ASX Announcement
29 April 2016

BLACKHAM
Resources Limited

QUARTERLY REPORT
March 2016

The Board of Blackham Resources Limited ('Blackham' or 'the Company') is pleased to provide an update on its activities for the quarter ended 31 March 2016 and thereafter.

HIGHLIGHTS INCLUDE:

- **DFS completed demonstrating strong economics for the Matilda Gold Project**
- **2 plus years added to PFS mine life**
- **DFS Mineral Inventory 8.3Mt @ 2.9g/t for 767,000oz Au**
  - **strong conversion to Reserves**
- **Mine life growing 8.5Mt @ 3.0g/t for 826,000 Au**
- **Reserves now total over half a million ounces**
- **Large gold resource 45Mt @ 3.3g/t for 4.7Moz (50% indicated)**
  - **Resource upgrades at Matilda, Golden Age, Williamson and Bulletin completed**
- **Drilling success included:**

  Matilda – pit extensions and discovery of M6 north lode

  Galaxy – high grade drilling down plunge of open pit

  Golden Age – high grade extensions confirmed

  Bulletin – shallow high grade strike extensions proven
- **Gravity and seismic geophysics completed over Lake Way**
- **Targeting gold production Q3 2016**
- **Plant and camp refurbishment contracts well advanced**

Corporate

- **$20.3 million capital raising completed**
- **$23 million undrawn project facility**
- **$27m in cash and investments at end of quarter**
- **Chief Geological Officer appointed**

ASX CODE
BLK

CORPORATE INFORMATION
249.3M Ordinary Shares
37.6M Unlisted Options
8.5M Performance Rights

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Matilda Gold Project, Western Australia

Blackham Resources Ltd is a near term gold producer with 4.7 million ounces of gold resource combined with a 860km^2 exploration tenement package which has historically produced over 4.3 million ounces. The Matilda Gold Project is located in Australia's largest gold belt which stretches from Norseman – Kalgoorlie – Leinster to Wiluna. Blackham's 100% owned Wiluna gold plant, which operated up until 2013, is located in the centre of the Matilda Gold Project and can process 1.3Mtpa or ~100,000ozpa as confirmed by the recently published definitive feasibility study (DFS). The expanded Matilda Gold Project now includes combined resources of **45Mt @ 3.3g/t for 4.7Moz Au** (Table 6).

Blackham is initially focused on the free-milling resources which it intends to process through the established low risk circuit of crushing, grinding, gravity and carbon in leach. The free-milling open pit Matilda deposits are planned to provide a base load feed stock for the Wiluna gold plant which will be supplemented with the high grade quartz reef deposits and shallow underground deposits. The recently published DFS has confirmed the robust economics of the project and that a critical mass of mineral inventory is available to re-start the Wiluna gold plant.

Table 1: Quality of Mine Plan and Economics continue to improve

	DFS	Revised Mine Plan
• **Mining Inventory**	**8.3Mt @ 2.9g/t for 767,000oz**	**8.5Mt @ 3.0g/t for 826,000oz**
• **Reserves**	**6.1Mt @ 2.5g/t for 481,000oz**	**6.4Mt @ 2.5g/t for 517,000oz**
• **Initial Life of Mine**	**+7 years 3mths**	**+7 years 10 mths**
• **Average Annual Production**	**101,000ozpa (over 1st 5 years)**	**101,000ozpa (over 1st 5 years)**
• **LOM C1 Cash Costs**	**A$850/oz**	**A$850/oz**
• **LOM ASIC Costs**	**A$1,160/oz**	**A$1,145/oz**
• **Annual EBITDA***	**A$62M (5yr Avg)**	**A$63M (5yr Avg)**
• **Pre-Production Capital Costs**	**A$32M**	**A$32M**
• **Project Cash Flow***	**A$234M**	**A$271M**
• **NPV @ 7%***	**A$170M**	**A$195M**

** at A$1,600/oz*

During the DFS process, an additional two and half years was added to the mine life from the Pre-Feasibility Study ('PFS'). Since the DFS a further 7 months has been added to the mine plan primarily through additional reserves and inventory added at the Bulletin Mine. As we infill drill we are seeing strong conversion of Inferred Resources into Indicated Resources and Mineral Inventory into Reserves. Since finalising the DFS Resources, Blackham has continued drilling at Matilda, Golden Age, Galaxy and Bulletin with the aim of improving the quality and quantity of the reserve ounces. Further reserve re-estimates are expected prior to production.

Cautionary Statement

Blackham has concluded it has reasonable basis for providing the forward looking statements included in this announcement (see ASX Announcement 24 February 2016 - Appendix 1). The detailed reasons for that conclusion are outlined throughout this announcement and Material Assumptions are disclosed in ASX Announcement 24 February 2016 - Appendix 2. This announcement has been prepared in accordance with the JORC Code (2012) and the ASX Listing Rules. The Company advises that the Definitive Feasibility Study results, Production Targets and Forecast Financial Information contained in this announcement are based on detailed technical and economic assessments but are insufficient to support the estimation of Ore Reserves over all of the Production Targets. There is a lower level of geological confidence associated with Inferred Mineral Resources used in this report and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target itself will

be realised. Blackham over the last year has however demonstrated a high conversion of Production Targets into Reserves.

The Company was pleased that the DFS re-confirmed the Project's robust economics including a low capital requirement, short timeframe to production, fast payback and operating costs that are in line with its Western Australian peers. The very low capex required for the project is due to the substantial established plant and infrastructure at site and the minor plant refurbishments required to re-start the project.

Blackham has in place a very experienced gold exploration, development and operational team. This team, coupled with the existing plant and infrastructure and the processing of soft Matilda oxides from open pits at the beginning of the mine schedule, equates to a low risk start up strategy.

The Company signed a $38.5 Million Funding Facility with Orion Mine Finance on 29 May 2015 ("Orion Funding Facility") with $13 million drawn during 2015. Subject to the granting of the remaining submitted approvals, a further $23 million will be available under the Orion Funding Facility for the development of the Matilda Gold Project.

Mining and Mining Inventory

Open pit mining is planned for Matilda, Williamson and Galaxy and will all utilise a standard truck and excavator mining technique involving conventional drill, blast, load and haul. Ore will be hauled by road train to the Company's Wiluna gold plant on existing haul roads. In addition to the mining fleet, ancillary plant consisting of tracked bulldozers, wheel loaders, graders and water carts will be required. The ancillary fleet will prepare drill and blast areas, maintain active digging areas, mine roads and waste dumps. Ore will be delivered to the Run of Mine (ROM) pad at the plant site by trucks and then fed to the treatment plant via a ROM loader.

The underground operations at Wiluna have been divided into three distinct areas. The Golden Age and Bulletin undergrounds will be accessed from the existing Bulletin Portal and current Golden Age decline. The East West Underground will also be accessed from existing underground infrastructure and portal access from East Pit. Ore is trucked to the surface and then hauled to the treatment plant. The majority of the underground ore is in the top 600m and has a relatively short haul to surface.

The Current Mining Inventory contains 8.5 Mt @ 3.0g/t for Production of 724,000oz Au recovered over 7 years and 10 months.

Table 2: Matilda DFS v Current Mining Inventory

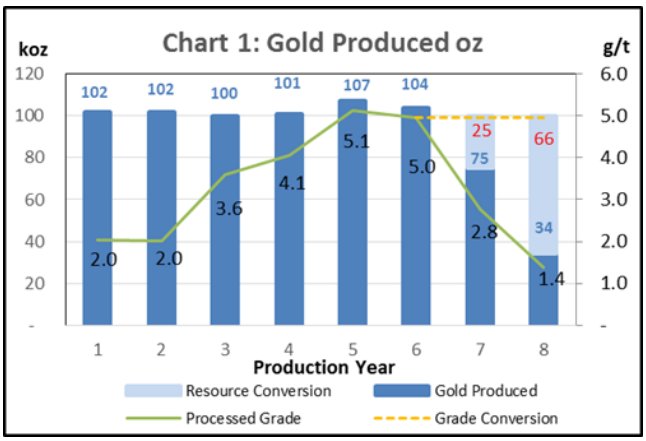
		DFS Production		Current Est Production		LOM	
		Average	LOM	Average	LOM	Variance	%
Mine life	mths		88		92	4	0.0%
Mine Life	yrs		7.3		7.75	0.45	6.2%
Tonnes Milled	t	1,235,000	8,270,000	1,210,000	8,537,000	267,000	3.2%
Processed Grade	g/t	2.9	2.9	3.4	3.0	0.1	3.4%
Recovery	%	87%	87%	90%	87%	0%	0.0%
Production Ounces	**oz**		**668,000**		**724,000**	**56,000**	**8.4%**

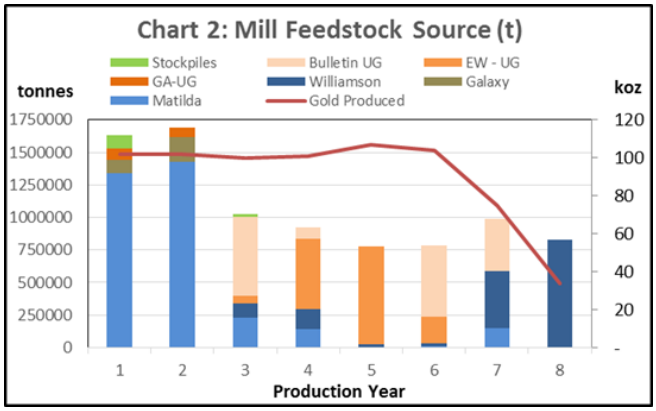
DFS production average is based upon the first 5 years of production. Blackham's aim is to grow the mine life length sufficiently to allow a sustainable ongoing operation through the replacement of production ounces from both the large 4.7Moz resource base and ongoing exploration. The Matilda Gold Project has produced over 4.3Moz historically and the Wiluna Plant has operated for 28 of the last 31 years.

Production Schedule

The following charts show the production profile over the initial life of Mine (LOM). Chart 1 displays the production profile of the mining inventory of the operation. The open pit operations are the primary base load source of ore in the first 3 years. The key features of the production schedule are;

- LOM of 7 years 10 months for 8.5Mt @ 3.0g/t for 826,000 ounces of mine production (Charts 1 & 2)
- Estimated average annual production of 101,000ozpa and 724,000oz LOM (Chart 1)
- Base load open pit & stockpile production totals 5.3Mt @ 1.7g/t mined over 3.2 years
- Underground production total of 3.4Mt @ 5.0g/t mined over 6.9 years





Blackham intends to re-commission the Wiluna Gold Plant on free-milling ore from the Matilda and Williamson Mines which provides base load open pit oxide ore of 5.32Mt @ 1.7g/t mined over 3.2 years. The Wiluna gold plant has not had a significant base load oxide and free milling open pit feed since the early 1990's. In year 2 the plant throughput peaks at 1.7Mtpa due to the soft nature of the Matilda oxide ore. The open pit stripping ratio is 10.7 to 1 LOM.

The Golden Age underground commences prior to re-commissioning of the Wiluna gold plant. Golden Age combined with the Galaxy Open pit provides a higher grade free milling quartz reef ore during the first 2 years. The Bulletin processing commences during year 3 and the East West underground commences at the end of the same year. By the start of year 4 significant Williamson open pit stockpiles are stored to ensure the plant runs at full capacity over the remainder of the LOM.

	Tonnes	Grade	Ounces	%
Measured	175,000	1.9	10,000	1%
Indicated	6,193,000	2.6	524,000	63%
Inferred	2,169,000	4.2	292,000	36%
Total	**8,537,000**	**3.0**	**826,000**	

Table 3: Current LOM Mineral resource classification of the Matilda Gold Project Mining Inventory
Calculations have been rounded to the nearest 1,000 t or ore, 0.1g/t Au grade and 1,000 oz Au metal.

Table 3 above summarises the respective Mineral Resource Estimation classification (by ounces).The mine designs have been used to schedule a production profile for the Matilda Gold Project. The mining inventory associated with the higher confidence Measured and Indicated Mineral Resources are scheduled in the early years of the project.

Blackham is continuing to review its mining and processing studies with a view to bringing further deposits and resources into the mine life prior to production.

Statement of Reserves

Entech was commissioned by Blackham to provide an independent Ore Reserve Estimate update for the Matilda Gold Project as at 23 February 2016. The Bulletin Ore Reserves were revised on 19 April 2016. The Ore Reserve Estimate is based on JORC-compliant Mineral Resource Estimates as provided to Entech. The Ore Reserve has been calculated in conjunction with the DFS for the Project and is underpinned by that study.

Measured and Indicated Resources have been converted to Proven and Probable Ore Reserves subject to mine design physicals and an economic evaluation. A detailed financial model for the Project was generated by Entech as part of the study process and has been used to determine economic viability of the Ore Reserve Estimate.

Mine	Category	Tonnes	Mined g/t	Reserve Oz
Matilda Mine	Proven	175,000	1.90	11,000
Matilda Mine	Probable	2,799,000	1.80	164,000
Golden Age	Probable	110,000	5.10	18,000
Galaxy	Probable	259,000	2.80	23,000
Williamson	Probable	1,433,000	1.40	65,000
Bulletin Sulphides	Probable	938,000	4.70	142,000
East-West Sulphides	Probable	516,000	5.20	87,000
Stockpiles	Probable	124,000	1.70	7,000
Total Proven Reserves		**175,000**	**1.90**	**11,000**
Total Probable Reserves		**6,179,000**	**2.50**	**506,000**
Total Reserves		**6,354,000**	**2.50**	**517,000**

Table 4: Ore Reserve Estimate (April 2016)
Calculations have been rounded to the nearest 1,000 t of ore, 0.1 g/t Au grade and 1,000 oz. Au metal.

As announced to the market on 19 April 2016, the Matilda Gold Project Ore Reserves now total 6,354,000 tonnes @ 2.5g/t Au for 517,000 ounces. The estimate was undertaken by Entech based on the successful Bulletin Resources upgrade announced on 14 March 2016.

Entech focussed on the Bulletin Upper portion of the Bulletin Sulphide mine plan and completed a redesign and reschedule of the area incorporating the updated resource information. The Ore Reserve estimate is based on financials and modifying factors determined as part of the recent Definitive Feasibility Study (DFS) and announced in the updated Reserve estimate.

The Bulletin Sulphide Ore Reserve now stands at 938,000 tonnes @ 4.7 for 142,000 ounces. Historical mining focussed on the broad high grade zones that extended to >600m below surface. Blackham is focused on near-surface reserves of <500m depth as part of a planned low risk start

up strategy. Decline access, ventilation and mine services are already in place reducing expenditure and improving the economics.

In conjunction with the increase in the Ore Reserves the mining inventory for the Bulletin Sulphides has also increased to 1,646,000 tonnes @ 4.9 g/t for 262,000 ounces. This has increased the total mining inventory of the project to 8.5Mt @ 3.0t for 826,000 oz.

Project Mining Methods

The mining methods chosen are well-known and widely used in the local mining industry and production rates and costings can be predicted with a suitable degree of accuracy. Suitable access exists for all mines with allowances being made for earthworks and infrastructure requirements including haul road refurbishment and clearing for site facilities and mining areas.

The Matilda Gold Project's open pits are all within a 20 kilometre radius of the Wiluna Gold Plant with haulage distances for Galaxy, Matilda and Williamson being 15, 18 and 26 kilometres respectively. Current open pit contractor quotes were obtained for optimisation and cost estimations on each of the mining areas. Optimum pit shells were selected for detailed open pit designs. The resultant mine designs are shown in the figures below.

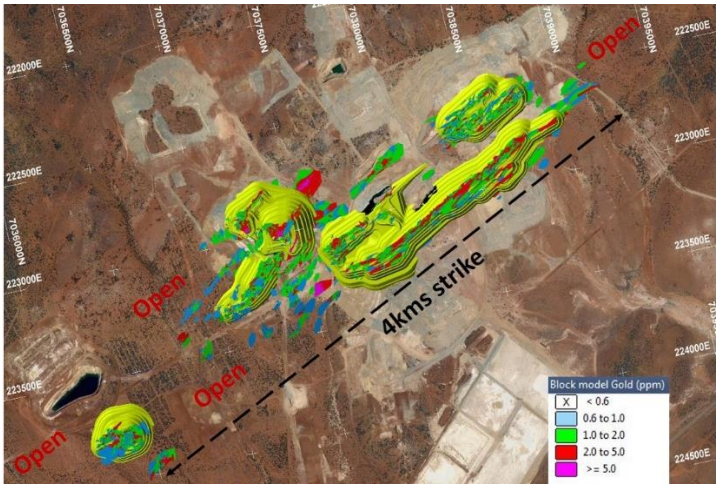


Figure 1: Matilda Open Pit designs

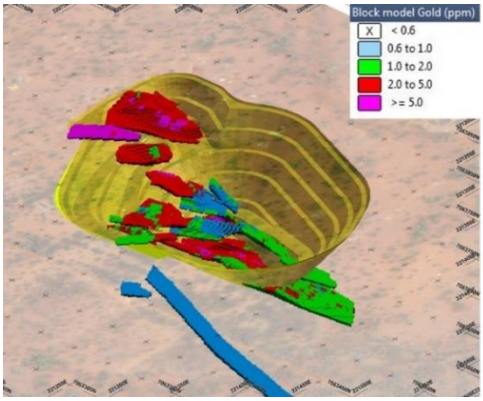


Figure 2 : Galaxy Open Pit Design

Figure 3: Williamson Open Pit Design

Underground Mining

Underground production at East-West and Golden Age will be mined top-down via mechanised longhole open stoping with in-situ pillars retained for stability. The Bulletin upper and mid will be longhole open stoping also and the Bulletin 200 and Creekshear will utilise a bottom-up modified Avoca method using unconsolidated backfill.

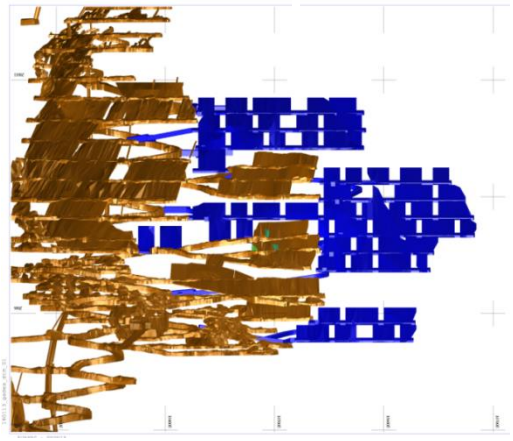


Figure 4: Golden Age underground at start of mine plan

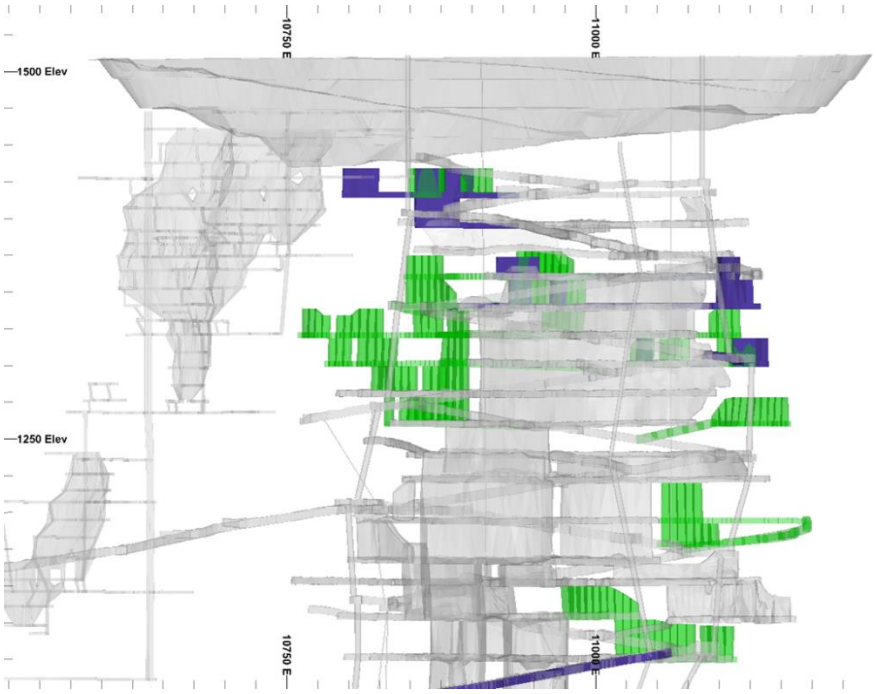


Figure 5: Bulletin Upper April 2016 Reserve Estimate Design (Green) Compared to February 2016 Design (Blue), Long-Section Looking West

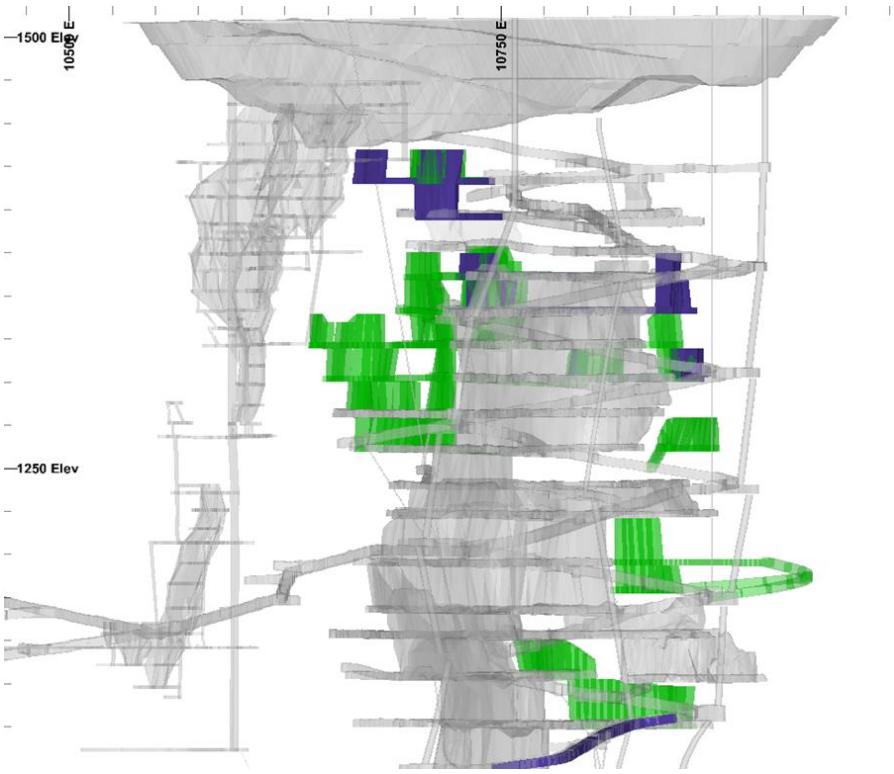


Figure 6: Bulletin Upper April 2016 Reserve Estimate Design (Green) Compared to February 2016 Design (Blue), Looking North

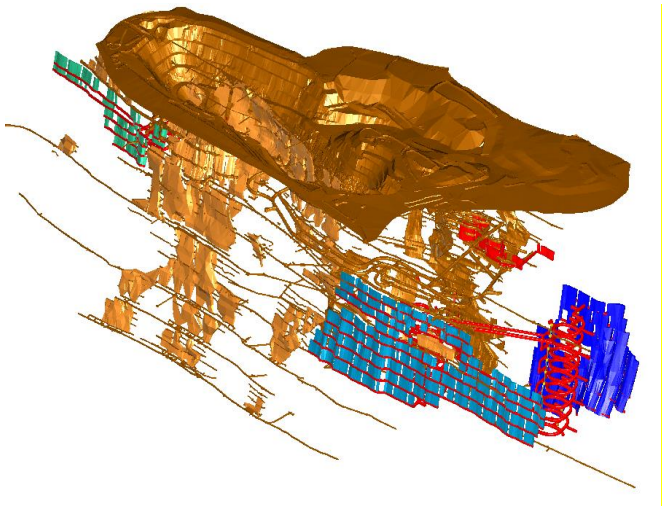


Figure 7: East West underground

Project Ore Processing

The Wiluna Gold Plant has run under several incarnations in the last three decades of operation including Carbon in Pulp (CIP), Carbon in Leach (CIL) and more recently as a BIOX® CIL allowing it to process refractory, (sulphide) ore with a smaller oxide (free milling) circuit.

Blackham's is currently refurbishing the plant and infrastructure and plans to optimise existing plant components and upgrade the free milling oxide CIP plant to process current resources. The DFS metallurgical testwork program was designed to optimise the existing plant and where necessary, upgrade components accordingly.

As part of the DFS, metallurgical testing of Matilda, Golden Age, Galaxy, Williamson and Wiluna ores was completed to determine the ore characteristics with respect to process applicability, overall gold recovery, processing properties and abilities to blend different ore sources.

The testwork and optimisation results showed the overall metallurgical performance achievable from Matilda will be 93% gold recovery, Williamson 95%, Golden Age 90% and Galaxy 94% for a weighted average of 93%.

Table 5: Free milling ore process recoveries

	DFS	PFS	Variance
Matilda Mine	93%	88%	5%
Golden Age	90%	92%	-2%
Galaxy	94%	96%	-2%
Williamson	95%	87%	8%
Weighted average	**93%**	**88%**	**5%**

Metallurgical testwork was also performed on Wiluna sulphide ores including comminution and flotation testing. The ore samples were recovered from a stockpile created during the last phase of operations and the testing used previously optimised flotation reagent schedules. In addition to metallurgical testwork, historic Wiluna Gold Plant production throughputs and respective costs were revisited. Wiluna sulphide gold ore was processed through the Wiluna Gold Plant's BIOX® Circuit for some 20 years between 1993 and 2013 and extensive data is available for analysis including operating log sheets, plant assays, recoveries, reconciled head grades and operating costs.

Process Modelling and Optimisation

Modelling of testwork results and plant equipment was performed on the following:

- Crushing circuit throughput
- Milling circuit throughput
- Leach and elution circuit parameters
- Tails thickening

The free milling process flow diagrams were developed as well as FEED engineering resources such as crushing and milling mass balances, whole of plant process design criteria and water balances. The process flowsheet is shown below.

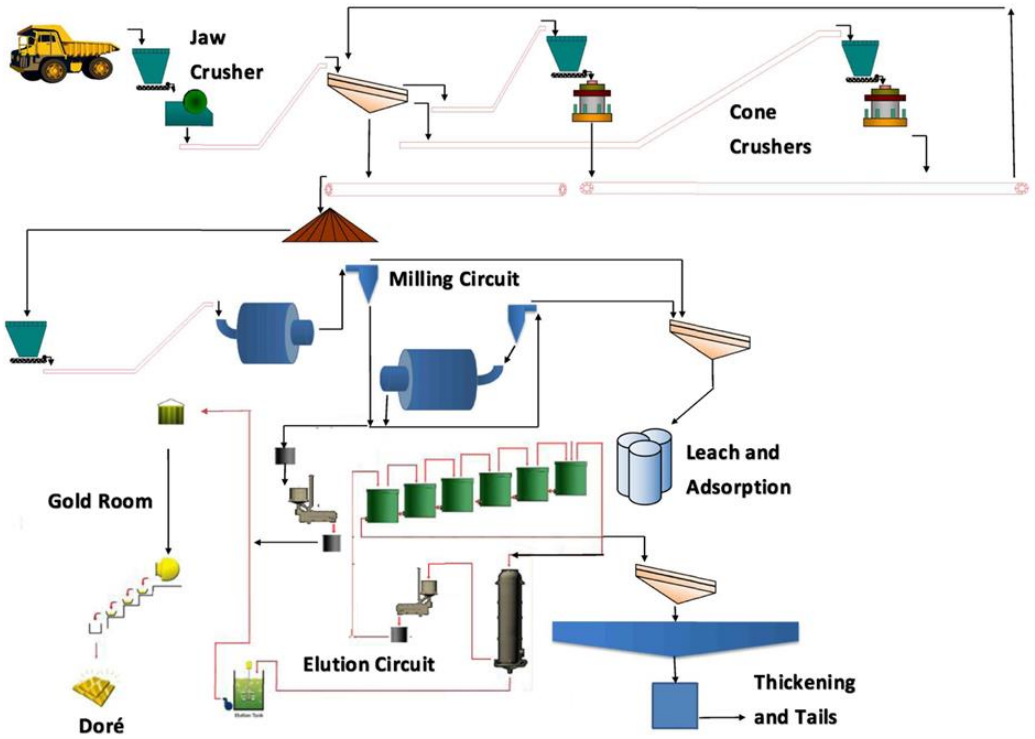


Figure 8: Wiluna Free Milling Plant Flowsheet

Wiluna Plant Refurbishment

The Wiluna Gold Plant and infrastructure operated up until June 2013 and has been in care and maintenance since that time.

The existing plant and infrastructure minimises capex and development and commissioning risks. The initial start-up capital to re-commission the Matilda Gold Project is estimated at $32.3 million.

Photo 1: Wiluna Gold Plant

As announced on 16 March 2016, the Company approved the signing of the key refurbishment contracts for the Matilda Gold Project. The Wiluna Gold Plant refurbishment will be undertaken by Interquip and Mintrex, as the Structural, Mechanical and Piping (SMP) Contractor and Practon Engineering as the Electrical & Instrumentation ("E & I") Contractor. All critical path long lead items for refurbishment have been ordered and engineering work has commenced.

Interquip has recently completed the refurbishment of the Thunderbox Gold Plant ahead of schedule and under budget. The same core team of management and staff have mobilising and

begun refurbishment of the Wiluna Gold Plant. During the quarter, the following progress was made on the SMP contract:

- Engineering - Process Flow Diagrams issued for review
- Concreting for Mills 1 and 2 and fine ore shed footing repairs completed
- Secondary and tertiary crushers transported to Perth for refurbishment
- Mill 2 discharge hopper transported to Perth for refurbishment
- ROM bin apron feeder repairs completed
- Carbon screen removed
- Mill 2 girth gear removed

Photo 2: Mill 2 Concrete pour

Photo 3: Removal of Mill 2 Girth Gear

The management of Practon have had a long association with the Wiluna Gold Plant and have been working on the E & I over the last 6 months with a view to ensuring the SMP contract runs efficiently and timely. E & I work is now well advanced.

The Tailings Storage Facility tenders were received and reviews have been completed. Contract award is expected early next week.

The power generation contract was finalised and is now under Blackham legal review. Gas supply and pipeline haulage offers have also been received for further assessment.

The Company also committed to the refurbishment of the Matilda camp via a village refurbishment and village management contract with Catercare. The refurbishment of the village is now well advanced.

The commitment to these key contracts for the Matilda Gold Project is another important step towards production in the September 2016 quarter.

Approvals

The Department of Environment and Regulation (DER) has transferred the Environmental Protection Act 1986 licence to Matilda Operations Pty Ltd, a 100% owned subsidiary of Blackham. The licence primarily allows for the processing of ore, mine dewatering extraction and discharge plus other activities required for the operation of the site. Blackham has requested the DER

license be amended for Dam J which integrates a number of existing TSF dams and to increase the plant throughput to 1.7Mtpa.

The Department of Water (DoW) has transferred all the licences required for extraction of water for use in processing of ore and dewatering for mining purposes at Wiluna. DOW notifications have been published in the West Australian and the Kalgoorlie Miner.

With most of the approvals for the operation of the Wiluna gold plant now in place, current notices of intent to mine over Matilda and Williamson are the main approvals required to commence operations. Blackham has received Vegetation Clearing Permits over Matilda and Williamson. The Project Management Plan has been approved by the DMP. The Mining Proposals and Mine Closure Plans for Matilda, Wiluna and Williamson have been lodged, meetings held and queries responded to.

Gold Resources

The Matilda Gold Project now has **45Mt @ 3.3g/t for 4.7Moz** (50% indicated) of resource all within a 20 kilometres radius of Blackham's 100% owned Wiluna gold plant which is targeted for over 100,000ozpa gold production per annum. Measured and indicated resources now total **21Mt @ 3.4g/t for 2.3Moz**.

Since the last quarter Resource upgrades were re-estimated for Matilda, Golden Age, Williamson and Bulletin. See announcements of 19 Jan 2016, 25 Jan 2016, 11 Feb 2016 and 14 March 2016.

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**
Golden Age				0.4	4.5	62	0.7	3.5	88	1.1	4.4	**150**
Galaxy				0.4	3.0	38	0.4	2.2	28	0.8	2.6	**66**
Williamson Mine				3.3	1.6	170	3.8	1.6	190	7.0	1.6	**360**
Regent				0.7	2.7	61	3.1	2.1	210	3.9	2.2	**270**
Bulletin Upper				0.9	4.2	120	0.7	5.5	130	1.6	4.8	**250**
Henry 5 - Woodley - Bulletin Deeps				2.1	5.9	400	0.8	4.6	120	2.9	5.6	**520**
Happy Jack - Creek Shear Upper				0.1	2.2	7	0.4	3.2	46	0.5	3.0	**53**
Happy Jack - Creek Shear Lower				1.5	5.9	290	1.3	4.8	200	2.9	5.4	**490**
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**
Burgundy - Calais				1.3	6.0	250	0.3	5.7	60	1.6	6.0	**310**
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**	**2,340**	**23**	**3.1**	**2,352**	**45**	**3.3**	**4,704**

Table 6: Matilda Gold Project Resource Summary

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.

Exploration Summary

During the March 2016 quarter, the Company completed 8,866m or RC and 5,045m of diamond drilling at the Matilda Gold Project.

Successful Bulletin Drilling Provides Resource and Reserve Upgrade

On 14 March 2016, Blackham announced the latest results received from its maiden underground drilling at Bulletin and the upgrade to the Bulletin Resource to 1.6Mt @ 4.8g/t for 247,000oz Au (50% indicated). Bulletin forms part of the Blackham's 100% owned Matilda Gold Project in Western Australia.

The diamond drill program was designed to confirm the continuity of gold mineralisation between two historical stoping areas and the potential strike extension of the upper portion of the Bulletin deposit. Drilling totalled eight underground diamond holes for 770m. Historical exploration of the area had continued to depth, not laterally, leaving large areas untested along strike.

- **11.5m @ 5.08g/t incl. 7m @ 7.01 g/t Au** (BUUD0001)
- 3m @ 4.91g/t & 2.75m @ 6.60g/t Au (BUUD0004)
- 7m @ 3.86g/t incl. 2.75m @ 7.83g/t Au (BUUD0003)
- 1.95m @ 11.2g/t Au (BUUD0005)

On 19 April 2016, the Company announced a 34% increase in the Bulletin Reserves. The Bulletin Reserve now stands at 938,000 tonnes @ 4.7g/t for 142,000 ounces.

The Company released further outstanding drill results at Bulletin on 26 April 2016. The diamond drill program was designed to extend the lode identified in Blackham's previous round of drilling between two historical stopes. Drilling totalled five underground drill holes for 691m.

- **8.7m @ 8.99g/t Au incl. 6m @ 11.95g/t Au** (BUUD0012)
- **8.8m @ 4.65g/t Au incl. 3m @ 9.81g/t Au** (BUUD0009)
- 8.2m @ 2.67g/t Au (BUUD0011)
- 15.0m @ 1.70g/t Au & 6.2m @ 4.17g/t Au (BUUD0013)

Bulletin is a high-grade ore body located in the Bulletin Fault Zone of the Wiluna Fault System. The fault zone trends Northeast and dips steeply east, with internal grade plunges to the south. The fault zone itself pinches and swells, with some sections as broad as 50m.

Historical mining focussed on the broad high grade zones that extended to >600m below surface. Blackham aims to focus on near-surface resources (<500m depth) to add to the mining inventory. Access to the Bulletin Upper ore body is via the Bulletin portal and decline at the bottom of the Bulletin pit.

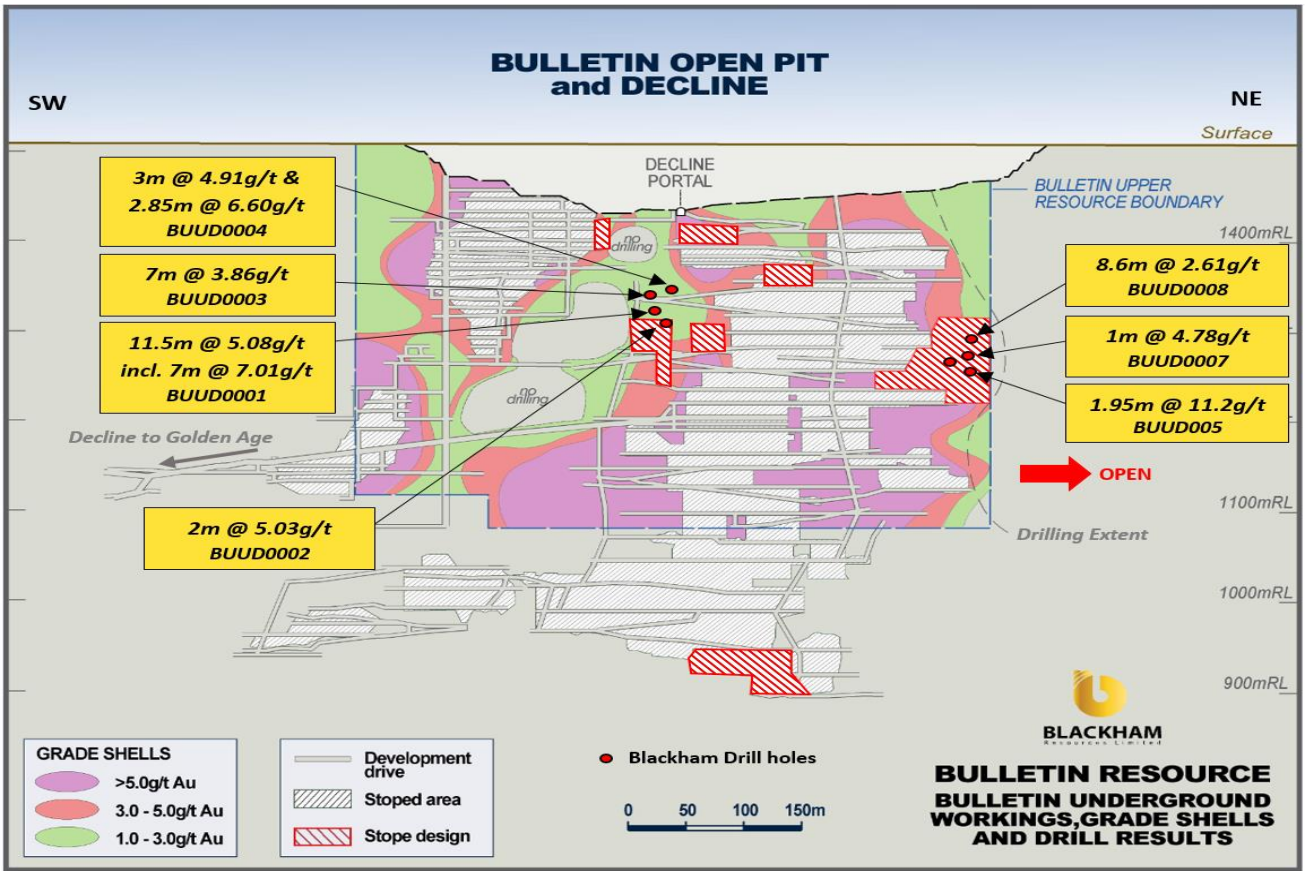


Fig 9. Long-section looking NW of Bulletin underground workings, grade shells and current resource outline.

High Grade Quartz Reef Update

On 31 March 2016, the Company provided results from its recent drilling activities at the Golden Age underground mine, Galaxy open pit mine and from its maiden drill programme at the Lake Way quartz reef prospect.

High grade extensions at Golden Age mine included:

- 1.5m @ 47.8 g/t Au (GAUD0016)
- 3.8m @ 10.4 g/t Au (GAUD0014)
- 1m @ 16.2 g/t Au (GAUD0018)

High grade results at Galaxy outside the DFS pit:

- 4m @ 4.84 g/t Au from 80m (GARC0072)
- 4m @ 3.50 g/t Au from 77m (GARC0073)
- 4m @ 4.48 g/t Au from 83m & 4m @ 5.43 g/t Au from 102m (GARC0077)

Encouraging high grades at Lake Way Reef:

- 1m @ 11.9g/t from 80m (LWRC0001)
- 2m @ 7.28g/t from 105m (LWRC0005)

Golden Age Mine Extensions

Golden Age comprises a high-grade free-milling quartz reef resource of 1.1Mt @ 4.4g/t for 150koz, situated at shallow levels (0-700m below surface). Blackham completed 9 diamond core holes for 2,698m to define extensions to the Indicated resource component (Fig 10).

Historically the Golden Age orebody has produced 160,000 oz @ 9g/t fully diluted.

Latest results from GAUD0018 demonstrate the reef is still open (Fig 10) beyond a fault zone that has displaced the orebody further east. Targeting work has also begun on the shallower portions of this reef that may be amenable to open pit mining.

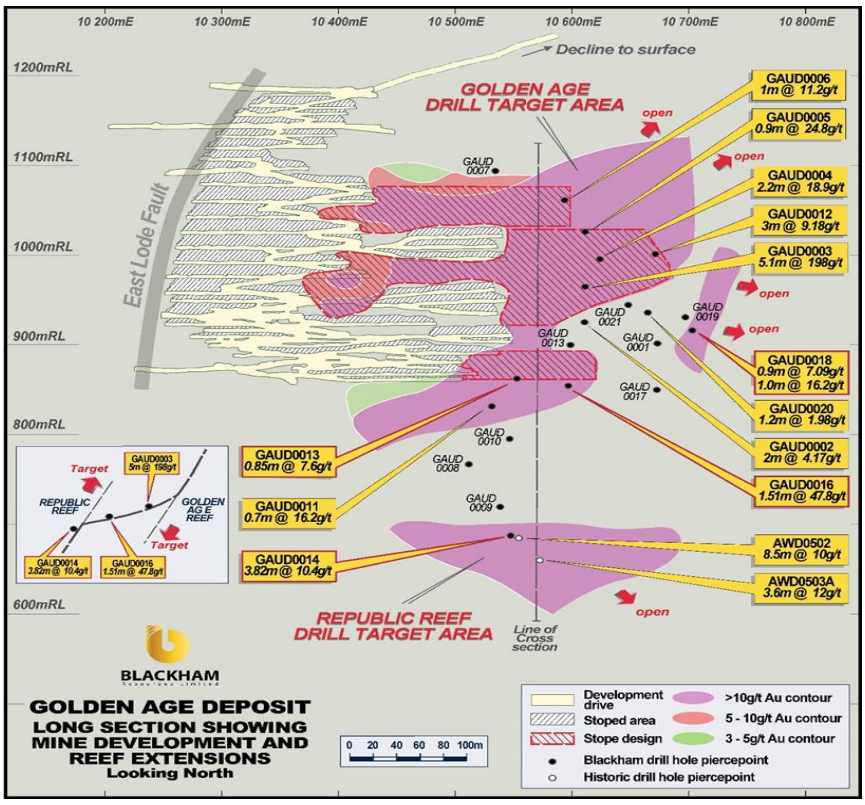


Fig 10. Golden Age long section showing recent drilling results.

Galaxy Reef high grade continues at depth

On 25th January 2016, Blackham reported an updated larger Inferred + Indicated resource for Galaxy of **787,000t @ 2.6 g/t for 66koz Au**. The Galaxy deposit comprises free-milling oxide quartz reef mineralisation starting from surface.

Galaxy is located 13km north west from the Wiluna gold plant. Blackham completed a programme of 15 RC holes for 809m to infill Inferred resource areas at the base of the preliminary DFS pit design, and high-grade mineralisation remains open down-plunge (Fig 11 & 12).

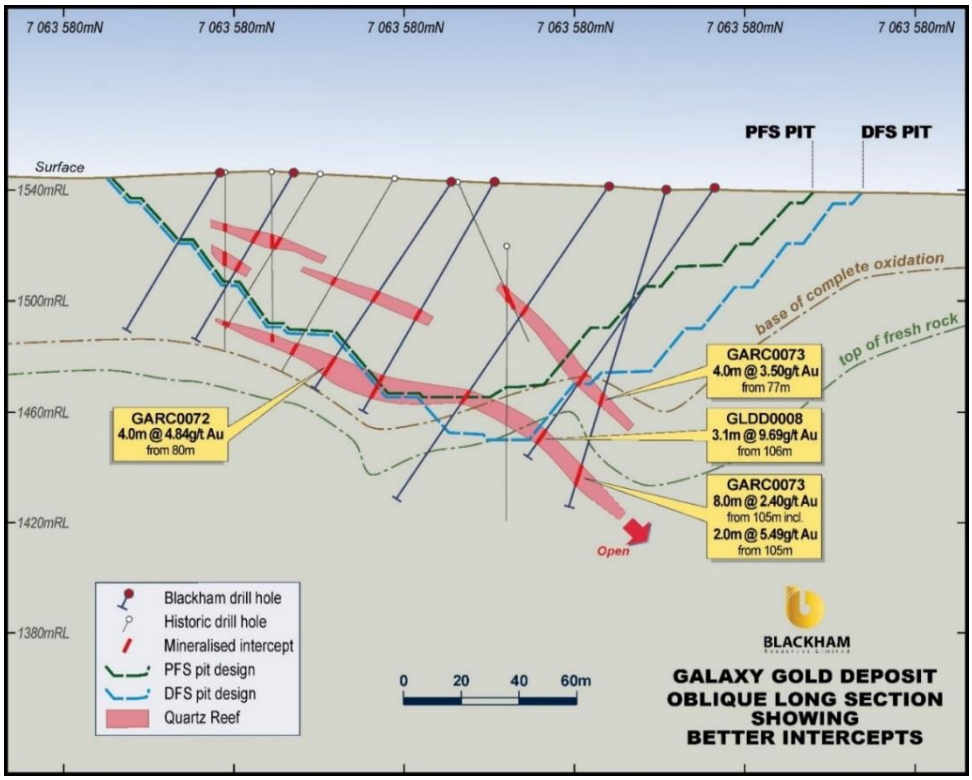


Fig 11. Galaxy cross section looking west showing recent successful RC drilling results

The latest drilling has extended the shoots below the planned open pit (Fig 11). GARC0073 **2m** @ **5.49g/t Au** from 106m and GLDD0008 **3.1m** @ **9.69g/t Au** from 105m demonstrate the high grade zone appears to continue at depth. A step out drill programme will be designed to further assess the underground potential beyond the planned Galaxy pit.

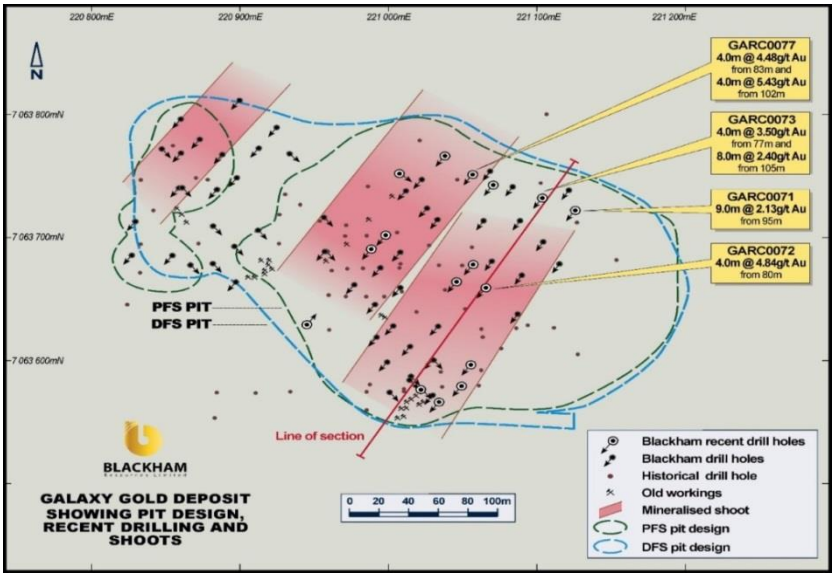


Fig 12. Galaxy plan with high grade shoots plunging to the north east.

Lake Way Quartz Reef Prospect

The Lake Way prospect comprises high-grade quartz reefs located on a mining lease 3km north of the Wiluna Gold Plant by existing haul roads. Lake Way is part of a system of high-grade quartz reef gold deposits extending northwest from the Golden Age mine at the Wiluna mining centre to Galaxy in the north (see Fig 13 & 14) with extensive old timer workings.

Historical shallow RAB and RC drilling around the Lake Way prospect intersected back-filled old stopes, or drilled low-tenor zones between stoped areas. Thus, sporadic high-grade historical intercepts were only recorded down-plunge of stoped areas, within 100m from surface, including:

- **4m @ 7.08g/t from 38m** WAR00638
- **5m @ 7.13g/t from 27m** WR02476
- **3m @ 7.61g/t from 125m** WR02475

Blackham has completed a small maiden RC program of 6 holes for 522m to test for reef extensions down-plunge of historically stoped areas. Narrow-vein high-grade results included:

- **1m @ 11.9 g/t** from 80m (LWRC0001)
- **2m @ 7.28 g/t f**rom 105m (LWRC0005)

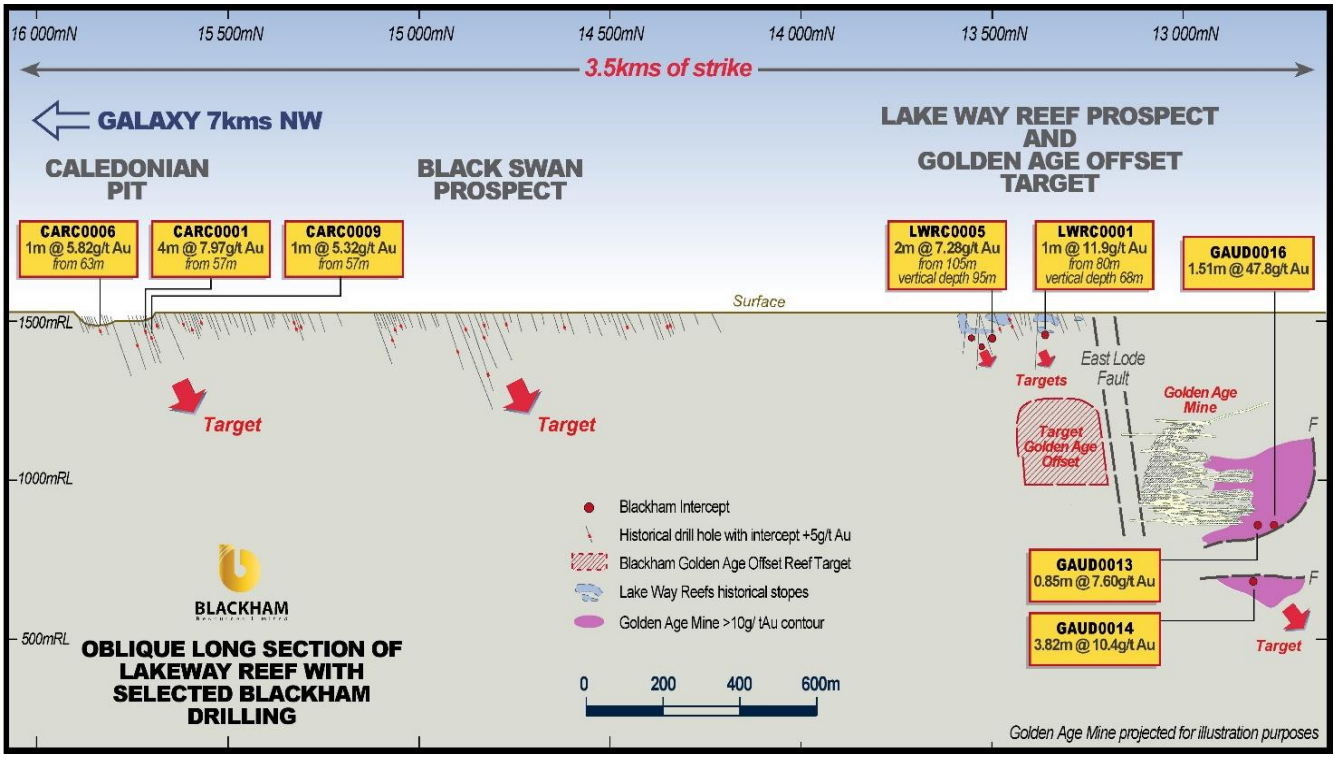


Fig 13. Lake Way trend long section, showing Caledonian, Black Swan Reef, Lake Way Reef and Golden Age Offset targets.

Golden Age Offset Exploration Target

Blackham's exploration team have identified further drill targets 'Golden Age offset' and 'Black Swan', which together with Galaxy, Lake Way and Golden Age gold deposits form part of the 15km long quartz reef trend. Blackham's exploration programme is designed to build on the existing Mineral Inventory with the goal of developing greater than 10 years of mine life at the Matilda Gold Project.

The Golden Age Offset target comprises the fault-offset 'missing' portion of the Golden Age mine (Fig 13 & 14). The Lake Way reef is believed to represent the shallow portion of this target. Blackham has defined an exploration target of **40k – 320koz Au** (*) within the off-set portion of Golden Age, which may have a strike length of 2-300m, depth extent of 2-300m, width of 2-4m and grade of 6-10g/t. This exploration target is in line with the dimensions and grade of the known Golden Age deposit (past production >160koz @ 9g/t Au fully diluted).

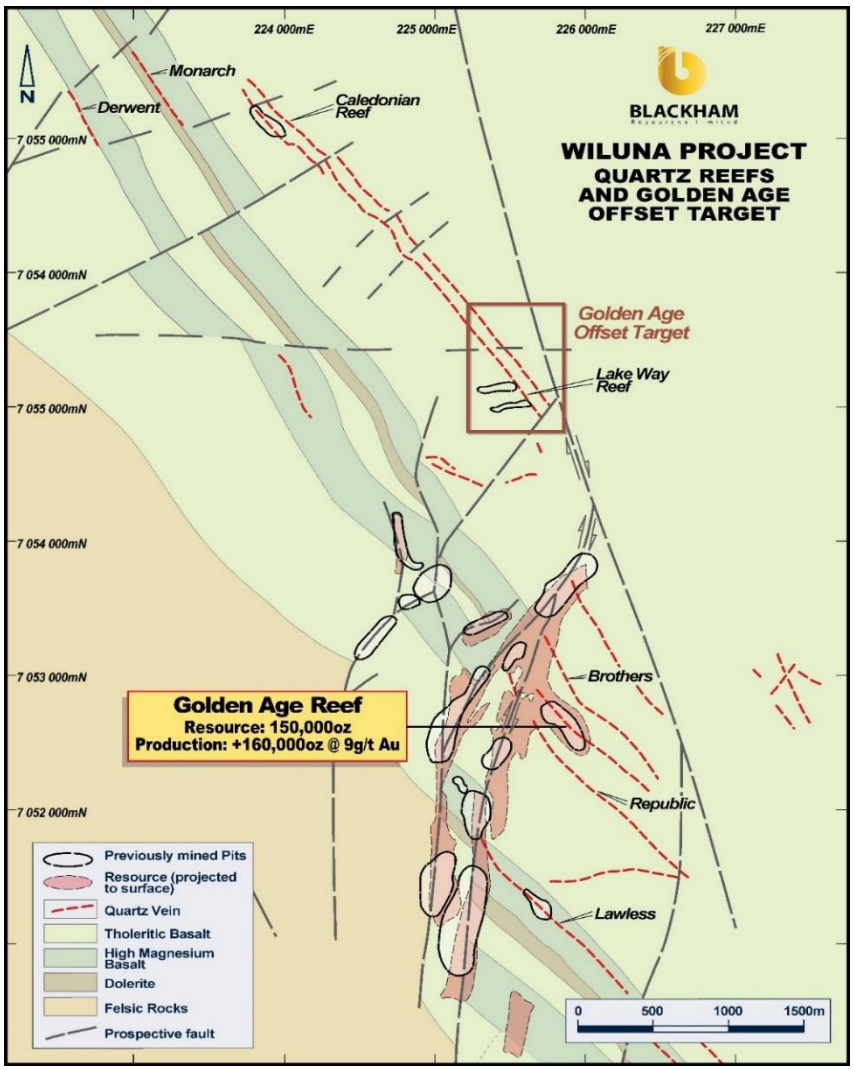


Fig 14. Plan view of the Lake Way reef area showing prospects and fault movement model for the Golden Age Offset target.

* The potential quantity and grade of these exploration targets is conceptual in nature, there has been insufficient exploration to estimate a mineral resource and it is uncertain if further exploration will result in the estimation of a resource.

Shallow higher grades intersected at Matilda M6 North

Initial results from the M6 North shoot reported to the ASX on 22nd February 2016, included:

- 20m @ 1.81 g/t from 22m (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)

Follow up drill results reported on 11th April 2016 include (Figs 15 & 16):

- 6m @ 3.28 g/t from 74m (MARC0406)
- 7m @ 4.21 g/t from 69m incl. 2m @ 7.56 g/t from 73m (MARC0408)
- 4m @ 4.20 g/t from 73m (MARC0411)

The M6 North area has now been drilled to 50m vertical depth to a spacing that is likely to yield Inferred and Indicated resources with a maiden resource estimate for the area now in progress. 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. Highly encouraging results have been received from numerous holes and scope remains to find further shoots along ~800m of strike on 3 poorly-tested Au-mineralised corridors between M6 and M1 pits.

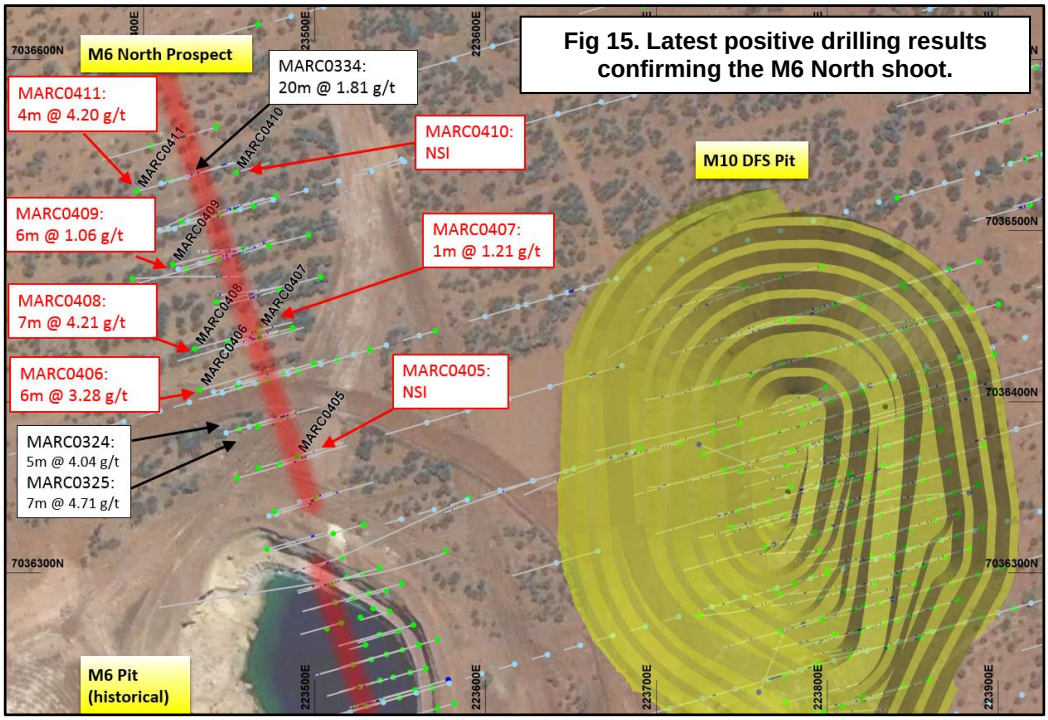


Fig 15. Latest positive drilling results confirming the M6 North shoot.

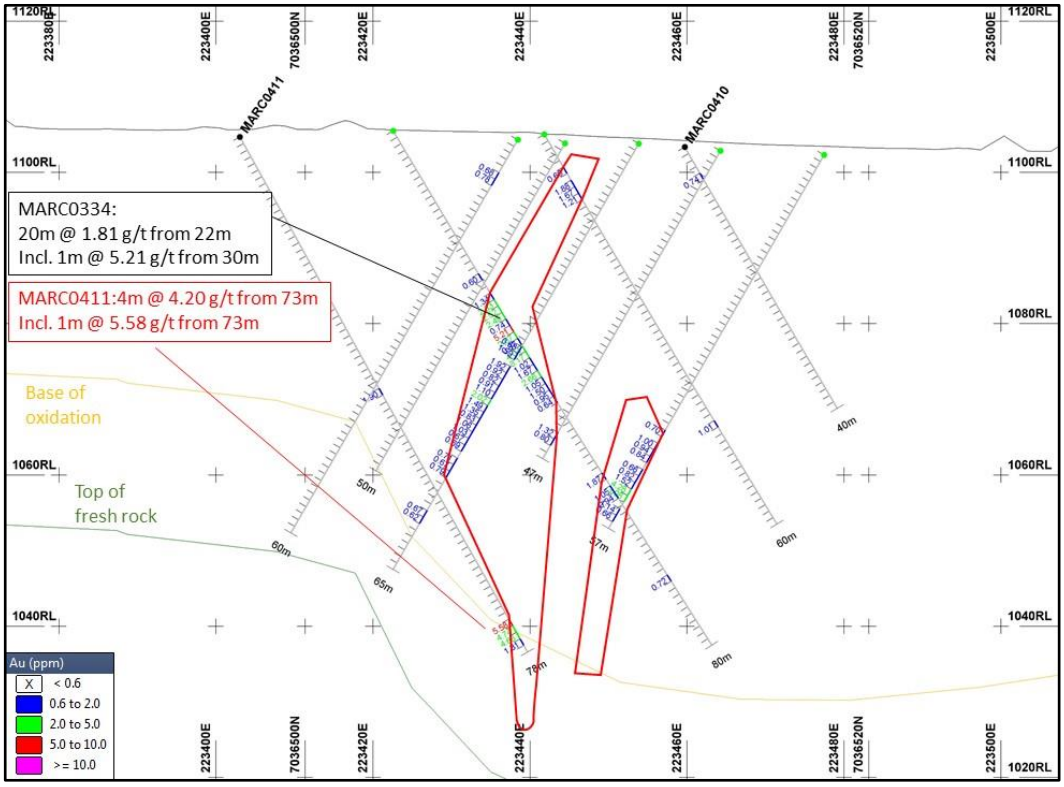


Fig 16. Cross section of new M6 North shoot, shallow broad oxide mineralisation open to the north and at depth.

Successful M4 pit Infill and Extensions

Infill and extension drill holes within M4 and the associated ore shoots Iceberg 2, Hurricanes, Thunder and Sixers, have returned numerous high-grade and broad intercepts (Fig 17). Blackham continues to test these lower-tenor RAB anomalies with deeper RC holes to identify further repeating lodes at the Matilda Mine. Latest intercepts reported to the ASX on 11th April 2016 include:

- 4m @ 7.80 g/t from 63m, & 10m @ 1.87 g/t from 85m (MARC0351)

- 5m @ 4.29 g/t from 36m, & 2m @ 12.48 g/t from 52m (MARC0350)
- 3m @ 5.91 g/t from 40m (MARC0414)
- 3m @ 5.37 g/t from 57m (MARC0391)

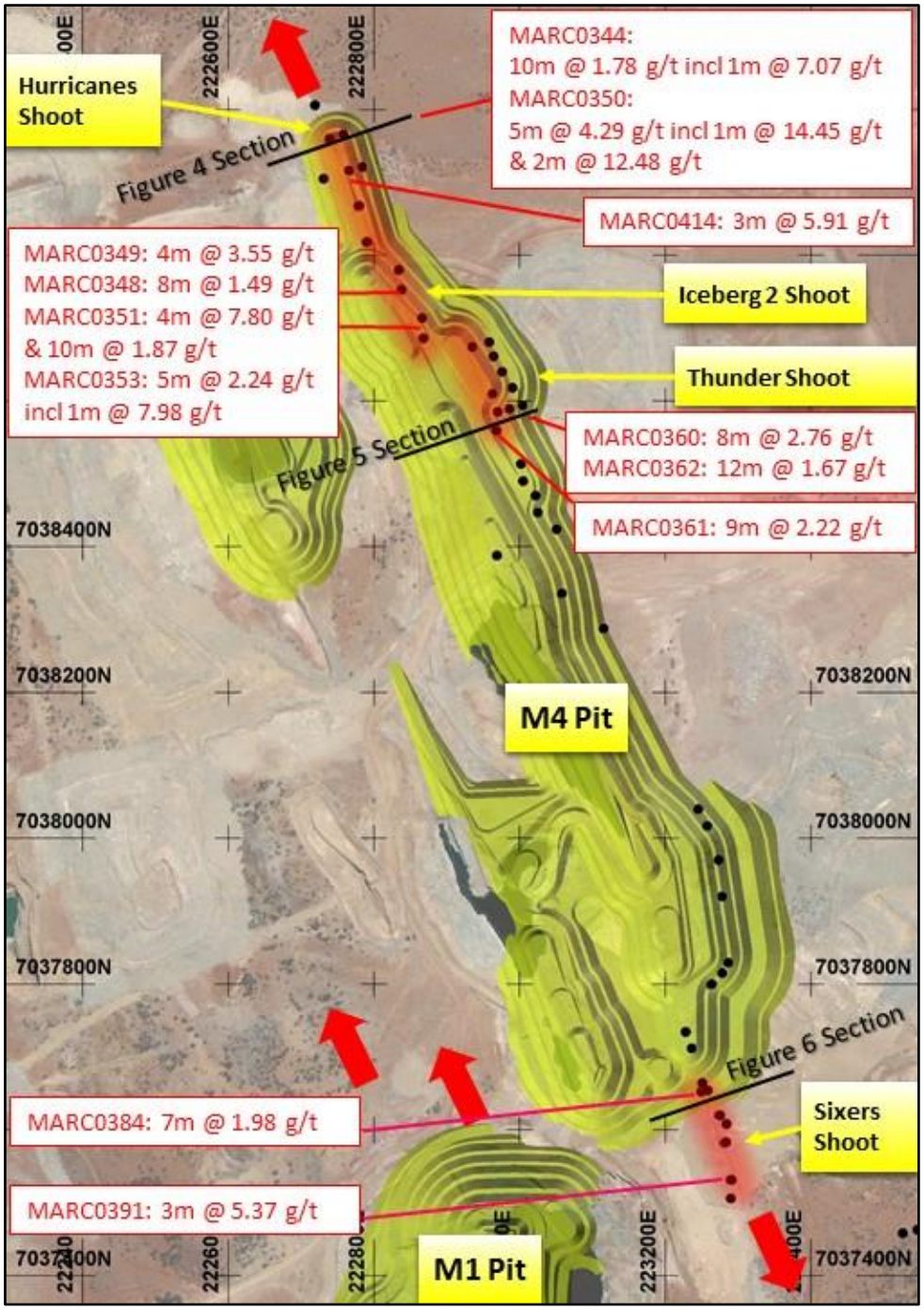


Fig 17. Plan view of latest intercepts at Iceberg 2, Hurricanes, Thunder and Sixers shoots which are likely to extend the M4 pit further north and south.

Matilda District Exploration

Blackham's exploration strategy is to test the full 10km-long strike extent of the Matilda shear zone to identify further Matilda-sized deposits (~1Moz). Blackham is now planning gradient array IP geophysical survey to detect gold and sulphides beneath alluvial cover north and south of the mine, followed by a large RAB program to test the basement. Historical drilling intercepts up to 4km along strike from the mine include 4m @ 13.9g/t and 6m @ 13.9g/t (Fig 18).

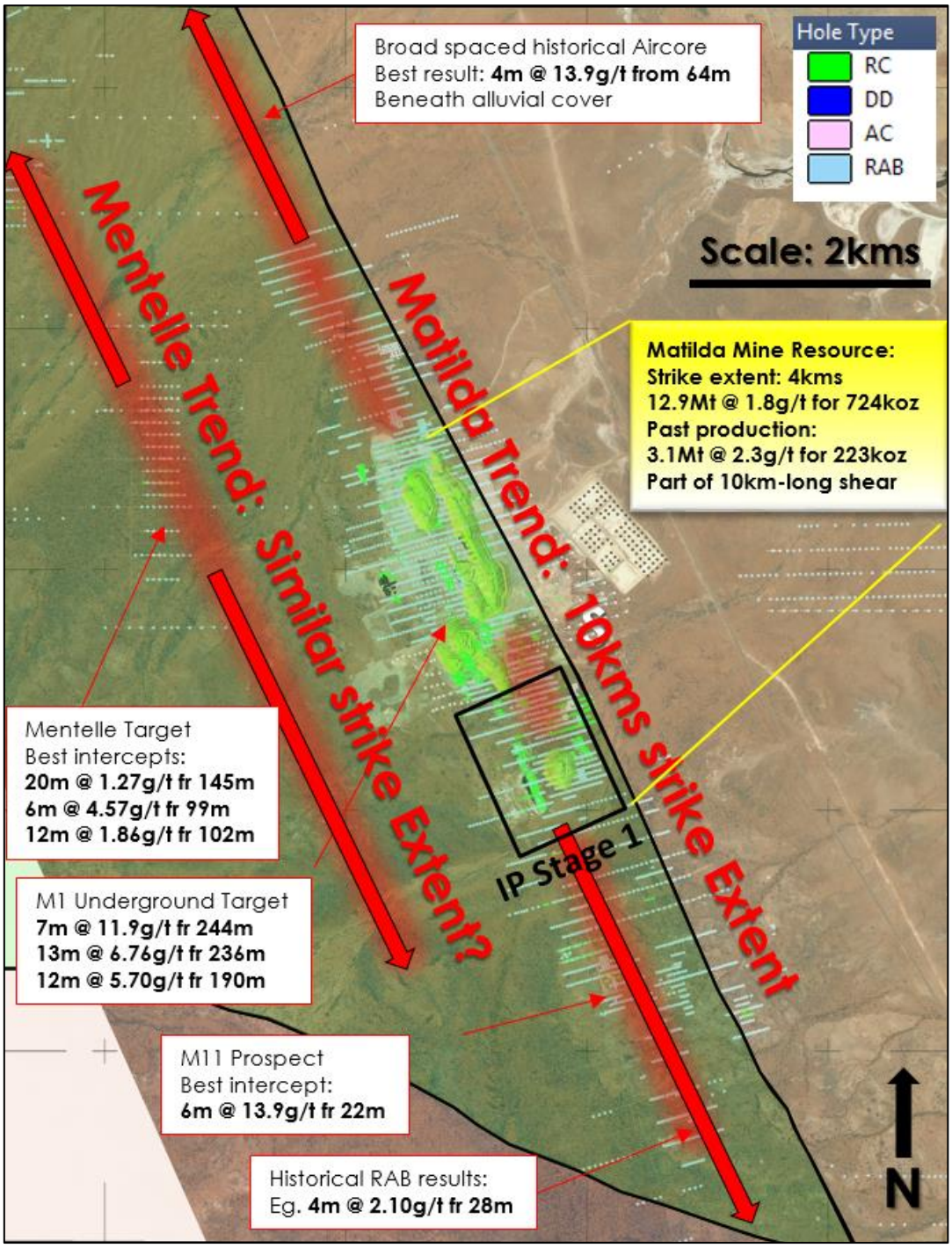


Fig 18. Matilda district-scale targets with historical intercepts along 10km of strike on the Matilda Trend.

Zanthus Joint Venture

On 9 February 2016, Rumble Resources Ltd (ASX: RTR) advised the market that RTR had withdrawn from the Zanthus Project Earn-in and Joint Venture Agreement with the Company.

Corporate

As announced to the Market on 14 March 2016, Blackham raised A$20.3 million through a share placement with Canaccord Genuity (Australia) Ltd acting as the Lead Manager and bookrunner and BW Equities acting as broker. The raising received strong institutional support and was strongly oversubscribed.

The Placement proceeds are being used to:

- enable immediate refurbishment of the Wiluna Gold Plant which is a critical path to gold production in Q3, 2016;
- to fast track Matilda reserve and exploration drilling following recent drilling success; and
- for additional working capital

The placement shares were issued under the Company's available capacity under ASX Listing Rule 7.1 and 7.1A and were issued at a price of $0.45 per share. The placement was ratified by shareholders at the general meeting held on 28 April 2016.

At the end of March 2016, the Company had $27 million in cash and investments.

During the March 2016 quarter, Blackham directors and management exercised 1,900,000 options into ordinary shares contributing $368,300 in funds to the Company.

The Company has recently announced the key appointment of Bruce Kendall to the position of Chief Geological Officer. Mr Kendall has over 20 years' experience in managing greenfields, brownfields and near mine exploration in gold and base metals. He was a joint winner of the 2012 AMEC Prospector of the Year and has previously been employed by the Independence Group, Jabiru Metals and AngloGold Ashanti.

Blackham currently has a market cap over A$105 million and an enterprise value of A$20/resource ounce. Plant refurbishment and other project plans and approvals are rapidly moving forward with a view to the first gold pour in Q 3, 2016.

During the quarter BW Equities, Canaccord Genuity and The Sophisticated Investor produced analyst reports on Blackham which can be found at http://blackhamresources.com.au/.

For further information on Blackham please contact:

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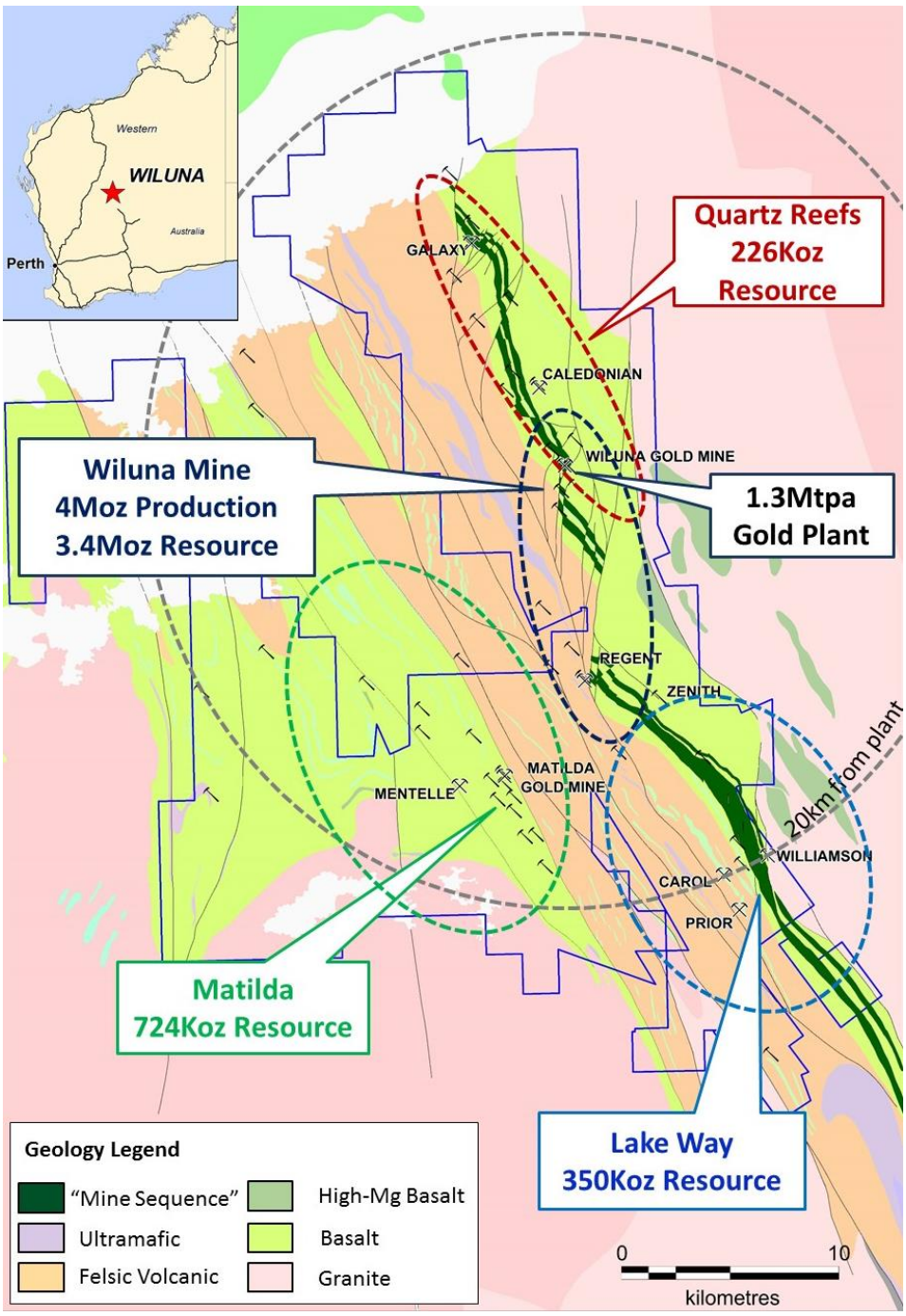

Competent Persons Statement

The information contained in the report that relates to Exploration Targets and Exploration Results at the Matilda 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 14 March 2016 continue to apply and have not materially changed.

The information contained in the report that relates to ore reserves at the Matilda Gold Project is based on information compiled or reviewed by Matthew Keenan. Matthew Keenan confirmed that he has read and understood the requirements of the 2012 Edition of the

Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 JORC Edition). He is a Competent Person as defined by the JORC Code 2012 Edition, having five years' experience which is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which he is accepting responsibility. He is a Member of The Australasian Institute of Mining and Metallurgy, has reviewed the Report to which this consent statement applies and is an employee working for Entech Pty Ltd having been engaged by Blackham Resources Ltd to prepare the documentation for the Matilda Gold Project on which the Report is based, for the period ended 12 April 2016. He disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. He verifies that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in his supporting documentation relating to Ore Reserves.

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 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.

Blackham Resources Limited
Schedule of Mineral Tenements and Rights at 31 March 2016

Project	Tenement		Interest held by Blackham
Scaddan	M63/192 to M63/194		100%
Scaddan	E63/521		100%
Scaddan	E63/1145 to E63/1146		100%
Scaddan	E63/1202 to E63/1203		100%
Scaddan	E63/1734		100%
Scaddan	E74/0561		100%
Zanthus	E69/2506		20% of basement rights. 100% above basement.
Matilda	E53/1290		100%
Matilda	E53/1297		100%
Matilda	E53/1806		100%
Matilda	L53/0030		100%
Matilda	L53/0051		100%
Matilda	L53/0053		100%
Matilda	L53/0140		100%
Matilda	L53/0202		100%
Matilda	M53/0024 to M53/0025		100%
Matilda	M53/0034		100%
Matilda	M53/0041		100%
Matilda	M53/0052 to M53/0054		100%
Matilda	M53/0092		100%
Matilda	M53/0129		100%
Matilda	M53/0130 to M53/0131		100%
Matilda	M53/0139		100%
Matilda	M53/0188		100%
Matilda	M53/0415		100%
Matilda	M53/0797 to M53/0798		100%
Matilda	M53/0955		100%
Matilda	R53/0001		100%
Matilda	E53/1644		100%
Matilda	P53/1559 to P53/1560		100%
Matilda	P53/1562		100%
Wiluna	L53/0020 to L53/0024		100%
Wiluna	L53/0032 to L53/0045		100%
Wiluna	L53/0048		100%
Wiluna	L53/0050		100%
Wiluna	L53/0062		100%
Wiluna	L53/0077		100%
Wiluna	L53/0094		100%
Wiluna	L53/0097 to L53/0098		100%
Wiluna	L53/0103		100%
Wiluna	L53/0144		100%
Wiluna	M53/0006		100%
Wiluna	M53/0026 to M53/0027		100%
Wiluna	M53/0030		97.9%
Wiluna	M53/0032		100%
Wiluna	M53/0040		100%
Wiluna	M53/0043 to M53/0044		100%
Wiluna	M53/0050		100%
Wiluna	M53/0064		100%
Wiluna	M53/0069		100%
Wiluna	M53/0071		100%
Wiluna	M53/0095 to M53/0096		100%
Wiluna	M53/0173		100%
Wiluna	M53/0200		100%
Wiluna	M53/0205		100%
Wiluna	M53/0468		100%
Wiluna	E53/1645		100%
Matilda	E53/1287 to E53/1288		100% gold and base metals
Matilda	E53/1296		100% gold and base metals
Matilda	M53/0045		100% gold and base metals
Matilda	M53/0049		100% gold and base metals
Matilda	M53/0113		100% gold and base metals
Matilda	M53/0121 to M53/0123		100% gold and base metals

Matilda	M53/0147		100% gold and base metals
Matilda	M53/0224		100% gold and base metals
Matilda	M53/0253		100% gold and base metals
Matilda	M53/0796		100% gold and base metals
Matilda	M53/0910		100% gold and base metals
Matilda	P53/1359 to P53/1360		100% gold and base metals
Matilda	P53/1369 to P53/1374		100% gold and base metals
Matilda	P53/1396 to P53/1397		100% gold and base metals
Matilda	P53/1637		100%

P - Prospecting Licence, R – Retention Licence, L – Miscellaneous, E - Exploration Licence & M - Mining Licence

All tenements are located in Western Australia

Any changes in mining tenement interests during the quarter are covered in Section 6 of the March'16 Appendix 5B.

APPENDIX A
JORC Code, 2012 Edition – Table 1 (Matilda)

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*	• Historically Drilling (pre-Blackham Resources): RC drill samples were taken at predominantly 1m intervals, or as 2m or 4m composites. 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 RC: Rig mounted static cone splitter used to obtain 1m samples from which ~3kg samples were collected using a cone splitter connected to the rig. In places 4m composites were obtained using spear sampling, with mineralised samples to be subsequently re-assayed using the original 1m splits. • Blackham Diamond: Sampled sections are HQ3 and PQ diameter. Core sample intervals are defined by the geologist to honour geological boundaries ranging from 0.3 to 1.2m in length. • For Blackham's RC 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. • BLK'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 bottom-of hole cut line. Drill core is measured by tape and compared to downhole core blocks consistent with industry standards. • At the laboratory, samples >3kg were 50:50 riffle split to become <3kg. The <3kg splits were pulverized to produce a 50g charge for fire assay. Historical assays were obtained using either aqua regia digest or fire assay, with AAS readings. • Blackham analysed samples using Quantum Analytical Services (QAS), ALS laboratories or SGS Laboratories in Perth. Analytical method was Fire Assay with a

	information.	50g charge and AAS finish.
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).*	• BLK DD data reported herein is HQ3 and PQ diameter, and orientated where possible using a Reflex ACT III tool. Downhole surveys are taken every 30m using a Reflex EZ-TRAC tool. Historical drilling data contained in this report includes RC, RAB and DD core samples. • All 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 half core samples. • It is unknown if historical 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.*	• Recoveries from historical drilling are unknown. For Blackham DD drilling, drill core recovery is measured by drillers and BLK staff, logged per drill run and stored in a digital database. For BLK RC drilling, chip sample recovery is visually estimated by volume for each 1m bulk sample bag, and recorded digitally in the sample database. 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. • For Blackham DD drilling, sample recovery is maximised by using best-practice drilling techniques, such as short drill runs, and split tubes. For depth mark-up and sampling the core is reconstructed in an orientation angle bar to ensure accuracy. Representivity of samples is maximised by routinely sampling half core on the right-hand side of the orientation line, and is checked through analysis of duplicate sampling results. • 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 Blackham drilling, no such relationship was evaluated as sample recoveries were generally very good. For historical drilling no relationship was investigated as recovery data is not available.
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.*	• Samples have been routinely logged for geology, including lithology, colour, oxidation, veining and mineralisation content. This level of detail is considered appropriate for Mineral Resource estimation. • Logging of geology and colour for example are interpretative and qualitative, whereas logging of mineral percentages is quantitative. • Holes were logged entirely. • Core photography was taken for BLK diamond drilling.
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 techniques and preparation are not known for all the historical drilling. Historical core in storage is generally half core, with some quarter core remaining; it is assumed that half core was routinely analysed, with quarter core perhaps having been used for check assays or other studies. Sawn half core HQ3 or quarter core PQ is routinely analysed by BLK. • Mention is made in historical reports of 1m riffle split samples for Chevron RC drilling, and of 1m and 2m or 4m composites for Agincourt drilling. For Blackham drilling, 1m samples were split using a cone splitter. 4m composite samples were collected with a spear tube where mineralisation was not anticipated. Most samples were dry; the moisture content data was logged and digitally captured.

	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.*	Where it proved impossible to maintain dry samples, at most three consecutive wet samples were obtained before drilling was abandoned, as per procedure. • RC sampling with riffle or cone splitting and spear compositing is considered standard industry practice. • Half-core HQ3 sampling and quarter core PQ are considered standard industry practice for this style of mineralisation. Quarter coring of PQ was selected due to the larger sample volume relative to HQ3, and the desire to retain maximum sample volume for other metallurgical tests. • Boyd crushing to -2mm for samples >3kg is completed owing to the coarse nature of gold nuggets, prior to obtaining a <3kg sub-split for pulverisation. For RC sampling, riffle splitting and half-core splitting are industry-standard techniques and considered to be appropriate. • Field duplicates were collected every 40m down hole for BLK holes by taking a 50:50 split from the Boyd crusher / splitter. Analysis of results indicated good correlation between primary and duplicate samples. Chevron collected field duplicates at 1:20 ratio for the majority of historical RC drilling; samples showed good repeatability above 5g/t, though sample pairs show notable scatter at lower grades owing to the nugget effect. 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*	• Fire assay is a total digestion method, whereas Aqua Regia is a partial digestion method. The lower detection limits of 0.01ppm or 0.02ppm Au used at various times are considered fit for purpose. For Blackham drilling, Bureau Veritas, Genalysis, ALS, SGS and QAS completed the analyses using industry best-practice protocols. These are globally-recognized and highly-regarded companies in the industry. • 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.

	(eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• BLK drilling: certified reference material and blanks were submitted at a 1:40 ratio. A lab barren quartz flush is requested following predicted high grade (e.g. visible gold). Check samples are routinely submitted to an umpire lab at 1:40 ratio. Analysis of results confirms the accuracy and precision of the assay data. • Chevron inserted standards, blanks and field duplicates at 1:20 ratios; the Chevron data relates to the majority of in-pit drilling at Matilda. • Results show good correlation between original and repeat analyses with very few samples plotting outside acceptable ranges (+/- 20%). A recognised laboratory has been used for historical analyses (Classic Labs, Analabs, ARM).
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.*	• BLK's significant intersections are verified by alternative company personnel. For historical results, significant intersections can't be independently verified. However, database validation has been done to ensure the latest assay set appears i.e. where intervals have been sub-split the newest assays are given priority. • Some holes in the DD program have been designed to twin historical RC and BLK RC drilling; results broadly match the DD results. • 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". • 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.*	• Blackham's drill collars are routinely surveyed using a DGPS with centimetre 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. • A topographical survey has been flown with 30cm vertical accuracy, which has been used to determine historical pre-Blackham collar RL's.
Data spacing	• *Data spacing for reporting of Exploration*	• Blackham's exploration holes are generally drilled 25m apart on east-west sections,

and distribution	*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.*	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. • The mineralisation lodes show sufficient continuity of both geology and grade between holes to support the definition of 2012 JORC compliant resources. • 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. • RC Samples have been collected on 1m lengths. All assay intervals are in multiples of 1m so there are no residual excluded intervals. Diamond Drill core is logged and divided into sample intervals that have a minimum sample length of 0.3m and a maximum sample length of 1.2m. Geological boundaries are typically used to determine intervals. Most sample lengths are at 1m intervals and statistical compositing is not applied until the estimation stage.
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. However, around the historical pits optimal drill sites were not always available, so alternative orientations were used. Thus drill intercepts are not true thicknesses. • Such a sampling bias is not considered to be a factor as the RC technique utilizes the entire 1m sample. • For Blackham DD sampling, a cut line is routinely drawn at an angle 10 degrees to the right of the orientation line. Where no orientation line can be drawn, where possible samples are cut down the axis of planar features such as veins, such that the two halves of core are mirror images.
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.*	• For Blackham drilling, data has been validated in Datashed and upon import into Micromine. QAQC data has been evaluated and found to be satisfactory. Historical assay techniques and data have not been reviewed in detail owing to the preliminary stage of exploration work. • Blackham Resources staff have visited the ALS lab and confirmed that the sample handling systems and techniques meet the industry standard.

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.*	• All drill holes mentioned in this report are situated on granted mining licenses held 100% by Matilda Operations Pty Ltd or Kimba Resources Pty Ltd, which are fully-owned subsidiaries of Blackham Resources Ltd. • Tenements are in good standing and no impediments exist. • Franco Nevada have royalty rights over the Wiluna mining leases and some of the Matilda mining leases. On the Matilda Mining Leases, a royalty of between 3 to 5% of gold revenue of is payable. On the Wiluna mining leases, after the first 200,000oz of gold production, a royalty of between 3 to 5% of gold revenue of is payable.
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 Amphibolite-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 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.*	• All Drill hole information is contained within the Access database used to define the resource.
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.*	• Drill hole intercepts are reported as length-weighted averages, above a 0.6g/t cut-off, using a maximum 2m contiguous internal dilution. • High-grade internal zones are reported at a 5g/t envelope, e.g. MARC0183 contains 8m @ 5.84g/t from 46m including 1m @ 18.36g/t. • No metal equivalent grades are reported because only Au is of economic interest.

	• *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.*	
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 <50° angled holes, and difficulty in positioning the rig close to remnant mineralisation around open pits.
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.*	• Full reporting of the historical drill hole database of over 80,000 holes is not feasible. A full list of results from the current drilling program is included with the report. • Drill hole collars and starting azimuths have been accurately recorded using a handheld GPS and sighting compass. Down hole dip values and azimuths are recorded using a calibrated down-hole camera. Results are accurate to 0.1°.

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.

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.*	• Data is validated upon upload into the Datashed database such that only codes within the various code libraries are accepted. Assay data is loaded from digital files. • Data is subsequently validated using Datashed validation macros, and then in Micromine and Surpac using validation macros. Data is checked for holes that are missing data, intervals that are missing data, missing intervals, overlapping intervals, data beyond end-of-hole, holes missing collar co-ordinates, and holes with duplicate collar co-ordinates.

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.*	• The site has been visited by the Competent Person, and no problems were identified.
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 has previously been mined, which has confirmed the geological interpretation. • Geological data used includes lithology, mineral percentages (such as quartz veining and sulphides) to identify lode positions, and weathering codes and rock colour to model the weathering domains. Gold mineralisation is known to relate to quartz and sulphide content. Weathering codes are assumed to have been logged consistently by various geologists, though it is likely that some of the variations between drill holes are due to different logging styles or interpretations. • A high degree of confidence is placed on the geological model, owing to the tight drill spacing. Any alternative model interpretations are unlikely to have a significant impact on the resource classification. • At Matilda, the host rocks are a fairly monotonous sequence of basalts, thus geology is not the primary control on the location of mineralisation. Mineral percentages (such as quartz veining and sulphides) are used as a proxy for interpreting lode positions, as are weathering codes to model the weathering domains. • Significant mineralisation is hosted within moderately north-plunging shoots, which may represent boudinaged older tabular lodes. Thus lodes are continuous down-plunge, with lesser up-dip continuity.
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 Resource.*	• The Matilda deposit is comprised of a number of domains; M1, M2, M3, M4, M5, M8, M10 and Coles Find. These combined zones extend almost 5km along a strike of 330° and cover a width of approximately 1km. The deepest vertical interval is 395m at the M1 prospect.
Estimation and modeling	• *The nature and appropriateness of the estimation technique(s) applied and key*	• The sample domains were flagged into an Access database from a validated wireframe.

techniques	*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 by-products.* • *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 behind modeling of selective mining units.* • *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*	• Only Reverse Circulation (RC) and Diamond Drilling were used in the estimate. • A composites string-file was then created in Surpac with a 1.0 m composite length and a minimum percentage of sample to include at 30%. • Gold grades were estimated into the model by ordinary kriging using the block model field coding to constrain the estimate. • Soft boundaries was utilised between the oxidation surfaces. The majority of the deposit is currently situated within oxide. • Only samples contained within each individual ore wireframe were used for the estimate of that lode. • Incomplete historical production figures are available at a couple of the Matilda prospects. Blackham did not reconcile the current in-pit resource to the historical figures as not all grade control data was available, and the current interpretations may not match the mined lodes. • The production figures at the time mining operations were halted are not known. This estimation is comparable to that completed by Runge in 2013/14 and any significant differences have been accounted for through depletions, change in interpretation and additional drilling information. • Blackham has not made assumptions regarding recovery of by-products from the mining and processing of the Matilda Au resource. • No estimation of deleterious elements was carried out. Only Au was interpolated into the block model. • The parent block dimensions used were 10m NS by 2.5m EW by 5m vertical with sub-cells of 2.5m by 0.625m by 1.25m. The parent block size was selected on the basis of being approximately 50% of the average drill hole spacing immediately below the existing pits. • No assumptions were made on selective mining units. • Only Au assay data was available, therefore correlation analysis was not carried out. • The deposit mineralisation was constrained by wireframes constructed using a 0.5g/t Au cut-off grade. A minimum intercept of 2m was required with a maximum of 2m of internal dilution. The wireframes were applied as hard boundaries in the estimate.

	available.	• The search ellipse was based on the ranges of continuity observed in the variograms along with considerations of the drillhole spacing and lode geometry. The search ellipse was rotated to best reflect the lode geometry and the geology as seen in the drilling and as described in the logging. This geometry was also supported by the variogram analysis.
		• Search passes were utilised to populate blocks using search ellipse ranges from 30 m to 60 m. Each pass incorporated a different set of sample selection criteria to ensure blocks were filled with an appropriate level of statistical confidence. A final pass of 120m was used to fill remaining blocks.
		• The relatively short search ranges for the first pass were applied in an attempt to limit grade smoothing within the very close (less than 20m) spaced drill holes.
		• Topcuts were determined from the aforementioned statistical analysis. A number of factors were taken into consideration when determining the top-cuts including:
		  ○ The disintegration point of the data on the probability plots;
		  ○ Having a coefficient of variance (CV) under 2.0; and
		  ○ Reviewing the model (block) grades against the composites.
		• 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;
		  ○ Use of SWATH plots.
		• A comparison of the estimated block grades for ordinary kriged models using different cut-off grades for the composites.

Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages and grades were estimated on a dry in situ basis. No moisture values were reviewed.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The nominal cut-off grade of 0.5g/t appears to be a natural cut-off between mineralised veins and host rock as determined from analysis of log probability plots of all samples at each prospect. This cut-off was used to define the mineralised wireframes. The Mineral Resource has been reported at a 0.6g/t Au cut-off above the 900mRL (which occurs on average at a depth of 200m below the topographic surface) and at a 2g/t cut-off below the 900mRL for M1, M2, M3, M4,

		M5 and M10. M6, M8 and Coles Find were reported at a 0.75g/t cut-off above the 900mRL as the estimation for these areas have remained unchanged. These values are based on BLK assumptions about economic cut-off grades for open pit and underground mining. BLK has access to previous mining reports from across all prospects at the Matilda deposit.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining 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.*	• Blackham believes that a significant portion of the Matilda Deposit defined Mineral Resource has reasonable prospects for eventual economic extraction by medium to large-scale open pit mining methods, taking into account current mining costs and metal prices and allowing for potential economic variations. Historical economic mining of similar deposits has occurred in the area.
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.*	• The deposit has previously been mined and successfully processed for gold extraction. Blackham's DFS metallurgical testwork has shown the resource could be economically treated using standard gravity concentration / carbon-in-leach cyanidation technology. An average recovery of 93% is expected across the oxide+transitional+fresh material.
Environmental factors or	• *Assumptions made regarding possible waste and process residue disposal options. It is*	• Blackham has submitted a detailed Mine Closure Plan to the Department of Mines and Petroleum.

assumptions	*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.*	• No environmental, permitting, legal, taxation, socio-economic, marketing or other relevant issues are known, that may affect the estimate.
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.*	• BLK has now collected 564 samples for bulk density test work. The results generally match the historic values and the values used in previous resource estimates including the work completed by RPM. • Values of 2.1 t/m3 for oxide, 2.4t/m3 for transitional and 2.8t/m3 for fresh material were used.
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*	• A range of criteria were considered when addressing the suitability of the classification boundaries to the resource estimate. o Geological continuity and volume models; o Drill spacing and available mining information; o Modelling technique o Estimation properties including search strategy, number of informing

	metal values, quality, quantity and distribution of the data). • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	composites, average distance of composites from blocks, number of drillholes used and kriging quality parameters • Typically the Measured portion of the resource was defined where the drill spacing was predominantly at 10m by 10m immediately below the existing pits, and continuity of mineralisation was robust. The Indicated portion of the resource was defined where the drill spacing was predominantly at 25m by 25m and in some areas up to 40m by 40m, and continuity of mineralisation was strong. The Inferred Resource included the down depth lode extensions or minor lodes defined by sparse drilling. • Historical documents (including annual reports) provide detailed information on drilling and mining at the various prospects. A large proportion of the digital input data has been transcribed from historical written logs and validation checks have confirmed the accuracy of this transcription. The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The continuity of geology is well understood as existing pits and historical mining reports provide substantial information on mineralisation controls and lode geometry. Recent BLK infill drilling has supported the interpretations. Validation of the block model shows good correlation of the input data to the estimated grades. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• External audits have been completed and a comparison has been made with the previous resource estimate completed by RPM.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative 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,*	• This resource estimate is considered appropriate for a definitive study into the mining of the Matilda deposit and reports global estimates. • The lode geometry has been verified through direct observation of existing open pit walls and from historical mining reports. Current targeted drilling has confirmed the down dip extensions of the main lodes across the deposit. BLK has a good understanding of the geology and mineralisation controls gained through study of all historical mining data. • The Mineral Resource statement relates to global estimates of tonnes and grade.

	or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The deposit is not currently being mined. Historical production figures supplied to Blackham relate to individual prospects at various stages of the mine life and no final production figures were available. Reconciliation of the current Mineral resource with historical production is not possible.

JORC Code, 2012 Edition – Table 1 (Wiluna)

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*	• This is a portion of a large drilling database compiled since the 1930's by various project owners. Only the drilling results contained in this document are considered in this table, as it is impractical to comment on the entire database. Golden Age and Bulletin has been mainly core drilled from underground, though some surface RAB and RC drilling has tested the shallow portions of the deposit. Drilling data contained in this report includes RC and diamond core data. Drilling data is more complete for holes drilled since the early 2000's. Sundry data on sampling quality is not available and not evaluated in earlier drilling. • Blackham RC: Rig mounted static cone splitter used to obtain 1m samples from which ~3kg samples were collected using a cone splitter connected to the rig. In

Criteria	JORC Code explanation	Commentary
	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.*	places 4m composites were obtained using spear sampling, with mineralised samples to be subsequently re-assayed using the original 1m splits. • Blackham Diamond: Sampled sections are NQ2 diameter. Core sample intervals are defined by the geologist to honour geological boundaries ranging from 0.3m to 1.2m in length. • For Blackham's RC 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. NQ2 diamond holes were completed by BLK in Golden Age and Bulletin and are half core sampled. The drilling was completed to industry standard using varying sample lengths (0.3m to 1.2m) based on geology intervals • Historically, RC samples were composited in the field on 2m or 6m composites, with high-grade samples subsequently re-sampled on 1m intervals. Composited samples were spear-split, and / or reduced in size in the field using a riffle splitter to ensure sample representivity. For Blackham drilling, 4m composites were collected in the field, with 1m splits to be assayed where mineralisation is encountered. At the laboratory, samples >3kg were 50:50 riffle split to become <3kg. The <3kg splits were pulverized to produce a 50g charge for fire assay. • 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. Blackham Resources analysed samples using laboratories in Perth. Analytical method was Fire Assay with a 50g charge and AAS finish (P-FA6).
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).*	• Historical drilling data contained in this report includes RC and DD core samples. RC sampling utilized a face-sampling hammer of 4.5" or 5.5" diameter, 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 drilling is RC with a face-sampling bit or NQ2 diamond.

Criteria	JORC Code explanation	Commentary
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 drilling, chip sample recovery is visually estimated by volume for each 1m bulk sample bag, and recorded digitally in the sample database. 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. • For Blackham 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. • Diamond Drill core is logged and divided into sample intervals that have a minimum sample length of 0.3m and a maximum sample length of 1.2m. Geological boundaries are typically used to determine intervals. Some intervals logged as ‘stope’ were assayed, presumably this is back-fill material and would be excluded from detailed investigation of these prospects. The presence of these intervals does not materially affect assessment of the prospects at this stage. • For Blackham drilling, no such relationship was evaluated as sample recoveries were generally very good. For historical drilling no relationship was investigated as

Criteria	JORC Code explanation	Commentary
		recovery data is not available.
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.*	• Samples have been routinely logged for geology, including lithology, colour, oxidation, veining and mineralisation content. This level of detail is considered appropriate for exploration drilling. • Logging of geology and colour for example are interpretative and qualitative, whereas logging of mineral percentages is quantitative. • Holes were logged entirely. Geology data has not yet been located for some holes, database compilation is on-going. • Core photography was taken for BLK diamond drilling.
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.*	• For core samples, it is assumed that sawn half-core was routinely sampled. Holes have been selectively sampled (visibly barren zones not sampled, though some quartz vein intervals have been left un-sampled), with a minimum sample width of 0.3m and maximum of 1.2m, though typically 1m intervals were selected. • Historically, RC and RAB samples were riffle split for dry samples; wet samples were collected in polyweave bags and speared. RC and RAB samples were initially composited on 2m, 4m or 6m intervals. Composites grading >0.1g/t were subsequently assayed on 1m intervals. For Blackham drilling, 1m samples were split using a cone splitter. 4m composite samples were collected with a spear tube where mineralisation was not anticipated. 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. • Riffle splitting and half-core splitting are industry-standard techniques and considered to be appropriate. Note comments above about samples through 'stope' intervals; these samples don't represent the pre-mined grade in localized areas. • For historical drilling, field duplicates, blank samples and certified reference standards were collected and inserted from at least the early 2000's. Investigation

Criteria	JORC Code explanation	Commentary
		revealed sufficient quality control performance. No field duplicate data has been located or evaluated in earlier drilling. Field duplicates were collected every 20m down hole for Blackham holes. Analysis of results indicated good correlation between primary and duplicate samples. • 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 considered a total digestion technique, whereas aqua regia is a partial digestion. Both techniques are considered appropriate for analysis of exploration samples. • No geophysical tools were used to obtain analyses. • Field duplicates, blank samples and certified reference standards were collected and inserted from at least the early 2000's. Results generally fall within acceptable levels. However, for holes drilled prior to this no QAQC data has been located or evaluated. Some intervals logged as 'stope' were also assayed, presumably this is back-fill material and would be excluded from detailed investigation of these prospects. The presence of these intervals does not materially affect assessment of the prospects at this stage, although if anything prospectivity is enhanced as pre-mining metal tenor was greater than the drilling results indicate in stoped areas. For Blackham drilling certified reference material and blanks were submitted at 1:40 and 1:40 ratios for various campaigns and duplicate splits were submitted at 1:40 ratio with each batch of samples. Check samples are routinely submitted to an umpire lab at 1:40 ratio. Analysis of results confirms the accuracy and precision of the assay data.
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.*	• Blackham's significant intersections have been verified by several company personnel. For historical results, significant intersections can't be independently verified. However, database validation and cleaning has been done to ensure the latest assay set appears i.e. where intervals have been sub-split the newest assays are given priority. • The use of twin holes is not noted, as this is not routinely required. However, drilling at various orientations at a single prospect is common, and this helps to

Criteria	JORC Code explanation	Commentary
	• *Discuss any adjustment to assay data.*	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 Geological Manual 2015". Historical procedures have not been sighted. • 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.*	• All historical holes appear to have been accurately surveyed to centimeter accuracy. Blackham holes reported herein have not yet been DGPS surveyed, though collar positions have been GPS located to within several metres accuracy. • Grid systems used in this report are Wil10 local mine grid and GDA 94 Zone 51 S. Drilling collars were originally surveyed in either Mine Grid Wiluna 10 or AMG, and converted in Datashed to MGA grid. • 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 estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Each of the prospects mentioned in this report has received sufficient historical drilling to allow structural orientation and lode thicknesses to be confidently interpreted. Drill spacing is general 50m x 25m or better, with holes oriented perpendicular to the strike of quartz reefs. Mineral resources and reserves are not the subject of this report. • For core samples, typically 1m intervals were sampled though 3m composites are noted in some barren zones. Historical RC and RAB samples were initially composited on 2m, 4m or 6m intervals. Composites grading >0.1g/t were subsequently assayed on 1m intervals. For Blackham drilling, samples have been composited, the 1m samples will be submitted for analysis and these results were prioritized over the 4m composite values.
Orientation of	• *Whether the orientation of sampling achieves*	• In the historical data, no such bias is noted or believed to be a material factor.

Criteria	JORC Code explanation	Commentary
data in relation to geological structure	*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.*	Potentially diamond half-core samples may show such bias to a minor degree; holes are orientated perpendicular to strike to mitigate any such bias. For Blackham drilling, the RC technique utilizes the entire 1m sample so significant bias is unlikely.
Sample security	• *The measures taken to ensure sample security.*	• It is not known what measures were taken historically. For Blackham drilling, 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.*	• For Blackham drilling, data has been validated in Datashed and upon import into Micromine. QAQC data has been evaluated and found to be satisfactory. Historical assay techniques and data have not been reviewed in detail owing to the preliminary stage of exploration work.

Section 2 Reporting of Exploration Results

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

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*	• All drill holes mentioned in this report are situated on granted mining licenses held 100% by Matilda Operations Pty Ltd, a fully-owned of Blackham Resources Ltd. • Tenements are in good standing and no impediments exist.

Criteria	JORC Code explanation	Commentary
	to obtaining a licence to operate in the area.	
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Historical artisanal mining was conducted on the tenements. Modern exploration and mining has been conducted on the Brothers, Golden Age and Republic reefs since the early-1990's. This exploration is considered to have been successful as it led to the definition of JORC-compliant mineral resources and profitable open pit and underground mines. The deposits remain 'open' in various locations and opportunities remain to find extensions to the known potentially economic mineralisation. Deeper portions of Republic and Brothers reefs more than 70m below surface have been poorly tested, with the intercepts reported herein coming in some cases from holes designed to target other resource areas.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The gold deposits are categorized as orogenic gold deposits, with similarities to many other gold deposits in the Yilgarn region. The deposits are hosted within the Wiluna Domain of the Wiluna Greenstone Belt. Rocks in the Wiluna Domain have experienced greenschist-facies regional metamorphism and brittle deformation. The Wiluna Domain is comprised of a fairly monotonous sequence of foliated basalts and high-magnesian basalts, with intercalated felsic intrusions, lamprophyre dykes, metasediments, and dolerites. Gold mineralisation is related to quartz vein emplacement, typically along stratigraphic boundaries, and the lodes have also been disrupted by 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 collar* ○ *dip and azimuth of the hole*	• All Drill hole information is contained within the Access database used to define the resource.

Criteria	JORC Code explanation	Commentary
	○ *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.*	• Assay intervals reported are length-weighted averages. Intervals are reported using a 1g/t lower cut-off and maximum 2m internal contiguous dilution. • No metal equivalent grades are reported as Au is the only metal 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,*	• Holes were often drilled obliquely to mineralisation owing to the difficulty in finding optimum drilling locations around the mine infrastructure, particularly at Golden Age, or in other cases the reefs were not the intended target such that drilling angles were not optimal.

Criteria	JORC Code explanation	Commentary
	true width not known').	
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.*	• Please see body of this report for diagrams and tables.
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.*	• Selected intervals have been reported owing to impracticality of reporting the large drilling database.
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.*	• Not material to 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.*	• Step-out drilling is planned to locate high-grade extensions to shoots at depth and along strike of historical drilling intercepts. Please see body of the report for locations of the targets identified for high-priority drilling.

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 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

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.*	• A site visit has been undertaken and no concerns or issues were discovered.
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 interpretation of the mineralisation was carried out using a methodical approach to ensure continuity of the geology and estimated mineral resource using Surpac software. The confidence in the geology and the associated mineralisation is high. • All available geological data was used in the interpretation including mapping, drilling, oxidation surfaces and interpretations of high grade ore shoots. Only diamond and reverse circulation drilling samples were used in the final estimate however all available grade control data was used in the geological assessment. • No alternate interpretations have been completed. The current interpretation

Criteria	JORC Code explanation	Commentary
	• *The factors affecting continuity both of grade and geology.*	follows similar methodology to that used historically. • Drill logging has been used to constrain the 3D wireframes. • Gold mineralisation is predominantly associated with second to third order north and northeast trending brittle to brittle-ductile dextral strike-slip faults, localised at dilational bends or jogs along faults, at fault intersections, horsetail splays and in subsidiary overstepping faults.
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 Resource.*	• Strike length = ~ 3700 m • Width (total of combined parallel lodes) = ~ 800 m • Depth (from surface) = ~ 0 to 1000 m
Estimation and modelling techniques	• *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 by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*	• The sample domains were flagged into an Access database from a validated wireframe. • A composites string-file was then created in Surpac with a 1.0 m composite length and a minimum percentage of sample to include at 30%. • Only Reverse Circulation (RC) and Diamond Drilling were used in the estimate. • Resource estimation for the Wiluna mineralisation was completed using Ordinary Kriging for Gold (Au) and Inverse Distance Squared for Sulphur (S). Blockmodel field coding was used to constrain the estimate. • Soft boundaries were utilised between the oxidation surfaces. Mineralisation is predominantly in fresh. • Only samples contained within each individual ore wireframe were used for the estimate of that lode. • A number of previous resource estimates and studies have been undertaken and were reviewed to assist in the development of this resource estimate. • The modelled wireframes were used to create a blockmodel with a user block size of 2mE by 10mN by 10mRL. The model used variable sub-blocking to 0.5mE by 2.5mN by 2.5mRL. The Block size corresponds to around half of the nominal drillhole spacing for all the main lodes. • Specifically for the Golden Age narrow vein a user block size of 2mE by 2mN by

Criteria	JORC Code explanation	Commentary
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *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.*	2mRL. The model used variable sub-blocking to 0.5mE by 0.5mN by 0.5mRL. The smaller block sizes are based on the narrow nature of the Golden Age ore body and the corresponding data density. • The search ellipses used were based on the ranges of continuity observed in the variograms along with considerations of the drillhole spacing and lode geometry. The search ellipse was rotated to best reflect the lode geometry and the geology as seen in the drilling and as described in the logging. This geometry was checked to ensure that it was also supported by the variogram analysis. • Ordinary kriging parameters were also checked against those used in previous resource estimates and variography studies. No significant differences were discovered. • Three search passes were used to populate blocks using search ellipse distances based on ranges observed in the variograms. Typically the first pass was no more than 30 m and a second pass no more than 60 m. Each pass incorporated a different set of sample selection criteria to ensure blocks were filled with an appropriate level of statistical confidence. • For the first two passes at least 3 individual drillholes were required to complete the estimate. • Topcuts were determined from statistical analysis. A number of factors were taken into consideration when determining the top-cuts including: ○ The disintegration point of the data on the probability plots; ○ Having a coefficient of variance (CV) under 2.0; and ○ Reviewing the model (block) grades against the composites. • 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; ○ A comparison of the estimated block grades for the ordinary kriged model against an inverse distance model. ○ A comparison of the estimated block grades for ordinary kriged models using different cut-off grades for the composites.

Criteria	JORC Code explanation	Commentary
		○ A comparison of the estimated block grades against the composite grades along northings.
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	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The nominal cut-off grade of applied for the individual resource areas appears to be a natural cut-off between mineralised veins and host rock as determined from analysis of log probability plots of all samples at each prospect. Mineralisation boundaries are typically sharp in that there is generally a significant order of magnitude (2 to 4 fold) increase in gold values between ore and waste zones. • A global reporting cut-off grade of 3.00g/t was applied to the Golden Age and Bulletin resources. This is based on the understanding that a variety of underground mining techniques (including but not exclusive to) air-legging may be used.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining 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.*	• No mining factors or assumptions have been applied although it is envisaged that the resource has been created on the basis of an underground mining method.
Metallurgical factors or	• *The basis for assumptions or predictions regarding metallurgical amenability. It is*	• Wiluna ores, including Bulletin, are typically extremely refractory, with most gold occurring in either solid solution or as submicroscopic particles within fine-

Criteria	JORC Code explanation	Commentary
assumptions	*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.*	grained sulphides. • Golden Age mineralisation is free milling/oxide gold; this is located throughout the quartz but appears more concentrated where there are stylolites. There is commonly a strong base metals signature with galena, chalcopyrite, sphalerite and pyrite being common. These areas also include higher grades but the gold is not associated with the sulphides as with the refractory ore. The mineralization is mainly in the quartz reef but there are some splays of quartz, especially to the footwall which can contain 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.*	• No environmental, permitting, legal, taxation, socio-economic, marketing or other relevant issues are known, that may affect the estimate.
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.*	• Bulk densities were assigned as 1.80 t/m3 for oxide, 2.40 t/m3 for transitional and 2.80 t/m3 • A total of 16,206 bulk density determinations have been collected by extensive sampling of diamond drill core in Calais – Henry 5, East Lode North and Calvert areas throughout the orebody and in wallrock adjacent to the mineralisation.

Criteria	JORC Code explanation	Commentary
	• *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.*	All sections of the underground resource are in primary rock, and Bulk Density values are relatively uniform throughout. • Bulk Density determinations were completed by Apex staff for every assayed interval since the commencement of Apex's involvement with the project to the end of 2008. In addition, in areas where Apex bulk density determinations are considered too sparse, pre-Apex diamond core has been used for determinations.
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.*	• A range of criteria were considered when addressing the suitability of the classification boundaries to the resource estimate. ○ Geological continuity and volume models; ○ Drill spacing and available mining information; ○ Modelling technique ○ Estimation properties including search strategy, number of informing composites, average distance of composites from blocks, number of drillholes used and kriging quality parameters. • The classification for this model was predominantly based on the estimation pass. With the first pass relating to an indicated resource and the second pass being inferred. • The classification of the blocks was also visually checked and adjusted to remove any "spotted dog" effects. No measured resources were calculated.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Audits have been undertaken on the resource estimates completed by Apex Minerals in 2012. No major issues were discovered and recommendations made from those audits have been assessed and included where required in subsequent estimates. • No specific review or audit has been under on the updated Golden Age Resource estimate.
Discussion of relative accuracy/	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or*	• This resource estimate is intended an underground mining assessment and reports global estimates.

Criteria	JORC Code explanation	Commentary
confidence	*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 qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	

Section 4 Estimation and Reporting of Ore Reserves (Matilda and Wiluna)

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

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The Mineral Resource used as the basis of this Ore Reserve was released to market; • Galaxy and Golden Age both announced on the 25th January 2016 • Wiluna East/West Lode 14th December 2014 • Matilda 29th January 2016 • Williamson 11th February 2016 • Bulletin Upper 9th February 2015 • Bulletin 14th March 2016 • Mineral Resources have not been reported additional to the Ore Reserves.
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.*	• The Competent Person previously worked at the Wiluna Gold mine and is familiar with the underground operations, the surrounding area and access routes and the Wiluna site infrastructure including the processing plant. • The Competent Person has not visited the Matilda, Williamson or Galaxy area, however the Competent Person is comfortable relying on reports from other independent consultants and detailed site surveys in determining the viability of the Ore Reserve.

Criteria	JORC Code explanation	Commentary
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• A Definitive Feasibility Study has been completed for all material being converted from Mineral Resource to Ore Reserve. • Modifying factors accurate to the study level have been applied based on detailed selective mining unit (SMU) and stope design analysis. Modelling indicates that the resulting mine plan is technically achievable and economically viable.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• Cut-off grade parameters were determined based on previous pre-feasibility study work and historical costs from the Wiluna mine. Cut-off grade sensitivity analysis has been carried out using the detailed financial model to check assumptions.
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope*	• Detailed mine designs were carried out on all ore sources and used as the basis for the Ore Reserve estimate. • Conventional mining methods were chosen. Open cut operations are planned around using 250 t-class excavators and 140 t dump trucks for waste excavation where working area sizes allowed, and 120 t-class excavators with 90 t dump trucks for ore excavation and in cutback benches or deeper parts of the pits where working room is restricted. Fleet equipment types assumed have been confirmed in a detailed contract tendering process based on the Reserve pit designs. All material excluding existing in-pit backfill or historical waste dumps was assumed to require drilling and blasting using emulsion-type explosives for costing and scheduling purposes. • Underground production at the East-West, Golden Age and Bulletin Sulphide underground mines will be predominantly from top-down mechanised longhole open stoping with in-situ pillars retained for stability.

Criteria	JORC Code explanation	Commentary
	optimisation (if appropriate). • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	Deeper areas of the Bulletin Sulphide have been assumed to be mined using a bottom-up modified Avoca method with unconsolidated backfill based on geotechnical advice. Diesel powered trucks and loaders will be used for materials handling. Diesel-electric jumbo drill rigs will be used for development and ground support installation, and diesel-electric longhole rigs used for production drilling • The mining methods chosen are well-known and widely used in the local mining industry and production rates and costing can be predicted with a suitable degree of accuracy. Suitable access exists for all mines. Dewatering, re-entry and refurbishment of flooded workings was costed and allowed for in the schedule. Allowance was made for earthworks and infrastructure requirements including haul road construction and clearing for site facilities and mining areas. • Independent consultants prepared a geotechnical analysis to a suitable level of detail. This forms the basis of pit wall design criteria, underground stope sizes and pillar designs, underground mining factors and underground development design and support assumptions. • Cost allowances were made for grade control activities in both underground and open pit mines. • Only the Indicated portion of the Mineral Resource was used to estimate the Ore Reserve. All Inferred material has had grade set to waste. The Ore Reserve is technically and economically viable without the inclusion of Inferred Mineral Resource material. • Underground stopes were designed inclusive of minimum mining width plus dilution 'skins'. Dilution width estimates were provided by independent geotechnical consultants based on historical experience, production data and surveyed voids, and geotechnical analysis. Dilution was assumed to carry no grade. • For East-West this comprised a minimum planned width of 2 m plus 0.2 m dilution skin on both the hangingwall and footwall, for a total minimum

Criteria	JORC Code explanation	Commentary
		stope void width of 2.4 m at 20-25 m sub-level intervals. • For Golden Age, this comprised a minimum planned width of 1 m plus 0.2 m dilution skin on both the hangingwall and footwall, for a total minimum stope void width of 1.4 m at 15 m sub-level intervals. • For Bulletin Sulphide this comprised a minimum planned width of 2 m plus 0.2 m dilution skin on both the hangingwall and footwall, for a total minimum stope void width of 2.4 m at 20-25 m sub-level intervals. • Open pit mining blocks were diluted by 10% based on detailed SMU analysis. • Mining recovery of 95% was assumed for the stopes at all the underground operations. Ore development had an assumed 100% mining recovery, based on historical experience and industry standards. Golden Age ore development tonnes and grades have been modelled assuming a resue split firing development method. • Open pit mining recovery was assumed at 95% based on detailed SMU analysis and industry standards. • Most of the infrastructure required for the operations is already in place at the Wiluna operation, including a processing plant and associated infrastructure, camp, airstrip, offices, power station and power reticulation, borefields and coreyards. Allowance has been made for refurbishment of this infrastructure where required based on quotes provided by reputable independent vendors to an appropriate standard of detail. Allowance has been made for earthworks including road refurbishment and construction, and clearing for mining contractor facilities required at Matilda.
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of*	• The proposed process for most of the material is Crush-Grind-Gravity-Leach-CIL, a standard gold processing flowsheet used throughout the industry for this style of mineralisation. • The East-West and Bulletin Sulphide underground ore material is expected to be processed using the existing installed BIOX circuit. This circuit was

Criteria	JORC Code explanation	Commentary
	metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	operated successfully on this type of material for over 20 years during previous operations. • Enough recent processing plant production data exists to estimate metallurgical recoveries and throughput rates to a suitable degree of accuracy. Recoveries have been applied to individual mines by weathered material type. • Metallurgical testing has been performed on diamond drill holes in well-known and recognised laboratories to standard test practices on a sufficient number of samples to be representative of the different domains. • No deleterious elements were detected however some of the ore sources may require alternative unit processes.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• Environmental impacts and hazards are being considered as part of the DMP application process. • Historical data indicates that the rock mass is non-acid forming. • Tailings from ore processing will be stored within the existing Tailings Storage Facility (TSF). Allowance has been made for expansions to this facility as required by the mine plan. • At this point in time the Competent Person sees no reason why permitting will not be granted within a reasonable time frame.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Substantial infrastructure exists on-site at the Wiluna mine from previous operations (which ceased in 2013 and have been on care and maintenance since that time), and refurbishment of this infrastructure has been allowed for in the detailed cost model. The site is located proximal to the township of Wiluna and the all-weather Goldfields Highway. The Wiluna airport services both the mine and the town.

Criteria	JORC Code explanation	Commentary
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	• Existing infrastructure refurbishment capital estimates are based on a detailed contract tender process and recent quotes from vendors following inspections. • Surface mining capital costs including contractor mobilisation and set-up and site preparation have been estimated based on the results of a detailed contract tender. Pit dewatering costs have been estimated based on analysis by an independent hydrological consultant and quotes from suppliers. • Underground mining capital costs have been estimated based on a detailed contract tender process, recent vendor quotes or estimates for refurbishment of capital infrastructure following inspection by independent experts. • Mining operating costs have been estimated based on a detailed contract tender. Power, diesel and accommodation costs have been determined based on vendor quotes. Staff costs have been assumed based on current market salary levels. • Processing operating costs were determined based on metallurgical testing of PQ diamond core, modelling, and supplier quotes for input costs. • No deleterious elements are expected to report through the process into the saleable product. • All costs have been estimated in Australian dollars. • All costs had transportation charges built into the final figure. No transportation charges were assumed for the product as it will be transported from site on scheduled flights. • A 2.5% WA state government royalty has been allowed over all the mines. An additional 5% non-government royalty has been applied over the Matilda and Williamson pits based on an existing agreement. This 5%

Criteria	JORC Code explanation	Commentary
		royalty was also applied over the Wiluna material after 200 koz has been produced from these tenements. The 5% royalty was applied to the portion of the Galaxy pit which falls within the tenement over which the royalty holds (approximately 66% of metal produced from the Galaxy pit).
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• Production for revenue calculations was based on detailed mine plans and mining factors. • The assumed metal price used for revenue calculation was A$1,500/oz, being the average price over the past 3-5 years.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• Gold doré from the mine is assumed to be sold at the Perth mint as soon as it is produced.
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.*	• The Ore Reserve estimate is based on a financial model that has been prepared at a Definitive Feasibility study level of accuracy. All inputs from open pit and underground operations, processing, transportation and sustaining capital as well as contingencies have been scheduled and evaluated to generate a full life of mine cost model.

Criteria	JORC Code explanation	Commentary
	• *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• Economic inputs have been sourced from suppliers or contractors. • A discount rate of 7% has been applied. • The NPV of the project is positive at the assumed commodity price. The Competent Person is satisfied that the project economics based on mining the Ore Reserve retains a suitable margin of profitability against reasonably foreseeable commodity price movements.
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• To the best of the Competent Persons knowledge all agreements are in place and current with all key stakeholders including traditional owner claimants and residents of Wiluna.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• A formal process to assess and mitigate naturally occurring risks will be undertaken prior to execution. Currently, all naturally occurring risks are assumed to have adequate prospects for control and mitigation. • The approvals process for commencement of operations is underway. Based on the information provided, the Competent Person sees no reason why all required approvals will not be successfully granted within the anticipated timeframe.

Criteria	JORC Code explanation	Commentary
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• The Probable Ore Reserve is based on that portion of the Indicated Mineral Resource within the mine designs that may be economically extracted and includes an allowance for dilution and ore loss. • The Proved Ore Reserve is based on that portion of the Measured Mineral Resource within the mine designs that may be economically extracted and includes an allowance for dilution and ore loss. • None of the Probable Ore Reserves have been derived from Measured Mineral Resource. • The result appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• The Ore Reserve estimate, along with the mine design and life of mine plan, has been peer-reviewed by Entech internally.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve 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 reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions*	• The design, schedule and financial model on which the Ore Reserve is based has been completed to a Definitive Feasibility study standard, with a corresponding level of confidence. • The Ore Reserve is based on a global estimate. • There is a degree of uncertainty associated with geological estimates. The Reserve classifications reflect the levels of geological confidence in the estimates. • There is a degree of uncertainty regarding estimates of impacts of natural phenomena including geotechnical assumptions, hydrological assumptions and the modifying mining factors, commensurate with the level of study. The Competent Person is satisfied that the analysis used to generate the modifying factors is appropriate, and that a suitable margin exists to allow for the Reserve estimate to remain economically viable despite reasonably foreseeable negative modifying factor results. • There is a degree of uncertainty regarding estimates of commodity prices and exchange rates, however the Competent Person is satisfied that the assumptions used to determine the economic viability of the Ore Reserves

Criteria	JORC Code explanation	Commentary
	made and the procedures used. • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	are reasonable based on current and historical data. • Further, i.e. quantitative, analysis of risk is not warranted or appropriate at the current level of technical and financial study.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

BLACKHAM RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
18 119 887 606	31 March 2016

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (9 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	244	367
1.2	Payments for		
	(a) exploration and evaluation	(1,921)	(9,341)
	(b) development	(522)	(522)
	(c) production	-	-
	(d) administration	(658)	(1,637)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	26	97
1.5	Interest and other costs of finance paid	(17)	(17)
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net Operating Cash Flows	(2,848)	(11,053)
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a)tenements	-	-
	(b)equity investments	-	-
	(c)other fixed assets	(12)	(89)
1.9	Proceeds from sale of:		
	(a)tenements	-	-
	(b)equity investments	-	-
	(c)other fixed assets	5	5
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other – Put option premium	(1,000)	(1,000)
	Net investing cash flows	(1,007)	(1,084)
1.13	Total operating and investing cash flows (carried forward)	(3,855)	(12,137)

1.13	Total operating and investing cash flows (brought forward)	(3,855)	(12,137)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	21,625	23,130
1.15	Proceeds from borrowings	(22)	7,039
1.16	Proceeds from convertible notes	-	-
1.17	Cost of borrowings	(77)	(319)
1.18	Dividends paid	-	-
1.19	Other – costs of share issues	(1,091)	(1,135)
	Net financing cash flows	20,434	28,715
	Net increase (decrease) in cash held	16,579	16,578
1.20	Cash at beginning of quarter/year to date	8,312	8,313
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	24,891	24,891

Payments to directors of the entity and associates of the directors

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

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	194
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 includes director's fees and salaries for executive and non-executive directors and payments to related parties.

Non-cash financing and investing activities

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

Nil

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

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	36,000	13,000
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	4,057
4.2	Development	11,814
4.3	Production	-
4.4	Administration	775
	Total	**16,646**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	2,891	562
5.2	Deposits at call	22,000	7,750
5.3	Bank overdraft	-	
5.4	Other (provide details)	-	
	Total: cash at end of quarter (item 1.22)	24,891	8,312

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased	P53/1637	Wiluna	0%	100%
		M63/192 to M63/194	Scaddan	70%	100%
		E63/521	Scaddan	70%	100%
		E63/1145 to E63/1146	Scaddan	70%	100%
		E63/1202 to E63/1203	Scaddan	70%	100%

Issued and quoted securities at end of current quarter

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

		Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1	**Preference** +**securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+**Ordinary securities**	249,317,103	249,317,103		Fully paid
7.4	Changes during quarter (a) Increases through issues	200,000 200,000 150,000 486,298 1,500,000 45,000,000	200,000 200,000 150,000 486,298 1,500,000 45,000,000	$0.122 (Options) $0.122 (Options) $0.350 (deemed) $0.214 (deemed) $0.213(Options) $0.45	Fully paid Fully paid Fully paid Fully paid Fully paid Fully paid
	(b) Decreases through returns of capital, buy-backs				
7.5	+**Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				

7.7	**Options and Performance Rights** *(description and conversion factor)*	Options		*Exercise price*	*Expiry date*
		3,000,000	-	$0.213	5 June 2016
		750,000	-	$0.270	1 June 2016
		150,000	-	$0.214	31 July 2016
		2,500,000	-	$0.298	29 May 2017
		600,000	-	$0.298	1 June 2017
		295,000	-	$0.250	24 June 2017
		100,000	-	$0.300	24 June 2017
		1,000,000	-	$0.230	1 September 2016
		1,000,000	-	$0.300	1 September 2017
		200,000	-	$0.122	9 November 2016
		2,000,000	-	$0.500	14 December 2017
		1,000,000	-	$0.200	3 February 2017
		1,000,000	-	$0.300	3 February 2018
		16,666,667	-	$0.180	31 December 2017
		1,770,000	-	$0.256	13 October 2017
		500,000	-	$0.200	13 October 2017
		700,000	-	$0.256	31 December 2017
		500,000	-	$0.256	6 December 2017
		175,000	-	$0.380	8 February 2019
		175,000	-	$0.463	8 February 2019
		500,000	-	$0.465	8 February 2018
		3,000,000	-	$0.350	20 March 2018
		Performance Rights			
		7,500,000	-		31 December 2017
		500,000	-		31 December 2017
		500,000	-		31 December 2017
7.8	Issued during quarter	Options			
		175,000	-	$0.380	8 February 2019
		175,000	-	$0.463	8 February 2019
		500,000	-	$0.465	8 February 2018
		3,000,000	-	$0.350	20 March 2018
		Performance Rights			
		500,000	-		31 December 2017
7.9	Exercised/converted during quarter	Options			
		400,000	-	$0.122	9 November 2016
		1,500,000	-	$0.213	5 June 2016
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: Mike Robbins Date: 29 April 2016
(Company Secretary)

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.