



BLACKHAM
Resources Limited

BLACKHAM RESOURCES LIMITED

ACN 119 887 606

NOTICE OF GENERAL MEETING

TIME: 8.30 am (WST)

DATE: Tuesday 24 September 2019

PLACE: Level 3, 1 Altona Street
WEST PERTH WA 6005

This Notice of General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of General Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9316 9100.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that a General Meeting of the Shareholders convened by this Notice of Meeting will be held at 8.30 am (WST) on Tuesday 24 September 2019 at:

Level 3, 1 Altona Street
WEST PERTH WA 6005

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your Shareholding and your vote is important.

ATTENDANCE AND VOTING ELIGIBILITY

For the purposes of regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) the Directors have determined that the Shares quoted on the ASX at 8.30am (WST) on Sunday 22 September 2019 will be taken, for the purposes of this General Meeting, to be held by the persons who held them at that time. Accordingly, those persons are entitled to attend and vote (if not excluded) at the Meeting.

VOTING IN PERSON

To vote in person, attend the General Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the Proxy Form enclosed (and the power of attorney or other authority (if any) under which it is signed (or a certified copy)) and either:

- (a) deliver the Proxy Form to the Company's registered office at Level 3, 1 Altona Street, West Perth, WA 6005;
- (b) send the Proxy Form by post to the Company's share registry at:

Blackham Resources Limited
c/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia; or
- (c) send the Proxy Form by facsimile to the Company' share registry on facsimile number +61 2 9287 0309; or
- (d) Website: lodge online at www.linkmarketservices.com.au, instructions as follows:

Select 'Investor Login' and in the "Single Holding" section enter Blackham Resources Limited or the ASX code BLK in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website;

so that it is received not later than **8.30am (WST)** on **Sunday 22 September 2019** being 48 hours prior to the Meeting.

Proxy Forms received later than this time will be invalid.

NOTICE AND BUSINESS OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders will be held at **Level 3, 1 Altona Street, West Perth, WA at 8.30 am (WST) on Tuesday 24 September 2019.**

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at this General Meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Memorandum (including the Annexures) are defined in the Glossary unless defined elsewhere in the Explanatory Memorandum.

AGENDA

RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – LEAD MANAGER OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 100,000,000 Options on the terms and conditions and in the manner set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Hartleys Limited and Morgans Corporate Limited (or their nominees) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – HARTLEYS

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 5,000,000 Shares to Hartleys Limited on the terms and conditions and in the manner set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Hartleys Limited (or its nominees) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – DEFERRED CONSIDERATION SHARES

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 113,657,881 Shares to RF Capital Pty Ltd on the terms and conditions and in the manner set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Apex Minerals NL or RF Capital Pty Ltd (or its nominees) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

NOTICE AND BUSINESS OF GENERAL MEETING

AGENDA (CONTINUED)

RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – PLACEMENT SHARES

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 6,423,474 Shares to Acuity Capital Investment Management Pty Ltd on the terms and conditions and in the manner set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Acuity Capital Investment Management Pty Ltd and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – CONSULTANT SHARES

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 392,857 Shares to BPDT & Co Pty Ltd on the terms and conditions and in the manner set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of BPDT & Co Pty and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – MACA

To consider and, if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 265,000,000 Shares to MACA Limited on the terms and conditions and in the manner set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of MACA Limited (or its nominees) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

NOTICE AND BUSINESS OF GENERAL MEETING

AGENDA (CONTINUED)

RESOLUTION 7 – APPROVAL OF ISSUE OF OPTIONS TO A DIRECTOR (MR MILAN JERKOVIC) UNDER THE BLACKHAM EMPLOYEE OPTION PLAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 10.14, and for all other purposes, the Company is authorised to issue up to 2,522,596 Options to Mr Milan Jerkovic, who is a Director, and/or his nominee(s), on the terms and conditions and in the manner set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by any Director and/or their nominee(s) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above (the “voter”) may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy appointed by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.

PROXIES

A Shareholder entitled to attend and vote at the Meeting has a right to appoint a proxy to attend and vote instead of the Shareholder. A proxy need not be a Shareholder and can be either an individual or a body corporate. If a Shareholder appoints a body corporate as a proxy that body corporate will need to ensure that it:

- (a) appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
- (b) provides the Company with satisfactory evidence of the appointment of its corporate representative prior to commencement of the Meeting.

If such evidence is not received before the Meeting, then the body corporate (through its representative) will not be permitted to act as proxy.

A Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes. Fractions of votes will be disregarded.

In order to vote on behalf of a company that is a Shareholder, a valid Power of Attorney in the name of the attendee, must be either lodged with the Company prior to the Meeting, or be presented at the Meeting before registering on the attendance register for the Meeting.

Forms to appoint proxies, and the Power of Attorney (if any) under which they are signed, must be posted or lodged at the registered office of the Company, or Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 not less than 48 hours before the time of the Meeting or resumption of an adjourned meeting at which the person named in the instrument proposes to vote.

An instrument appointing a proxy:

- (a) shall be in writing under the hand of the appointor or of his attorney, or if the appointor is a corporation, either under seal or under the hand of a duly authorised officer or attorney;
- (b) may specify the manner in which the proxy is to vote in respect of a particular Resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the Resolution except as specified in the instrument;
- (c) shall be deemed to confer authority to demand or join in demanding a poll;
- (d) shall be in such form as the Directors determine and which complies with section 250A of the Corporations Act; and
- (e) which appoints the Chair as proxy but does not specify the way in which the proxy is to vote on a particular Resolution will be recorded as voting in favour of the Resolutions (subject to the other provisions of these notes on proxies and any required voting exclusions including those in the Notice) as this is the Chair's voting intention.

Corporations

A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to, the Company before the commencement of the Meeting.

Proxies given by corporate Shareholders must be executed in accordance with their constitutions, or signed by a duly authorised attorney. A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as proxy.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Undirected and Directed Proxies

The Company encourages all Shareholders who submit proxies to direct their proxy how to vote on each resolution.

The Company will not disregard any votes cast on a Resolution by a person if the person is the Chair voting an undirected proxy and their appointment expressly authorises the Chair to exercise the proxy.

If you intend to appoint the Chair as your proxy, you can direct him how to vote by marking the boxes for each Resolution (for example, if you wish to vote "for", "against" or "abstain" from voting), or you cannot mark any of the boxes and give the Chair your express authority to vote your undirected proxy (in which case the Chair will vote in favour of all Resolutions).

If you intend to appoint another member of the KMP (such as one of the Directors) or one of their Closely Related Parties as your proxy, please ensure that you direct them how to vote on Resolution 7. If you leave your proxy form undirected on Resolution 7 the relevant KMP (other than the Chairman) and their Closely Related Parties will not be able to vote your shares on that resolution. If the Chairman is your proxy and you do not direct the Chairman how to vote in respect of Resolution 7 on the proxy form, you will be deemed to have directed and expressly authorised the Chairman to vote your proxy in favour of Resolution 7. This express authorisation acknowledges that the Chairman may vote your proxy even though Resolution 7 is connected directly or indirectly with the remuneration of a KMP and even though the Chairman may have an interest in the outcome of this resolution and is prohibited from voting on this resolution (other than as authorised proxy holder) because of that interest.

In accordance with the Corporations Act, any directed proxies that are not voted on a poll at the meeting will automatically default to the Chair, who is required to vote proxies as directed.

The Chair intends to vote all available proxies in favour of each of Resolutions 1 to 7 (inclusive).

If you appoint any other person as your proxy

You do not need to direct your proxy how to vote.

DATED: 15 AUGUST 2019

BY ORDER OF THE BOARD

**DAN TRAVERS
COMPANY SECRETARY**

EXPLANATORY MEMORANDUM

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders of Blackham Resources Limited in connection with the business specified to be conducted in the Notice of General Meeting at the general meeting of Shareholders to be held at **Level 3, 1 Altona Street, West Perth, WA 6005 at 8.30 am (WST) on Tuesday 24 September 2019.**

The purpose of this Explanatory Memorandum is to provide information that the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions contained in the Notice of Meeting.

The Resolutions are all ordinary resolutions, which mean they are each required to be passed by a simple majority (more than 50%) of votes cast by the Shareholders entitled to vote on them.

The Notice of Meeting, Explanatory Memorandum and Proxy Form are all important documents. The Directors recommend that Shareholders read them carefully in their entirety before making a decision on how to vote at the General Meeting.

A Glossary of terms frequently used in this Notice of Meeting and Explanatory Memorandum can be found at the end of this Explanatory Memorandum.

1. BACKGROUND TO RESOLUTIONS 1 AND 2

As announced on 21 March 2019 and 11 April 2019, the Company undertook a pro rata entitlement issue of 5 shares (**New Shares**) for every 4 shares held by eligible Shareholders at the record date, together with 1 free attaching New Option for every 3 new shares issued, to raise up to approximately \$25.8 million (before costs) (**Entitlement Offer**). The Entitlement Offer was made pursuant to a prospectus lodged with ASIC on 20 March 2019 (**Prospectus**).

The Entitlement Offer was fully underwritten, with Hartleys Limited (**Hartleys**) and Morgans Corporate Limited (**Morgans**) acting as the joint lead managers (together, the **Joint Lead Managers**) and Hartleys acting as the arranger of the underwriting (**Underwriting Agreement**).

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – LEAD MANAGER OPTIONS

2.1. Background

The Joint Lead Managers acted as the joint lead managers to the Entitlement Offer which was completed on 16 April 2019. As part consideration for services provided in connection with the Entitlement Offer, the Company granted 100,000,000 options over unissued shares (**Options**) to the Joint Lead Managers (and/or their nominees). The 100,000,000 Options were offered to the Joint Lead Managers (and/or their nominees) pursuant to a separate offer under the Prospectus, and issued on 15 April 2019.

The Options issued were identical to the options attaching to the Entitlement Offer and exercisable at \$0.03 each and expire on 12 October 2020. Refer to Annexure A for terms and conditions of the Options.

Resolution 1 seeks Shareholder approval and ratification for the prior issue of 100,000,000 Options to the Joint Lead Managers.

2.2. ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.3. ASX Listing Rule disclosure requirements

The following information is provided in accordance with ASX Listing Rule 7.5:

- (a) *The Total Number of equity securities issued was 100,000,000 Options issued pursuant to ASX Listing Rule 7.1;*
- (b) *The securities were issued at a deemed price of \$0.002 per Option;*
- (c) *The Options ranked equally with existing quoted options (BLKOB);*
- (d) *The Options were issued to the Joint Lead Managers to the Entitlement Offer (and/or their nominees), who were not related parties of the Company; and*
- (e) *There were no funds raised from the issue of the Options.*

A voting exclusion statement is included in the Notice of Meeting for Resolution 1.

2.4. Directors' Recommendation

The Board recommends Shareholders vote in favour of Resolution 2 as it allows the Company greater flexibility to issue further Securities representing up to 15% (under ASX Listing Rule 7.1) of the total number of Shares on issue in any 12 month period without Shareholder approval.

3. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – HARTLEYS

3.1. Background

Hartleys acted as the arranger of the underwriting of the Entitlement Offer. Pursuant to the Underwriting Agreement, the Company agreed to issue to Hartleys 5,000,000 ordinary fully paid shares (**Shares**) as part consideration for these services. The 5,000,000 Shares were offered to Hartleys (or its nominee) pursuant to a separate offer under the Prospectus. The Shares were issued on 15 April 2019.

Resolution 2 seeks Shareholder approval and ratification for the prior issue of 5,000,000 Shares to Hartleys.

3.2. ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

3.3. ASX Listing Rule disclosure requirements

The following information is provided in accordance with ASX Listing Rule 7.5:

- (a) *The Total Number of equity securities issued was 5,000,000 Shares issued pursuant to ASX Listing Rule 7.1;*
- (b) *The securities were issued at a deemed price of \$0.015 per Share;*
- (c) *The Shares ranked equally with existing quoted shares (BLK);*
- (d) *The Shares were issued to Hartleys who were not related parties of the Company; and*
- (e) *There were no funds raised from the issue of the Shares.*

A voting exclusion statement is included in the Notice of Meeting for Resolution 2.

3.4. **Directors' Recommendation**

The Board recommends Shareholders vote in favour of Resolution 2 as it allows the Company greater flexibility to issue further Securities representing up to 15% (under ASX Listing Rule 7.1) of the total number of Shares on issue in any 12 month period without Shareholder approval.

4. **RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – DEFERRED CONSIDERATION SHARES**

4.1. **Background**

On 17 January 2014 the Company (**Blackham**) entered into a Sale and Purchase Agreement (**SPA**) with Apex Minerals NL (**Vendor**) in respect of the acquisition of the Wiluna Gold Project.

Pursuant to the SPA, deferred consideration of A\$1,300,000 is payable to the Vendor on the production of the first 50,000 ounces of gold from the tenements acquired. The deferred consideration is calculated on the day that the First Production Hurdle is achieved (**First Production Hurdle Date**) which occurred on 9 May 2019.

The deferred consideration may be payable in Blackham shares, at the election of the Company, and issued at a price that is not more than the 30 day volume weighted average price, calculated at the First Production Hurdle Date. The 30 day volume weighted average price of Blackham shares at the First Production Hurdle Date was 1.1438 cents per share.

The deferred consideration, being 113,657,881 ordinary fully paid shares (**Shares**) were issued to RF Capital Pty Ltd (a nominee of the Vendor) at a deemed price of 1.1438 cents per share on 16 July 2019.

Resolution 3 seeks Shareholder approval and ratification for the prior issue of 113,657,881 Shares to RF Capital Pty Ltd pursuant to the SPA.

4.2. **ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A provides that a company may seek Shareholder approval at its annual general meeting to allow it to issue Securities up to 10% of its issued capital, provided that it is an eligible entity ("Eligible Entity").

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- is not included in the S&P/ASX 300 Index; and
- has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million.

At the time approval was obtained, the Company was an Eligible Entity as it was not included in the S&P/ASX 300 Index and had a market capitalisation of less than \$300 million.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1A (and provided that the previous issue did not breach ASX Listing Rule 7.1A) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1A.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 10% annual placement capacity set out in ASX Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

4.3. **ASX Listing Rule disclosure requirements**

The following information is provided in accordance with ASX Listing Rule 7.5:

- (a) *The Total Number of equity securities issued was 113,657,881 Shares issued pursuant to ASX Listing Rule 7.1A;*
- (b) *The securities were issued at a deemed price of \$0.011438 per Share;*
- (c) *The Shares ranked equally with existing quoted shares (BLK);*
- (d) *The Shares were issued to RF Capital Pty Ltd, who were not a related party of the Company; and*

(e) *There were no funds raised from the issue of the Shares.*

A voting exclusion statement is included in the Notice of Meeting for Resolution 3.

4.4. Directors' Recommendation

The Board recommends Shareholders vote in favour of Resolution 3 as it allows the Company greater flexibility to issue further Securities representing up to 15% (under ASX Listing Rule 7.1) of the total number of Shares on issue in any 12 month period without Shareholder approval.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – PLACEMENT SHARES

5.1. Background

On 15 February 2019, the Company announced the issue of 6,423,474 ordinary fully paid shares (**Shares**) to Acuity Capital Investment Management Pty Ltd pursuant to a Controlled Placement Agreement disclosed in the Company's June 2018 Quarterly Activities Report (refer ASX announcement 30 July 2018). The Shares were issued at a price of 4.08 cents per Share on 15 February 2019.

Resolution 4 seeks Shareholder approval and ratification for the prior issue of 6,423,474 Shares to Acuity Capital Investment Management Pty Ltd.

5.2. ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that a company may seek Shareholder approval at its annual general meeting to allow it to issue Securities up to 10% of its issued capital, provided that it is an eligible entity ("Eligible Entity").

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- is not included in the S&P/ASX 300 Index; and
- has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million.

At the time approval was obtained, the Company was an Eligible Entity as it was not included in the S&P/ASX 300 Index and had a market capitalisation of less than \$300 million.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1A (and provided that the previous issue did not breach ASX Listing Rule 7.1A) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1A.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 10% annual placement capacity set out in ASX Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

5.3. ASX Listing Rule disclosure requirements

The following information is provided in accordance with ASX Listing Rule 7.5:

- The Total Number of equity securities issued was 6,423,474 Shares issued pursuant to ASX Listing Rule 7.1A;*
- The securities were issued at a price of \$0.0408 per Share;*
- The Shares ranked equally with existing quoted shares (BLK);*
- The Shares were issued to Acuity Capital Investment Management Pty Ltd, who were not a related party of the Company; and*
- Funds raised from the issue of the Shares were used to provide working capital.*

A voting exclusion statement is included in the Notice of Meeting for Resolution 4.

5.4. Directors' Recommendation

The Board recommends Shareholders vote in favour of Resolution 4 as it allows the Company greater flexibility to issue further Securities representing up to 10% (under ASX Listing Rule 7.1A) of the total number of Shares on issue in any 12 month period without Shareholder approval.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – CONSULTANT SHARES

6.1. Background

On 26 September 2018, the Company announced the issue of 392,857 ordinary fully paid shares (**Shares**) to BPDT & Co Pty Ltd in consideration for consulting services provided to the Company.

Resolution 5 seeks Shareholder approval and ratification for the prior issue of 392,857 Shares to BPDT & Co Pty Ltd.

6.2. ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that a company may seek Shareholder approval at its annual general meeting to allow it to issue Securities up to 10% of its issued capital, provided that it is an eligible entity (“Eligible Entity”).

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- is not included in the S&P/ASX 300 Index; and
- has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million.

At the time approval was obtained, the Company was an Eligible Entity as it was not included in the S&P/ASX 300 Index and had a market capitalisation of less than \$300 million.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1A (and provided that the previous issue did not breach ASX Listing Rule 7.1A) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1A.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 10% annual placement capacity set out in ASX Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

6.3. ASX Listing Rule disclosure requirements

The following information is provided in accordance with ASX Listing Rule 7.5:

- The Total Number of equity securities issued was 392,857 Shares issued pursuant to ASX Listing Rule 7.1A;*
- The securities were issued at a price of \$0.042 per Share;*
- The Shares ranked equally with existing quoted shares (BLK);*
- The Shares were issued to BPDT & Co Pty Ltd, who were not a related party of the Company; and*
- There were no funds raised from the issue of the Shares.*

A voting exclusion statement is included in the Notice of Meeting for Resolution 5.

6.4. Directors' Recommendation

The Board recommends Shareholders vote in favour of Resolution 5 as it allows the Company greater flexibility to issue further Securities representing up to 10% (under ASX Listing Rule 7.1A) of the total number of Shares on issue in any 12 month period without Shareholder approval.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF EQUITY SECURITIES – MACA

7.1. Background

On 19 June 2019 the Company (**Blackham**) entered into an agreement with MACA Limited (**MACA**) pursuant to which MACA undertook to allow, until 20 February 2020, for amounts payable by Blackham to MACA pursuant to a Mining Services Contract to increase to up to A\$21 million (including GST).

To compensate for its forbearance Blackham undertook to pay MACA a working capital accommodation fee of A\$2.4 million to be paid by way of the issue of 265,000,000 Blackham shares at the 5 day VWAP as at close of trade on 14 June 2019, being \$0.00906 per Share.

The 265,000,000 Shares were issued to MACA on 20 June 2019.

Resolution 6 seeks Shareholder approval and ratification for the prior issue of 265,000,000 Shares to MACA.

7.2. ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

7.3. ASX Listing Rule disclosure requirements

The following information is provided in accordance with ASX Listing Rule 7.5:

- (f) *The Total Number of equity securities issued was 265,000,000 Shares issued pursuant to ASX Listing Rule 7.1;*
- (g) *The securities were issued at a deemed price of \$0.00906 per Share;*
- (h) *The Shares ranked equally with existing quoted shares (BLK);*
- (i) *The Shares were issued to MACA Limited, who were not a related party of the Company; and*
- (j) *There were no funds raised from the issue of the Shares.*

A voting exclusion statement is included in the Notice of Meeting for Resolution 6.

7.4. Directors' Recommendation

The Board recommends Shareholders vote in favour of Resolution 6 as it allows the Company greater flexibility to issue further Securities representing up to 15% (under ASX Listing Rule 7.1) of the total number of Shares on issue in any 12 month period without Shareholder approval.

8. RESOLUTION 7 - APPROVAL OF ISSUE OF OPTIONS TO A DIRECTOR (MR MILAN JERKOVIC) UNDER THE BLACKHAM EMPLOYEE OPTION PLAN

8.1 General

Resolution 7 relates to the proposed participation of the Executive Chairman, Mr Milan Jerkovic, in the Blackham EOP during the 2019/20 financial year. ASX Listing Rule 10.11 provides that, subject to certain exceptions, a company must not issue or grant securities to a director without shareholder approval. The grant of securities to a director pursuant to an employee incentive scheme that has been approved by shareholders in accordance with ASX Listing Rule 10.14 is an exception to ASX Listing Rule 10.11. The revised Blackham EOP was approved by Shareholders on 21 July 2017.

Shareholder approval is being sought for the grant to issue to Mr Jerkovic (or his nominee) up to a maximum of 2,522,596 Zero Priced Options (ZEPO's) under the Blackham EOP. The issue of ZEPO's to Mr Jerkovic is conditional upon the receipt of Shareholder approval. The key terms and conditions of the ZEPO's are set out in Annexure "B" to this Notice of Meeting.

An overview of the proposed grant is set out below. Further details of Mr Jerkovic's remuneration is set out in the Remuneration Report of the 2018 Financial Report and ASX announcement dated 1 May 2019.

8.2 Details of ZEPO's to be awarded to Mr Jerkovic under Blackham EOP

The Board has proposed to invite Mr Jerkovic to apply for a grant of up to 2,522,596 ZEPO's in the Company. Each ZEPO entitles the holder to acquire one Share. Accordingly, the maximum number of Shares that may be acquired by Mr Jerkovic is 2,522,596 (pursuant to the vesting and exercise of 2,522,596 ZEPO's), subject to any adjustment made in accordance with the Blackham EOP. The key terms and conditions of the ZEPO's are set out in Annexure "B" to this Notice of Meeting.

The ZEPO's proposed to be issued to Mr Jerkovic are subject to certain performance conditions to be measured at the performance measurement date of 30 June 2022 (as stated below) (**Performance Conditions**). ZEPO's that successfully vest on meeting performance conditions at the performance measurement date are able to be exercised into fully paid ordinary shares in the Company for no consideration. ZEPO's expire 30 June 2023.

ZEPO Performance Conditions

- 50% of the ZEPO's will be subject to the Performance versus Gold Index Test performance hurdle;
- 35% of the ZEPO's will be subject to the Reserves Growth Test performance hurdle; and
- 15% of the ZEPO's will be subject to the Resources Maintained Test performance hurdle

Further details regarding the above performance conditions are included in Annexure C.

The Board aims to deliver a target value at grant equal to the reduction in value of the ZEPO's held by Mr Jerkovic caused by the dilutive impact of the Entitlement Offer and taking into account what the grant may be worth at vesting, on average, over time. This target value is translated into a grant of ZEPO's using a fair value calculation (Black Scholes option pricing formula within a Monte Carlo simulation model) performed by an independent expert that allows for expected share price and dividend performance, and performance against the performance hurdles over the relevant period. The methodology is widely used and accepted for the purposes of accounting disclosures.

The actual value at vesting will depend on performance against the relevant performance hurdles and the price of the Shares. The maximum number of ZEPO's will only be delivered to Mr Jerkovic if the highest performance levels for each of the performance hurdles are achieved. The actual value on vesting may be zero if the performance hurdles are not met.

The value of the award and the number of ZEPO's proposed to be awarded to Mr Jerkovic pursuant to Resolution 7 were calculated as follows:

Target value at grant (based on what the grant is targeted to be worth at vesting, on average, over time): \$32,794

- 1) Method for calculating number of units to be awarded: Values above divided by the fair value of ZEPO's
- 2) Maximum number of ZEPO's awarded: ZEPO's = 2,552,596

Date of Grant

If Shareholder approval is obtained, the ZEPO's will be granted to Mr Jerkovic no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).

Cessation of Employment

If Mr Jerkovic ceases employment with the Company before the ZEPO's vest, then all unvested ZEPO's will lapse. However, in some circumstances, including retirement, retrenchment or expiry (and non-renewal) of contract, the Board may exercise its discretion to determine the treatment of unvested ZEPO's and, to the extent permitted by law, may elect to allow the ZEPO's to remain on issue until the performance measurement date and if applicable, the expiry date or settle any ZEPO's by way of a cash payment (rather than ordinary shares)(subject always to the ASX Listing Rules and the Corporations Act).

8.3 ASX Listing Rule 10.15 Additional Information

The following information is provided to Shareholders for the purposes of ASX Listing Rule 10.15, in respect of Resolution 7:

- (a) The maximum number of securities to be issued is 2,522,596 ZEPO's and the maximum number of Shares to be issued if all the vesting conditions attaching to those ZEPO's are met, is 2,522,596.
- (b) Once the vesting conditions of the ZEPO's are met (or waived), the ZEPO's will be issued at no cost (as described above).
- (c) Mr Jerkovic is an eligible person as defined under the Blackham EOP and is entitled to participate in the Blackham EOP. The following options have been issued under the Blackham EOP since it was approved by Shareholders on 21 July 2017 to directors (or their associates):

Director	Details	Number of options issued pursuant to EOP	Acquisition Price	Exercise Price
Bryan Dixon	Zero priced options approved by shareholders 11 May 2018	10,000,000	Nil	Nil
Milan Jerkovic	Zero priced options approved by shareholders 11 May 2018	10,000,000	Nil	Nil

- (d) The following persons (or their associates) referred to in ASX Listing Rule 10.14 are entitled to participate in the Blackham EOP:
 - Mr Milan Jerkovic;
 - Mr Greg Fitzgerald; and
 - Mr Anthony James.
- (e) A voting exclusion statement has been included in the Notice of Meeting for Resolution 7.
- (f) No loan for an acquisition of securities will be granted under the Blackham EOP.
- (g) The ZEPO's will be issued no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules).

The Board considers that Mr Jerkovic has been and continues to be, a key and central figure to the achievement of the ongoing strategic goals of the Company, given his experience and skill base. The Blackham EOP provides Mr Jerkovic with a mechanism, to participate in the future development of the Company and to incentivise his continued involvement with, and commitment to, the Company. In the event that the ZEPO's are not approved by Shareholders, it may be necessary for the Board to agree an alternative remuneration structure equivalent to the current proposed awards put forward in this Resolution 7.

Directors' Recommendation

Mr Milan Jerkovic declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution. The Directors (other than Mr Milan Jerkovic) recommend that, for the reasons set out above, Shareholders vote in favour of Resolution 7.

GLOSSARY

In the Notice of Meeting (including the Annexures thereto) and the Proxy Form, the following terms have the following meanings unless they are otherwise defined or the context otherwise requires:

\$ or AUD means Australian dollars.

Annexure means an annexure accompanying and forming part of the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the official list of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

Board means the current board of Directors.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chairperson of the Meeting.

Closely Related Party is defined in respect of a member of Key Management Personnel as:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by *Corporations Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company or **Blackham** means Blackham Resources Limited ACN 119 887 606.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a current director of the Company.

Entitlement Offer has the meaning given in the Explanatory Memorandum.

EOP means the Blackham Resources Limited Employee Option Plan

Explanatory Memorandum means the explanatory memorandum accompanying and forming part of the Notice.

Equity Security means a security issued or to be issued in the capital of the Company, including a Share and an Option

First Production Hurdle Date means 9 May 2019, being the date that gold production from the tenements acquired pursuant to the SPA exceeds 50,000 ounces.

General Meeting or **Meeting** means the meeting convened by the Notice.

Hartleys means Hartleys Limited ACN 104 195 057.

Joint Lead Managers means Hartleys and Morgans.

Key Management Personnel has the same meaning given in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director of the Company (whether executive or otherwise), or if the Company is part of a consolidated entity, of an entity within the consolidated group.

MACA means MACA Limited ACN 144 745 782

Morgans means Morgans Corporate Limited ACN 010 539 607.

New Options means Options that are exercisable at \$0.03 on or before 12 October 2020 and otherwise on the terms set out in Annexure A.

New Shares has the meaning given in section 1 of the Explanatory Memorandum.

Notice or **Notice of Meeting** means this notice of general meeting including the Explanatory Memorandum, the Annexure and the Proxy Form.

Option means an option to acquire a Share.

Performance Conditions means the performance conditions attaching to the zero-priced options the subject of resolution 7 and stated in section 8.2 of the Explanatory Memorandum.

Prospectus has the meaning given in section 1 of the Explanatory Memorandum.

Proxy Form means the proxy form accompanying and forming part of the Notice.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

RF Capital Pty Ltd means RF Capital Pty Ltd ACN 608 892 806, a nominee of the Vendor.

Security means a security issued or to be issued in the capital of the Company, including a Share and an Option.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

SPA means the Sale and Purchase Agreement entered into between the Company and Apex Minerals NL and Apex Gold Pty Ltd.

Underwriting Agreement means the underwriting agreement between the Company and Hartleys dated 20 March 2019.

Vendor means Apex Minerals NL .

WST means Western Standard Time as observed in Perth, Western Australia.

ZEPO means Zero Priced Option

Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.

ANNEXURE A - TERMS AND CONDITIONS OF OPTIONS – RESOLUTION 1

The terms of the Options, the subject of Resolution 1 are set out below:

- (a) Each Option entitles the holder to subscribe for 1 Share at the exercise price of \$0.03.
- (b) Subject to paragraph (c) below, the Options are exercisable at any time up to 5.00pm (Perth time) on 12 October 2020 by completing an exercise form and delivering it together with the payment for the number of Shares in respect of which the Options are exercised to the registered office of the Company. Any Options not exercised by that time will lapse.
- (c) An Option holder may exercise only some of that holder's Options, which does not affect that holder's right to exercise the remainder of their Options by the deadline in paragraph (b) above.
- (d) The Company will apply to the ASX for official quotation of the Options. The Company gives no assurances that such quotation will be granted.
- (e) Subject at all times to the Corporations Act, the ASX Listing Rules and the Company's Constitution, the Options are freely transferable.
- (f) All Shares issued upon exercise of the Options will, from the date they are issued, rank equally in all respects with the Company's then issued Shares. The Company will apply for official quotation to ASX of all Shares issued upon exercise of the Options.
- (g) Option holders cannot participate in new issues of capital offered to Shareholders of the Company during the currency of the Options without first exercising the Options.
- (h) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- (i) In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the exercise of the Option, the rights of Option holders, including the number of Options or the exercise price of the Options or both will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (j) Options do not confer any rights to attend or vote at meetings of Shareholders of the Company. Notice may be given by the Company to Option holders in the manner provided by the Company's Constitution for the giving of notices to Shareholders, and the relevant provisions of the Company's Constitution apply with all necessary modification to notices to Option holders.
- (k) Notwithstanding these terms and conditions, the Options may only be issued or exercised within the limitations imposed by the Corporations Act and the ASX Listing Rules.

ANNEXURE B - TERMS AND CONDITIONS OF ZEPO'S – RESOLUTION 7

The ZEPO's entitle the holders to subscribe for fully paid ordinary shares in the Company on the following terms:

- a) Once vested, each ZEPO entitles the holder to subscribe for one Share, issued under the Blackham EOP, at nil cost.
- b) The exercise period for ZEPO's will commence when the ZEPO's have vested and any exercise conditions have been satisfied or waived by the Board or are deemed to have been satisfied under the terms and conditions of the Blackham EOP.
- c) The exercise period for ZEPO's will end on the expiry date, subject to the terms and conditions of the Blackham EOP and the terms of the Company's Security Trading Policy.
- d) A ZEPO is exercisable by the holder lodging a notice of exercise option and application for Shares in a form approved by the Company, together with any exercise price of each Share to be issued on exercise and the relevant ZEPO certificate, with the Company Secretary.
- e) A ZEPO holder may exercise only some of that person's ZEPOs, which does not affect that holder's right to exercise the remainder of their ZEPO's by the deadline in paragraph (b) above. ZEPOs must be exercised in multiples of 100 at a time, unless the ZEPO holder exercises all ZEPO's able to be exercised at that time.
- f) ZEPO's are not transferable.
- g) All Shares issued upon exercise of the ZEPO's will, from the date they are issued, rank pari passu in all respects with the Company's then issued Shares. The Company will apply for official quotation to ASX of all Shares issued upon exercise of the ZEPO's.
- h) If ZEPO's are exercised before the record date of an entitlement, the ZEPO holder can participate in a pro rata issue to the holders of the underlying securities in the Company. The Company must notify the ZEPO holder of the proposed issue at least nine (9) business days before the record date. ZEPO holders do not have a right to participate in new issues without exercising their options in accordance with Listing Rule 6.19.
- i) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, all rights of the ZEPO holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.
- j) ZEPO holders will be sent all communications sent to Shareholders of the Company, but ZEPO's do not confer any rights to attend or vote at meetings of Shareholders of the Company. Notice may be given by the Company to ZEPO holders in the manner provided by the Company's Constitution for the giving of notices to shareholders, and the relevant provisions of the Company's Constitution apply with all necessary modification to notices to ZEPO holders.
- k) At all times, ZEPO's are subject to the full terms and conditions of the Blackham EOP including any vesting conditions.
- l) Notwithstanding the terms and conditions in this document, ZEPO's may only be issued or exercised within the limitations imposed by the Corporations Act 2001 and the Australian Securities Exchange Listing Rules.

ANNEXURE C - PERFORMANCE CONDITIONS OF ZEPO'S – RESOLUTION 7

The performance conditions attaching to the zero priced options the subject of Resolution 7 are as follows:

- 50% of the ZEPO's will be subject to the Performance versus Gold Index Test performance hurdle (the "**Gold Index ZEPO's**");
- 35% of the ZEPO's will be subject to the Reserves Growth Test performance hurdle (the "**Reserve Growth ZEPO's**"); and
- 15% of the ZEPO's will be subject to the Resources Maintained Test performance hurdle (the "**Resource Maintained ZEPO's**")

Gold Index ZEPO's Performance Hurdle

The performance hurdle applying to the Gold Index ZEPO's is outlined below:

Blackham share price performance compared to the Gold Index measures the return received by shareholders from holding shares in a company over a performance period compared to the returns achieved elsewhere in the gold sector. Blackham's share price performance is calculated by taking into account the growth in a company's share price over the performance period. The formula for calculating Blackham's share price performance is shown below:

$$\text{(Share Price at 30/06/22 – Share Price at 1/7/19) / Share Price at 1/7/19}$$

A volume weighted average share price (VWAP) will be used to determine Share Price at 30/06/22 and Share Price at 1/7/19.

The VWAP for the Share Price at 1/7/19 will be based on the VWAP leading up to the 5 business days prior to 1/7/19 and the VWAP for the Share Price at 30/06/22 will be based on the VWAP over the last 5 business days prior to 30/06/22.

Blackham's share price performance will be compared to the % movement in the ASX All Ordinaries Gold Index over the same measurement period. The formula for calculating the ASX All Ordinaries Gold Index performance is shown below:

$$\text{(Gold Index at 30/06/22 – Gold Index at 1/7/19) / Gold Index at 1/7/19}$$

An average Gold Index will be used to determine Gold Index at 30/06/22 and Gold Index at 1/7/19.

The average Gold Index at 1/7/19 will be based on the average over last 5 business days prior to 1/7/19 and the average Gold Index at 30/06/22 will be based on the Gold Index over the last 5 business days prior to 30/06/22.

50% of the Gold Index ZEPO's vest if BLK's share price outperforms the ASX Gold Index (in terms of percentage movement) over the 3 year measurement period.

100% of the Gold Index ZEPO's will vest if the BLK share price outperforms the ASX Gold Index by at least 50% over the 3 year measurement period. For example, if the Gold Index increases by 30% over the measurement period, and the Blackham share price increases by 45% (which is 50% better than the Gold Index increase), then 100% of the Gold Index ZEPO's will vest.

A Blackham share price performance that outperforms the ASX All Ordinaries Gold Index over the measurement period by less than 50% will see a pro-rata vesting of Gold Index ZEPO's on a linear basis.

However, to ensure that only sufficient out performance is rewarded in a low return environment, 100% of the Gold Index ZEPO's can only vest if:

the above criteria are satisfied; and

- the Blackham share price performance in percentage terms is equal to or greater than the ASX All Ordinaries Gold Index percentage movement plus 10%. For example, if the ASX All Ordinaries Gold Index performance over the measurement period is 1%, then the Blackham share price increase over the measurement period must be at least 11% (ie. 1% Gold Index performance + 10% = 11%). A Blackham share price performance that outperforms the ASX All Ordinaries Gold Index over the measurement period by less than 10% will see a pro-rata vesting of Gold Index ZEPO's on a linear basis.

Reserve Growth ZEPO's Performance Hurdle

The performance hurdle applying to the Reserve Growth ZEPO's is outlined below:

Blackham's Reserves Growth performance will be measured across the relevant performance period. Reserves Growth measures the change in Blackham's Reserves at the end of the performance period as compared to the commencement of the performance period, net of mining depletion.

Unless the Board determines otherwise, none of the Reserve Growth ZEPO's will vest unless Blackham's Reserves are grown as at the end of the relevant performance period.

The vesting schedule for the Reserve Growth ZEPO's is as follows:

Reserves Growth performance	Performance Vesting Outcomes
Reserves maintained or depleted	0% vesting
Reserves grown by 10%	50% vesting
Reserves grown by 10% to 20%	Between 50% and 100% vesting, calculated on a linear basis.
Reserves grown by 20% or more	100% vesting

Resources Maintained ZEPO's Performance Hurdle

The performance hurdle applying to the Resources Maintained ZEPO's is outlined below:

Blackham's Resources Maintained performance will be measured across the relevant performance period. Resources Maintained measures the change in Blackham's Resources at the end of the performance period as compared to the commencement of the performance period, net of mining depletion.


Unless the Board determines otherwise, none of the Resources Maintained ZEPO's will vest unless Blackham's Resources are maintained as at the end of the relevant performance period.

The vesting schedule for the Resources Maintained ZEPO's is as follows:

Resources Maintained performance	Performance Vesting Outcomes
Resources depleted	0% vesting
Resources maintained or grown	100% vesting

LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
Blackham Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Blackham Resources Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **8.30 am (WST) Tuesday, 24 September 2019 at Level 3, 1 Altona Street, West Perth WA 6005 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 7: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 7, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).


The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Ratification of Prior Issue of Equity Securities – Lead Manager Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Ratification of Prior Issue of Equity Securities – Consultant Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of Prior Issue of Equity Securities – Hartleys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Ratification of Prior Issue of Equity Securities – Maca	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of Prior Issue of Equity Securities – Deferred Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval of Issue of Options to a Director (Mr Milan Jerkovic) under the Blackham Employee Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Prior Issue of Equity Securities – Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

BLK PRX1901C



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **8.30 am (WST) Sunday, 22 September 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

Blackham Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)



COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**