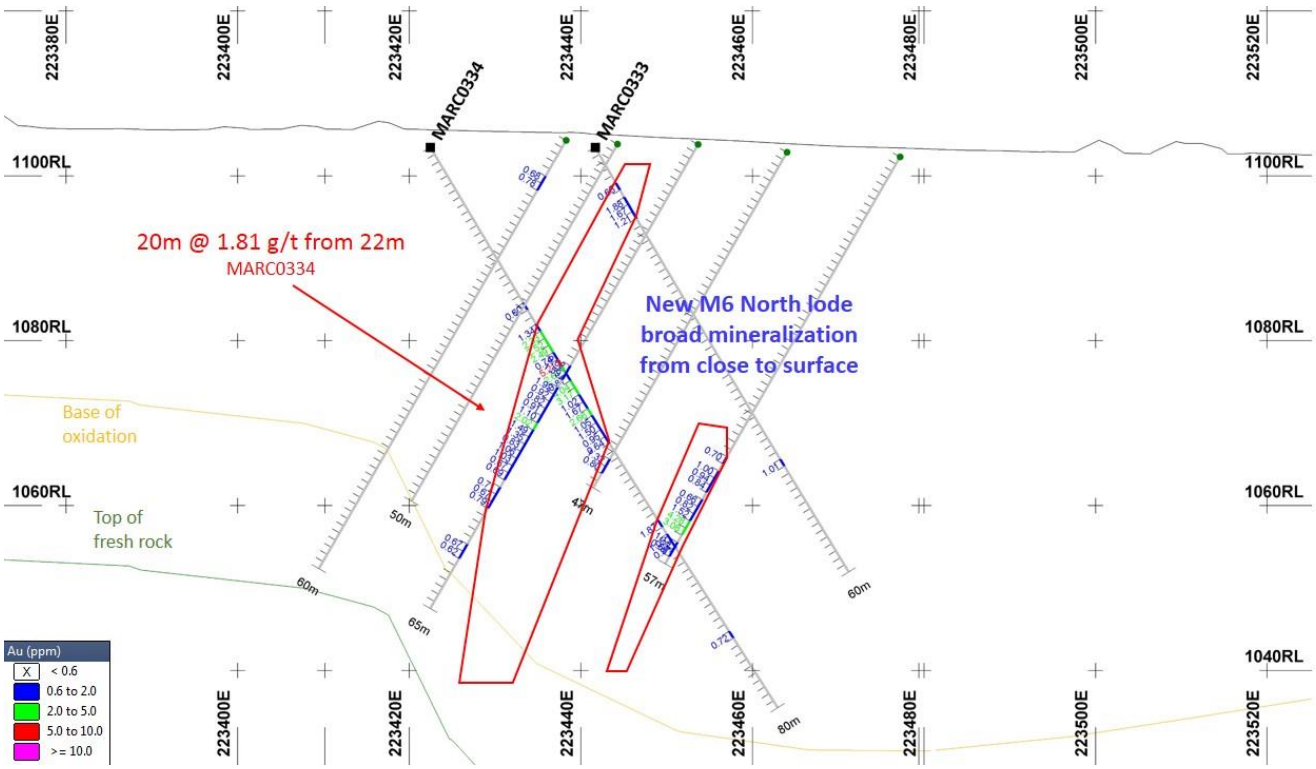

Fig 2. Cross section of newly discovered M6 North shoot, with shallow broad oxide mineralisation which is open to the north and down plunge

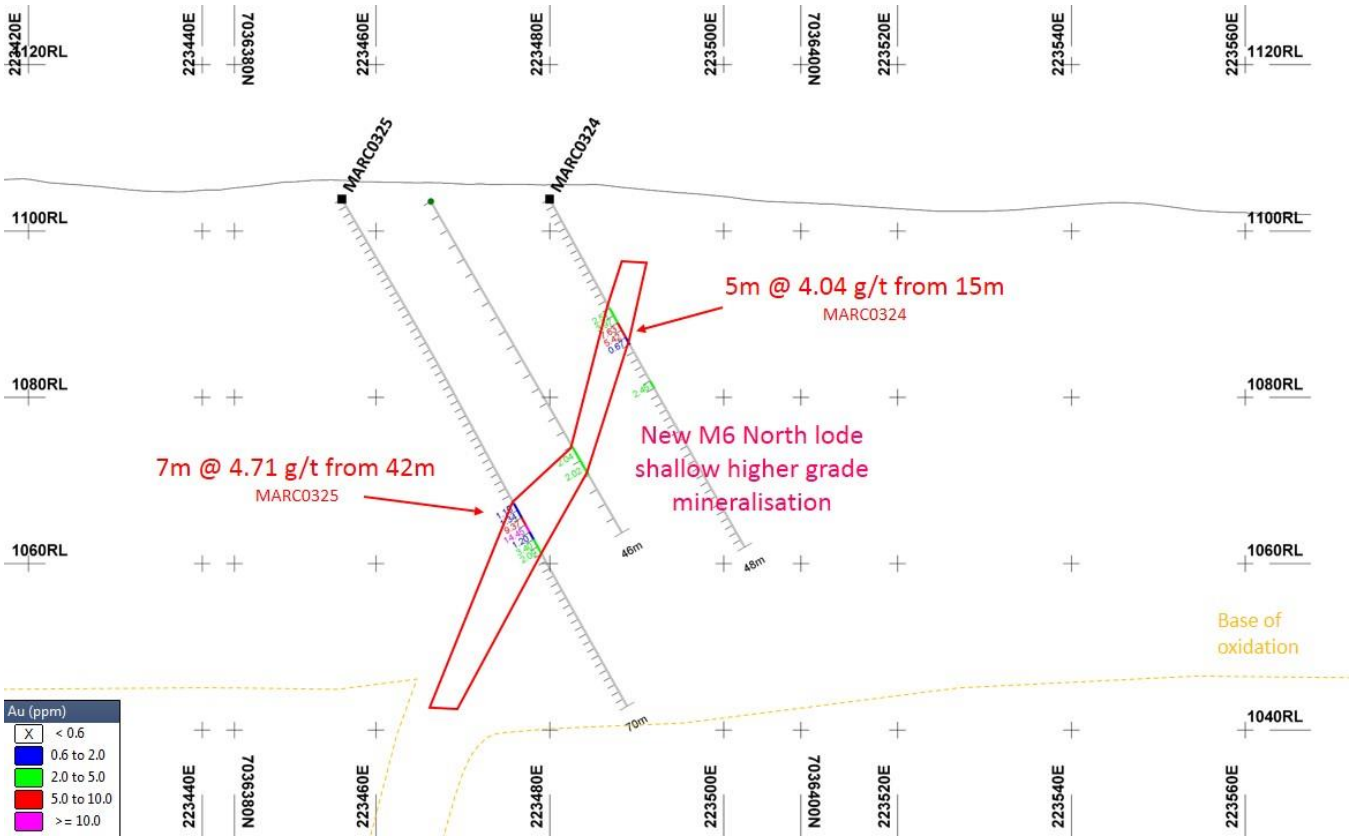

Fig 3. Cross section of newly discovered M6 North shoot, with shallow higher grade oxide mineralisation up plunge of Fig 2.

Successful resource Infill drilling at M10 East shoot.

The Matilda M10 orebody is at the start of the planned mining schedule and is located 1.5kms south of the main Matilda Mining area. The M10 East shoot occurs 150m to the east of M10, and comprises moderately east-dipping mineralisation.

The current drill results are in line with typical Matilda ore zone widths and grades, and will add confidence to the resource block model. Better results include MARC0316: **9m @ 2.78 g/t** from 19m, and MARC0321: **3m @ 2.62 g/t** from 50m and **2m @ 2.13 g/t** from 57m. Fig 4 shows a cross section through the M10 East zone and the MARC0316 intercept additional to the current resource block model.

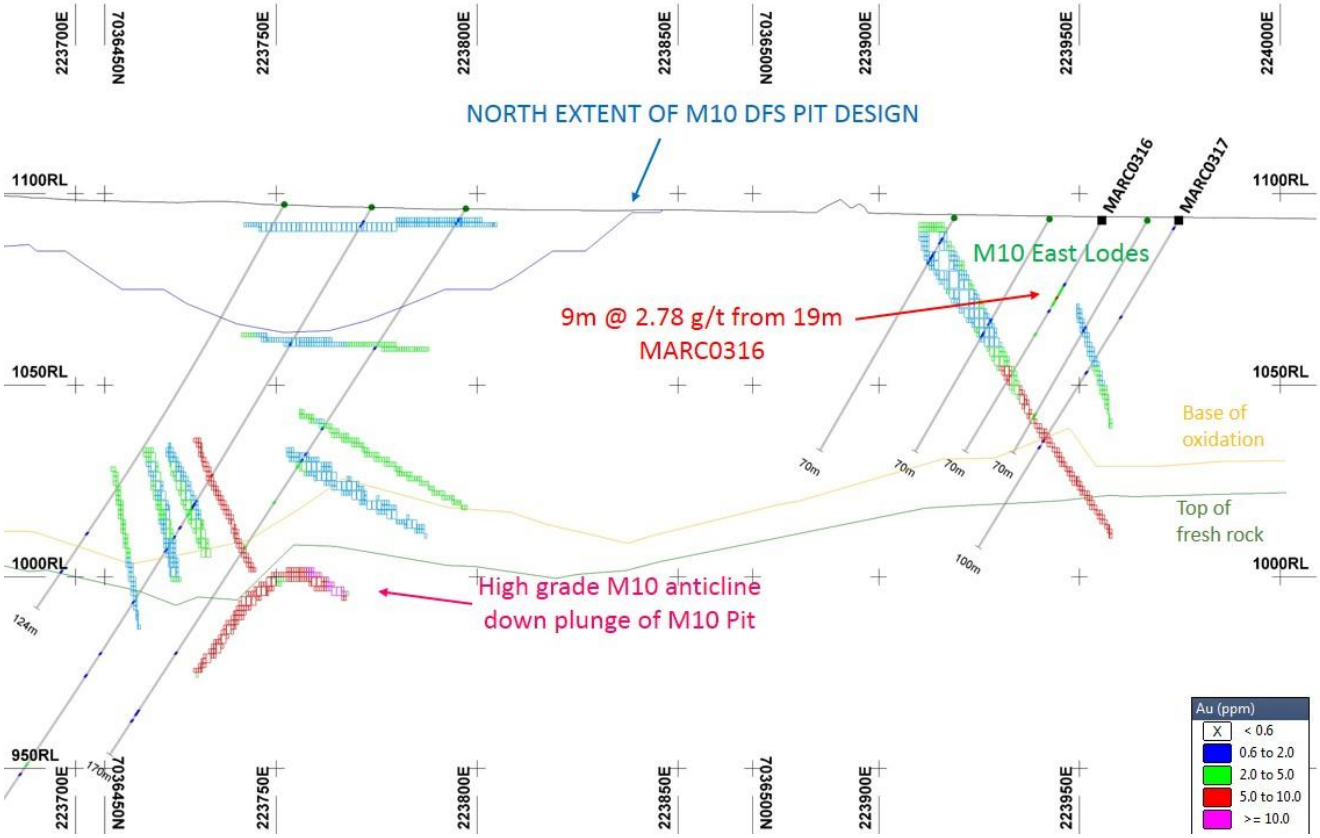

Fig 4. Cross section of the M10 East shoot pit highlighting the high grade ore in the hinge, shallow M10 East lode mineralisation and the potential for this to interplay with the M10 Pit

Following the finalisation of the DFS mining study, Blackham's mining team will begin looking at the potential for the M10 pit to extend deeper at the north end and also mine the M10 East lode now this mineralisation has been confirmed.

Aircore sterilisation drilling reveals new stacked Au structure at M4 East

Aircore sterilisation drilling at the planned Matilda Run of Mine area (ROM) has returned highly anomalous gold grades that reveal a new Au-mineralised structure (Fig. 1 and Fig 5.) that extends for 600m of strike length between M4 and M10 deposits.

Better results include **16m @ 0.61 g/t** from 32m and **16m @ 1.16 g/t** from 60m in MAAC0008 whilst nearby holes MAAC0001 & 2 have returned anomalous intervals of between 0.3 to 0.5g/t Au. Follow-up RC drilling is planned to begin in the coming days.

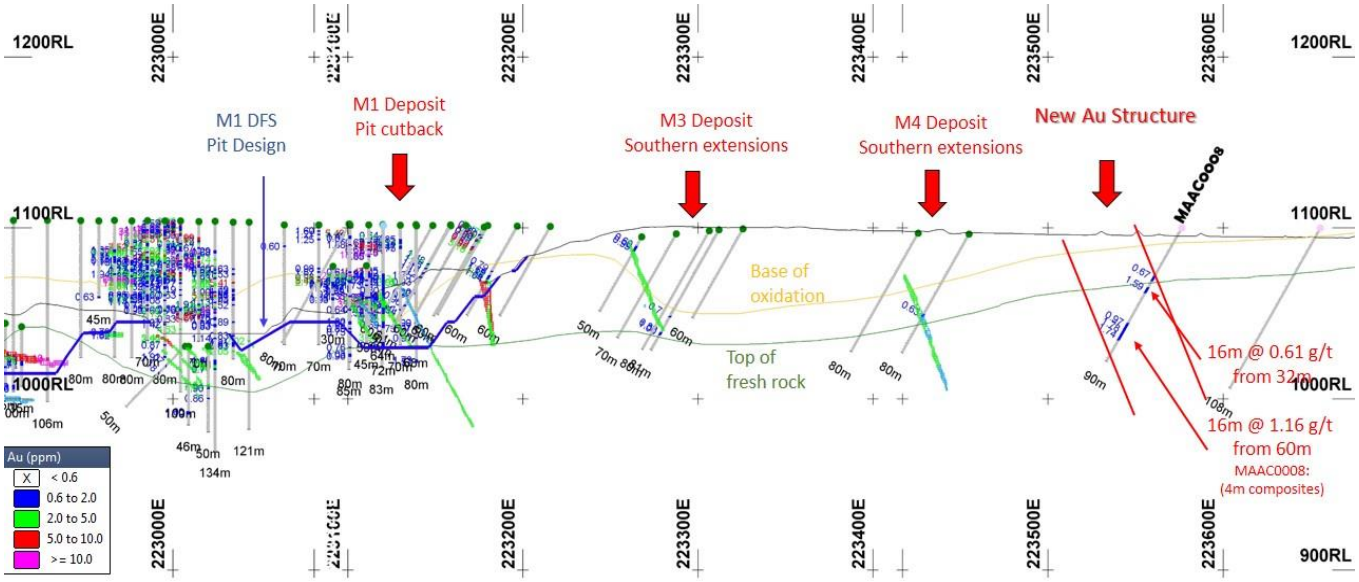

Fig 5. Cross section showing stacked lodes at Matilda and the new M4 East structure intersected in sterilisation drill hole MAAC0008

The Matilda Mine resources totalled 12.9Mt @ 1.8g/t for 724,000oz (61% indicated). The Blackham mining team and consultants have finalised the DFS pit designs and updated reserves are imminent.

Current RC drilling is ongoing to the north and south of the M4 Pit as well as further defining the new M6 North and M4 East lodes. The Matilda Mining Centre is intended as a base load feed of soft oxide ore for up to 1.7Mtpa through the Wiluna gold plant. Matilda reserves are expected to be updated again prior to production.

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Gold Resources

The Matilda Gold Project now has **45Mt @ 3.2g/t for 4.7Moz** (49% indicated) of resource all within a 20 kilometres radius of Blackham's 100% owned Wiluna gold plant with an average throughput of1.3Mtpa for over 100,000ozpa gold production. Measured and indicated resources now total **21Mt @ 3.4g/t for 2.3Moz**.

Matilda Gold Project Resource Summary

Mining Centre	Measured			Indicated			Inferred			Total 100%		
	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au
Matilda Mine	0.2	2.1	13	7.4	1.8	426	5.3	1.7	285	12.9	1.8	**724**
Williamson Mine				3.3	1.6	170	3.8	1.6	190	7	1.6	**360**
Regent				0.7	2.7	61	3.1	2.1	210	3.9	2.2	**270**
Galaxy				0.4	3.0	38	0.4	2.2	28	0.8	2.6	**66**
Golden Age				0.4	4.5	62	0.7	3.5	88	1.1	4.4	**150**
Bulletin South OP				0.8	3.1	80	1.6	3.5	180	2.4	3.3	**260**
East Lode				1.0	5.2	170	2.3	4.7	340	3.3	4.8	**510**
West Lode				1.4	5.5	240	2.8	5.2	460	4.2	5.3	**700**
Henry 5 - Woodley - Bulletin Deeps				2.1	5.9	400	0.8	4.6	120	2.9	5.6	**520**
Burgundy - Calais				1.3	6.0	250	0.3	5.7	60	1.6	6.0	**310**
Happy Jack - Creek Shear				1.5	5.9	290	1.3	4.8	200	2.9	5.4	**490**
Other Wiluna Deposits				0.8	4.3	106	1.5	4.0	195	2.3	4.1	**301**
Total	**0.2**	**2.1**	**13**	**21**	**3.4**	**2,293**	**24**	**3.1**	**2,356**	**45**	**3.2**	**4,661**

Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location shape and continuity of the occurrence and on the available sampling results. The figures in the above table are rounded to two significant figures to reflect the relative uncertainty of the estimate.

Competent Persons Statement

The information contained in the report that relates to Exploration Targets and Exploration Results at the Matilda Gold Project is based on information compiled or reviewed by Mr Cain Fogarty, who is a full-time employee of the Company. Mr 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.

With regard to the Matilda Gold Project Mineral Resources, the Company is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and parameters underpinning Mineral Resource Estimates as reported in the market announcements dated 30 January 2016 continue to apply and have not materially changed.

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.

Table 1. Matilda significant assays

>0.6 g/t, > 1.2 gram x metres, and max 2m internal dilution

Hole ID	Prospect	East	North	RL	EOH (m)	Azi	Dip	From	To	Interval	Au g/t	True Thickness
MARC0312	M10	224002	7036463	1093	70	254	-60	NSI				
MARC0313	M10	224021	7036469	1093	100	254	-60	NSI				
MARC0314	M10	223990	7036486	1093	70	254	-60	NSI				
MARC0315	M10	224010	7036492	1093	100	254	-60	70	74	4	0.83	2.7
MARC0316	**M10**	**223955**	**7036528**	**1093**	**70**	**254**	**-60**	**19**	**28**	**9**	**2.78**	**6.0**
							incl.	**23**	**24**	**1**	**6.33**	**0.7**
								34	35	1	2.45	0.7
MARC0317	M10	223975	7036533	1093	100	254	-60	29	30	1	1.66	0.7
								67	70	3	0.74	2.0
MARC0318	M10	223970	7036558	1093	100	254	-60	37	38	1	3.85	0.7
MARC0319	M10	223936	7036574	1093	100	254	-60	44	45	1	1.26	0.7
								50	51	1	2.48	0.7
MARC0320	M10	223954	7036579	1093	100	254	-60	58	59	1	1.68	0.7
MARC0321	M10	223947	7036603	1093	100	254	-60	29	32	3	0.72	2.0
								50	53	3	2.62	2.0
								57	59	2	2.13	1.3
MARC0322	M10	223998	7036514	1093	100	254	-60	72	74	2	0.86	1.3
MARC0323	M06	223467	7036361	1103	70	74	-60	49	53	4	3.87	2.8
							incl.	**49**	**50**	**1**	**6.1**	**0.7**
MARC0324	**M06**	**223480**	**7036391**	**1104**	**40**	**74**	**-60**	**15**	**20**	**5**	**4.04**	**3.5**
							incl.	**17**	**19**	**2**	**6.53**	**1.4**
								25	26	1	2.45	0.7
MARC0325	**M06**	**223456**	**7036384**	**1104**	**70**	**74**	**-60**	**42**	**49**	**7**	**4.71**	**4.9**
							incl.	**44**	**46**	**2**	**11.91**	**1.4**
MARC0326	M06	223473	7036415	1104	40	74	-60	NSI				0.0
MARC0327	M06	223454	7036410	1104	70	74	-60	42	45	3	2.89	2.1
							incl.	**43**	**44**	**1**	**6.88**	**0.7**
MARC0328	M06	223449	7036434	1106	60	74	-60	NSI				0.0
MARC0329	M06	223462	7036464	1106	40	74	-60	26	29	3	1.06	2.1
MARC0330	M06	223443	7036458	1106	70	74	-60	35	41	6	1.32	4.2
MARC0331	M06	223458	7036489	1103	40	74	-60	26	28	2	1.10	1.4
MARC0332	M06	223439	7036484	1103	55	74	-60	22	33	11	1.30	7.7
							incl.	**25**	**26**	**1**	**6.19**	**0.7**
								39	43	4	1.40	2.8
								47	53	6	0.88	4.2
MARC0333	M06	223441	7036510	1103	60	74	-60	5	10	5	1.20	3.5
MARC0334	**M06**	**223422**	**7036505**	**1103**	**80**	**74**	**-60**	**22**	**42**	**20**	**1.81**	**14.0**
							incl.	**30**	**31**	**1**	**5.21**	**0.7**
								53	57	4	1.08	2.8
MARC0335	M06	223415	7036529	1103	70	74	-60	22	24	2	2.78	1.4
								30	32	2	1.76	1.4
								63	69	6	1.06	4.2
MAAC0008	**ROM**	**223573**	**7037443**	**1100**	**90**	**254**	**-60**	**32**	**48**	**16**	**0.61**	**11.2**
								60	**76**	**16**	**1.16**	**11.2**

** Grid is GDA_94 Z51S. Minimum 0.6g/t, minimum 1.2 gram x metres, maximum 2m internal dilution. NSI = No significant intercept. Holes drilled perpendicular to mineralisation so that interval lengths are close to true thickness.*

APPENDIX A - JORC Code, 2012 Edition – Table 1

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 cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Matilda data represents a portion of a large drilling database compiled since the 1980's by various project owners. Historically (pre-Blackham Resources), drill samples were taken at predominantly 1m intervals in RC holes, or as 2m or 4m composites in AC holes. Historical core sampling is at various intervals so it appears that sampling was based on geological observations at intervals determined by the logging geologist. Blackham Resources has used i) reverse circulation drilling to obtain 1m samples from which ~3kg samples were collected using a cone splitter connected to the rig, and ii) both PQ core with ¼ core sampling and HQ3 core with ½ core sampling. • Blackham's sampling procedures are in line with standard industry practice to ensure sample representivity. Core samples are routinely taken from the right-hand-side of the cut line. For Blackham's RC and AC drilling, the drill rig (and cone splitter) is always jacked up so that it is level with the earth to ensure even splitting of the sample. It is assumed that previous owners of the project had procedures in place 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 crushed to <2mm in a Boyd crusher and pulverized via LM5 to 90% passing 75µm to produce a 50g charge for fire assay. Historical assays were obtained using either aqua regia digest or fire assay, with AAS readings. • Blackham Resources analysed samples using ALS and SGS laboratories in Perth. Analytical method was Fire Assay with a 50g charge and AAS finish. Historically, gold analyses were obtained using industry standard methods; split samples were pulverized in an LM5 bowl to produce a 50g charge for assay by Fire Assay or Aqua Regia with AAS finish at the Wiluna Mine site laboratory.

Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Blackham data reported herein is AC 4.5" and RC 5.5" diameter holes. Downhole surveys are taken every ~5 or 10m using a gyro tool for RC drilling, and every 30m downhole using a Reflex Electronic single shot tool for AC drilling. Historical drilling data contained in this report includes RC, AC and DD core samples. RC sampling utilized face-sampling hammer of 4.5" to 5.5" diameter, RAB sampling utilized open-hole blade or hammer sampling, and DD sampling utilized NQ2 half core samples. It is unknown if core was orientated, though it is not material to this report. All Blackham RC drilling used a face-sampling bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• For Blackham RC drilling, chip sample recovery is visually estimated by volume for each 1m bulk sample bag, and recorded digitally in the sample database. For DD drilling, recovery is measured by the drillers and Blackham geotechnicians and recorded into the digital database. Recoveries were typically 100% except for the non-mineralised upper 3 or 4m. For historical drilling, recovery data for drill holes contained in this report has not been located or assessed, owing to incomplete data records. Database compilation is ongoing. • RC drilling, sample recovery is maximized by pulling back the drill hammer and blowing the entire sample through the rod string at the end of each metre. Where composite samples are taken, the sample spear is inserted diagonally through the sample bag from top to bottom to ensure a full cross-section of the sample is collected. To minimize contamination and ensure an even split, the cone splitter is cleaned with compressed air at the end of each rod, and the cyclone is cleaned every 50m and at the end of hole, and more often when wet samples are encountered. Historical practices are not known, though it is assumed similar industry-standard procedures were adopted by each operator. For historical drilling with dry samples it is unknown what methods were used to ensure sample recovery, though it is assumed that industry-standard protocols were used to maximize the representative nature of the samples, including dust-suppression and rod pull-back after each drilled interval. For wet samples, it is noted these were collected in polyweave bags to allow excess water to escape; this is standard practice though can lead to biased loss of sample material into the suspended fine sample fraction. For DD drilling, sample recovery is maximised by the use of short drill runs (typically 1.5m) and triple tube splits for HQ3 drilling. • For Blackham drilling, no such relationship was evaluated as sample recoveries were generally excellent.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Drill samples have been logged for geology, alteration, mineralisation, weathering, and other features to a level of detail considered appropriate for geological and resource modelling. • Logging of geology and colour for example are interpretative and qualitative, whereas logging of mineral percentages is quantitative. • All holes were logged in full.

Sub-sampling techniques and sample preparation	• *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 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.*	• RC sampling with cone splitting, and AC sampling was completed as 4m scoop composites compiled from individual 1m samples. • Sampling is RC and AC. Mention is made in historical reports of 1m and 2m or 4m composites for Agincourt drilling. For Blackham drilling, 1m RC samples were split using a cone splitter. Most samples were dry; 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. AC samples were 4m composites; holes were abandoned when >3 consecutive wet samples were received to minimise sample contamination. • RC sampling with riffle or cone splitting and spear compositing is considered standard industry practice. • Boyd <2mm crushing and splitting is considered to be standard industry practice; each sample particle has an equal chance of entering the split chute. At the laboratory, >3kg samples are split so they can fit into a LM5 pulveriser bowl. At the laboratory, >3kg samples are split 50:50 using a riffle splitter so they can fit into a LM5 pulveriser bowl. • Field duplicates were collected approximately every 40m down hole for Blackham holes. Analysis of results indicated good correlation between primary and duplicate samples. RC duplicates are taken using the secondary sample chute on the cone splitter. AC duplicates were scooped in the field. It is not clear how the historical field duplicates were taken for RC drilling. • Sample sizes are considered appropriate for these rock types and style of mineralisation, and are in line with standard industry practice.
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.*	• Fire assay is a total digestion method. The lower detection limits of 0.01ppm is considered fit for purpose. For Blackham drilling, SGS completed the analyses using industry best-practice protocols. SGS is globally-recognized and highly-regarded in the industry. Historical assaying was undertaken at Amdel, SGS, and KalAssay laboratories, and by the on-site Agincourt laboratory. The predominant assay method was by Fire Assay with AAS finish. The lower detection limit of 0.01ppm Au used is considered fit for purpose. • No geophysical tools were required as the assays directly measure gold mineralisation. For Blackham drilling, down-hole survey tools were checked for calibration at the start of the drilling program and every two weeks. • Comprehensive programs of QAQC have been adopted since the 1980's. For Blackham drilling certified reference material, blanks and duplicates were submitted at approximately 1:40. Check samples are routinely submitted to an umpire lab at 1:20 ratio. Analysis of results confirms the accuracy and precision of the assay data. It is understood that previous explorers great Central Mines, Normandy and Agincourt employed QAQC sampling, though digital capture of the data is ongoing, and historical QAQC data have not been assessed. 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 significant intercepts have been verified by several company personnel, including the database manager and exploration manager. • Twinned holes are not reported herein, though Blackham has recently completed twin RC-DD holes and results will be analysed fully in coming resource estimation work. Drilling has been designed at different orientations, to help correctly model the mineralisation orientation. • 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 2015". Historical procedures are not documented. • Assay results were not adjusted.
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.*	• Blackham's drill collars are routinely surveyed using a DGPS with centimetre accuracy, though coordinates reported herein are GPS surveyed to metre-scale accuracy. All historical drill holes at Matilda appear to have been accurately surveyed. • MGA Zone 51 South. • Height data (Australian height datum) is collected with DGPS and converted to local relative level using a factor. Prior to DGPS surveys, relative levels are estimated based on data for nearby historical holes.
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 estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Blackham's exploration holes are generally drilled 25m apart on east-west sections, on sections spaced 50m apart north-south. • Using Blackham's drilling and historical drilling, a spacing of approximately 12.5m (on section) by 20m (along strike) is considered adequate to establish grade and geological continuity. Areas of broader drill spacing have also been modelled but with lower confidence. • Samples have been composited only where mineralisation was not anticipated. Where composite samples returned significant gold values, the 1m samples were submitted for analysis and these results were prioritized over the 4m composite values.
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.*	• Drill holes were generally orientated towards the west to intersect predominantly steeply east-dipping mineralisation, or oriented towards the east at M6 to intersect the west-dipping mineralisation. Thus true thickness is approximately 2/3 of drilled thickness. • Such a sampling bias is not considered to be a factor as the RC technique utilizes the entire 1m sample.
Sample security	• *The measures taken to ensure sample security.*	• Drill samples are delivered to Toll Ipec freight yard in Wiluna by Blackham personnel, where they are stored in a gated locked yard (after hours) until transported by truck to the laboratory 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 such audits or reviews have been undertaken as they are not considered routinely required; review will be conducted by external resource consultants when resource estimates are updated.

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 M53/34. The tenement is owned 100% by Kimba Resources Ltd, a wholly owned subsidiary of Blackham Resources Ltd. The tenement sits within the Wiluna Native Title area, and a mining heritage agreement is in place with the Native Title holders. • The tenement is in good standing and no impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Historical artisanal mining was conducted on the M53/34 tenement and most historical workings have now been incorporated into the modern open pits. Modern exploration has been conducted on the tenement intermittently since the mid-1980's by various parties as tenure changed hands many times. This work has included mapping and rock chip sampling, geophysical surveys and extensive RAB, RC and core drilling for exploration, resource definition and grade control purposes. This exploration is considered to have been successful as it led to the eventual economic exploitation of several open pits during the late 1980's / early 1990's.The deposits remain 'open' in various locations and opportunities remain to find extensions to the known potentially economic mineralisation.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The gold deposits are categorized as orogenic gold deposits, with similarities to most other gold deposits in the Yilgarn region. The deposits are hosted within the Matilda Domain of the Wiluna greenstone belt. Rocks in the Matilda Domain have experienced Amhibolite-grade regional metamorphism. At the location of this drilling, the Matilda Domain is comprised of a fairly monotonous sequence of highly sheared basalts. Gold mineralisation is related to early deformation events, and it appears the lodes have also been disrupted by later shearing / faulting on the nearby Erawalla Fault, as well as later cross-faults.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the 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*
		• See Table 1 of this report for drill hole details.

Criteria	JORC Code explanation	Commentary
	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.*	• In the significant intercepts Table 1, drill hole intercepts are reported as length-weighted averages, above a 1m @ 0.6g/t cut-off, or > 1.2 gram x metre cut off (to include narrow higher-grade zones) using a maximum 2m contiguous internal dilution. For the body of the report and in Figures, wider zones of internal dilution are included for clearer presentation. AC intercepts are based on 4m composites. • High-grade internal zones are reported at a 5g/t envelope, e.g. MADD0018 contains 14.45m @ 6.74g/t from 162.55m including 4.4m @ 15.6g/t from 162.55m. • No metal equivalent grades are reported because only Au is of economic interest.
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').*	• Various lode geometries are observed at Matilda, including east-dipping, west-dipping and flat-lying geometries. Generally the lodes strike north-northeast. Historical drilling was oriented vertically or at -60° west, the latter being close to optimal for the predominant steeply-east dipping orientation. Blackham's drill holes are not always drilled at optimal drill angles, i.e. perpendicular to mineralisation, owing to these various geometries, limitations of the rig to drilling >35° angled holes, and difficulty in positioning the rig close to remnant mineralisation around open pits. See significant intercepts Table 1 for estimates of mineralisation true widths.
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*	• See body of this report.

Criteria	JORC Code explanation	Commentary
	appropriate sectional views.	
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.*	• Full reporting of the historical drill hole database of over 40,000 holes is not feasible. A full list of results from the current drilling program is included with the 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.*	• Other exploration tests are not the subject of this report.
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 likely, as mineralisation is interpreted to remain open in various directions. • Diagrams are provided in the body of this report.