

## Bligh Resources Limited

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### General Manager Project Development

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### Company Secretary

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### Capital Structure

Ordinary Shares:	212,464,631
Unlisted Options:	33,150,000

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## Significant widths of High Grade Gold intersected at Bundarra Project

### *Results from drilling program discover high grade intercepts:*

- **10m @ 8.72 g/t from 301m and 2m @ 12.31 g/t from 334m in BRC019**
- **31m @ 3.56 g/t from 294m including 9m @ 7.18 g/t from 296m in BRC018**
- **results confirm the continuity of high grade gold mineralisation at depth beneath the Wonder North pit**
- **10m @ 5.26 g/t from 171m in BRC005 in a previously untested zone NW of the Wonder North pit**

**Bligh Resources Limited (ASX: BGH) ("Company")** is pleased to announce results received from the Reverse Circulation ('RC') drilling program announced on 27<sup>th</sup> October 2017.

Of six drillholes completed at the Wonder North deposit, four drillholes (BRC004 – BRC007) targeted extensions of mineralisation to the north-west of the existing open pit, and two drillholes (BRC018 and BRC019) targeted the extension of mineralisation at depth beneath the existing pit.

Drillhole BRC019 intersected **10m @ 8.72 g/t from 301m to 310m** downhole, and **2m @ 12.31 g/t from 334m to 336m** in a Footwall Lode.

Drillhole BRC018 intersected **31m @ 3.56 g/t from 294m to 325m, (including 9m @ 7.18 g/t from 296m to 305m)**, 7m @ 1.89 g/t from 318m to 325m, and 2m @ 4.22 g/t from 330m to 332m in a Footwall Lode.

Drillhole BRC005 to the northwest of Wonder North intersected **10m @ 5.26 g/t from 171m to 181m**.

Two drillholes completed at the Bluebush Prospect 2km directly south of Wonder North to test for extensions did not intersect significant mineralisation.

These results (Table 1) confirm the continuity of high grade gold mineralisation at depth beneath the Wonder North pit and highlight the excellent potential to expand Mineral Resources and develop a high grade underground mining operation to compliment open pit mine development.

The high grade intersection in BRC005 to the northwest of the Wonder North pit (Figure 1), is a previously untested zone of mineralisation which highlights the exploration potential adjacent to currently defined deposits, and along interpreted structural features.

Bligh is currently evaluating the opportunity to further extend the defined high grade mineralisation beneath the Wonder North deposit, and geological planning of a subsequent drilling program is underway ahead of the submission of Program of Work Application to the Department of Minerals and Petroleum.

A long section of currently defined mineralisation at Wonder North is shown in Figure 2, with the location of drilling from the most previous operators (Terrain Minerals: TMX) in 2007/2008, and previous drilling shown with the most recent Bligh drilling (BRC018, and BRC019). True widths are estimated to be 50% of reported downhole intersections.

Works associated with the Feasibility Study into the commencement of open pit mining at Bundarra have commenced, and Bligh believes that the significant widths of continuous high grade mineralisation, within a broader halo of mineralisation at depth is highly encouraging.

Director Pat Burke commented "These excellent results from the limited drilling program demonstrate the near pit and depth opportunities that exist at Bundarra. This sets up the company to extend the scope and scale of the project as it progresses development options. Following the agreement to terminate the JV with Contained Gold, the company is now well placed to advance exploration and development activities at Bundarra, and as part of the current Feasibility Study, Bligh is examining the potential for an underground mine development following the completion of open pit mining at Wonder North.

**Table 1 Significant drilling intersections**

Hole No.	Total Depth m	Northing	Easting	RL	Dip	Azimuth	From m	To m	Width m	Au g/t	Comment
BRC004	220				-60	220	189	196	7	1.60	Wonder NW Extension
BRC005	200	6863836	321722	504	-60	220	163	181	18	3.36	Wonder NW Extension
						INCLUDING	171	181	10	5.26	
BRC007	188	6863867	321618	505	-60	220	125	127	2	1.39	Wonder NW Extension
BRC018	334	6863671	322138	503	-60	220	294	325	31	3.56	Wonder North Down Dip
						INCLUDING	296	305	9	7.18	
						AND	330	334	4	2.50	Hole ended in mineralisation due to drilling difficulties
						INCLUDING	330	332	2	4.22	
BRC019	348	6863700	322097	503	-60	220	301	311	10	8.72	Wonder North Down Dip
						AND	334	356	2	12.31	Footwall Lode
BRC006	180	6863849	321668	505			No significant intersection				Wonder NW Extension
BRC016	200	6861860	321749	496			No significant intersection				Bluebush strike Extension
BRC017	170	6861824	321728	496			No significant intersection				Bluebush strike Extension



Figure 1 Wonder North Drillhole Collar Locations

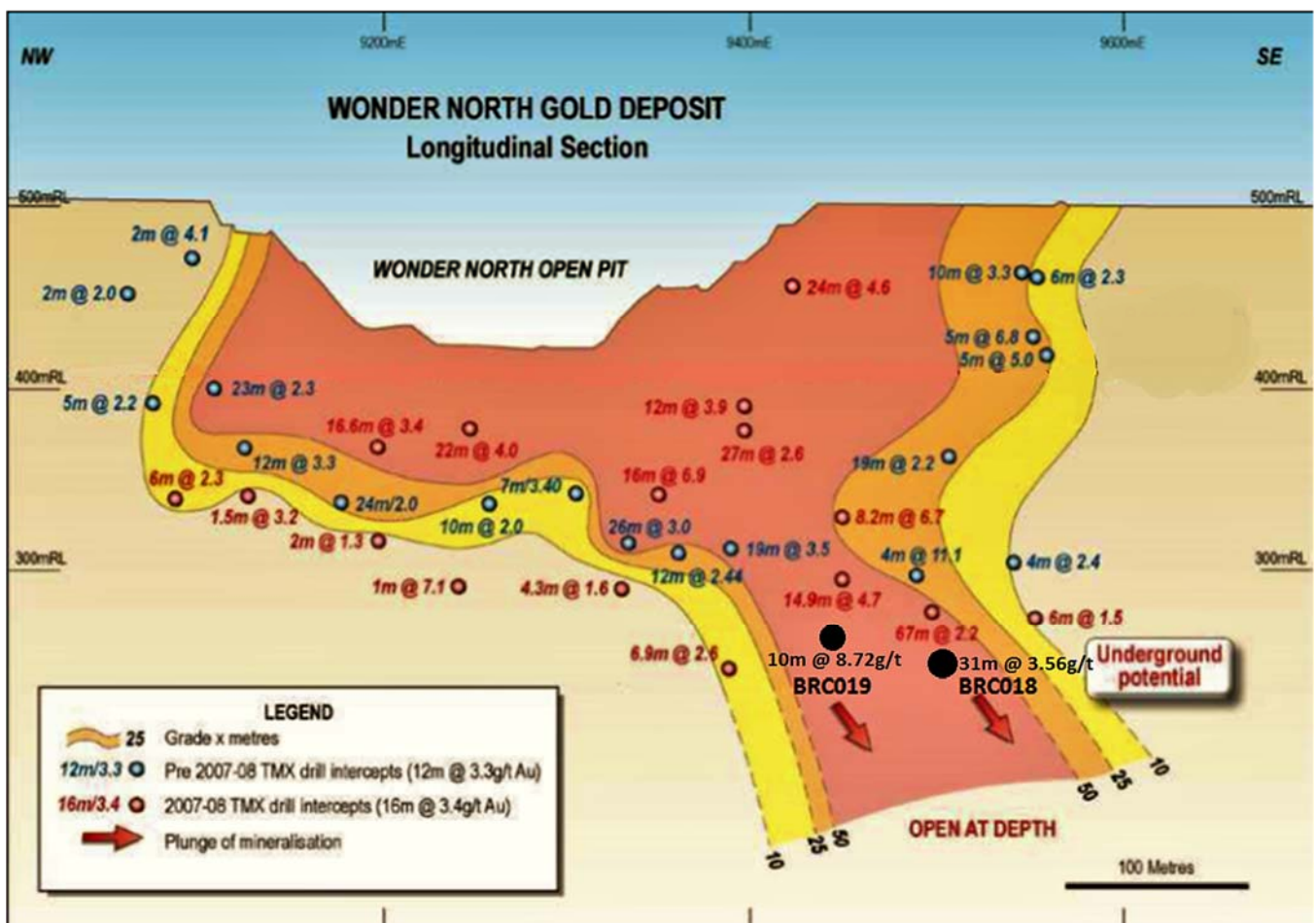


Figure 2 Wonder North Long Section

### **About the Bundarra Gold Project**

The Bundarra Gold Project lies within the Norseman-Wiluna greenstone belt of the Archean Yilgarn Craton, approximately 60km north of Leonora in the Eastern Goldfields region of Western Australia. The Company has previously reported Mineral Resources (JORC 2004) across three deposits and a new exploration zone (Celtic, Wonder North, Wonder West and Bluebush). Details of the resource estimate are contained in the Company's announcement dated 23 March 2015.

The project tenement schedule consists of five Mining Leases, six Prospecting Licences and two Miscellaneous Licences for groundwater exploration and a future haulage route covering an area of 60.5km<sup>2</sup>. To date, more than 3,000 holes have been drilled with an accumulated drill depth of more than 150,000m.

### **Competent Person Statement**

*Information in this report that relates to exploration results is compiled by Mr Paddy Reidy, General Manager of Bligh Resources, and a Member of the Australasian Institute of Mining and Metallurgy. Mr Reidy has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity upon which he is reporting on 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 Reidy consents to the inclusion in this report of the matters based on the information compiled by him, in the form and context in which it appears.*



## Appendix 1: JORC Table1

### JORC Table 1 Section 1

Criteria	Commentary
Sampling techniques	<p>Sampling of Reverse Circulation (RC) drill holes was comprised of one metre (1m) cone split samples, as drilled. Approximately 3.0kg of sample was collected over each sampled interval. Sampling techniques are considered to be in line with the standard industry practice and are considered to be representative. Bligh RC chip samples are crushed, dried and pulverised to a nominal 90% passing 75µm to produce a 50g sub sample for analysis by FA/AAS.</p> <p>All drill holes are accurately located and referenced with grid coordinates recorded in the standard MGA94 Zone51 grid system. Samples are collected using a standard face hammer, they are split/bagged/logged at the drill site. Samples were Fire Assayed (50 gram charge) for Au only.</p> <p>Only the drill results contained in the table of significant intersections are considered in this document. All samples and drilling procedures are carried out in accordance with Bligh sampling and QAQC procedures as per industry standard</p>
Drilling techniques	<p>Surface drilling was completed by standard RC drilling techniques. RC drilling was conducted by Orlando Drilling Pty Ltd using a Schramm T 685WS Rotadrill drilling rig with a 500psi/1350cfm air capacity, and a Hurricane booster and Auxiliary compressor of 1000psi/2200cfm. RC drilling used a face-sampling hammer over a 140mm diameter drill holes. Downhole surveys were carried out using a reflex gyro hired by the drilling company on a regular basis, between 10m-30m.</p>
Drill sample recovery	<p>Sample recovery is measured and monitored by the drill contractor and Bligh representatives, where bag volume is visually estimated and recorded as a percentage. Sample recovery was generally very good. The volume of sample collected for assay is considered to represent a composite sample. Sample recovery is maximized by using best-practice drill techniques, whereby the hammer is pulled back at the completion of each metre and the entire 1m sample is blown back through the rod string. Known standards are inserted at constant intervals at a rate of four per one hundred samples.</p> <p>Measures were taken to suppress groundwater and minimize moisture within samples. Samples were collected and stored in numbered calico bags and removed from the field daily.</p> <p>No relationship was observed between sample recovery and grade.</p>
Logging	<p>Logging of RC chips records lithology, mineralogy, texture, mineralisation, weathering, alteration, veining, grid coordinates, sample interval and depth. Data is physically and electronically logged and stored. The level of logging detail is considered appropriate for exploration drilling. Logging of geology and colour are interpretative and qualitative, whereas logging of mineral percentage is quantitative. Chips from all RC holes are stored in chip trays for future reference.</p>
Sub-sampling techniques and sample preparation	<p>See Sampling techniques in the above section.</p> <p>The sample collection methodology is considered appropriate for RC drilling and is within today's standard industry practice. Split one metre sample (1m) results are regarded as reliable and representative. RC samples are split with cone splitter at one metre intervals as drilled. Analysis was conducted by ALS Minerals Laboratories in Kalgoorlie. At the laboratory samples are dried, crushed and pulverised until the sample is homogeneous. Analysis technique for gold (only) was a Fire Assay 50 gram charge AAS finish (Lab method Au-AA26).</p> <p>The majority of samples were collected dry; on occasion ground water was encountered and a minimal number of samples were collected wet. It was however not considered by Bligh to be of sufficient concentration to affect the sampling process. Field standards were submitted with the sample batch, the assay laboratory (ALS) also included their own internal checks and balances consisting of repeats and standards; repeatability and standard results were within acceptable limits.</p> <p>No issues have been identified with sample representativity. The sample size is considered appropriate for this type of mineralisation style.</p>
Quality of assay data and laboratory tests	<p>Geochemical analysis of RC chip samples was conducted by ALS Minerals in Kalgoorlie. Sample preparation included drying the samples (105°C) and pulverising to 85% passing 75µm. Samples were then riffle split to secure a sample charge of 50 grams. Analysis was via Fire Assay with AAS finish. Only gold analysis was conducted (ppm detection). The analytical process and the level of detection are considered appropriate for this stage of exploration.</p>

Criteria	Commentary
	<p>Fire assay is regarded as a complete digest technique.</p> <p>No geophysical tools were used to determine any element concentrations.</p> <p>Internal laboratory quality control procedures have been adopted. Certified reference material in the form of standards and duplicates are periodically imbedded in the sample batch by Bligh at a ratio of 1:20</p>
Verification of sampling and assaying	<p>The reported significant intersections have been verified by the Bligh Geology Manager and corporate personnel. All the logged samples have been assayed; the assay data has been stored physically and electronically in the company database using Bligh's protocols. The sampling and assay data has been compiled, verified and interpreted by company geologists.</p> <p>No holes were twined. No adjustments, averaging or calibrations are made to any of the assay data recorded in the database. QA/QC protocol is considered industry standard with standard reference material submitted on a routine basis.</p>
Location of data points	<p>Drill hole collars were located and recorded in the field using a hand held GPS with a three metre or better accuracy. The grid coordinate system utilised is GDA94 Zone51. Hole locations were visually checked on ground and against historic plans for spatial verification. No topographic control (i.e. RL) was required, a nominal field RL of 505m is assumed for the ground surface</p>
Data spacing and distribution	<p>The drill hole spacing is project specific; the RC drilling patterns employed were dependent on previous drilling and geological interpretation. The sample spacing is considered close enough to identify significant zones of gold mineralisation. The drill programme is a follow up/ongoing exploration exercise that was designed to identify areas of geological interest and extensions to known mineralisation at the Wonder North and Bluebush deposits. Closer spaced drilling on surrounding cross sections may be required to further delineate the extent, size and geometry of some areas within the identified zones of gold mineralisation.</p> <p>Drill spacing and drill technique is sufficient to establish the degree of geological and grade continuity appropriate for the mineral resources and ore reserve estimation procedures and classifications applied however the mineralised system remains open and additional infill drilling is required to close off and confirm its full extent, particularly at depth.</p>
Orientation of data in relation to geological structure	<p>Exploration RC drill holes have been drilled at 60 degrees to the mineralized bodies. No relationship between mineralised structure and drilling orientation has biased the sample.</p>
Sample security	<p>Samples are prepared on site under supervision of Bligh geological staff. Samples are selected, bagged into tied numbered calico bags then grouped securely and collected by a dedicated freight company directly to the laboratory. Sample submissions are documented via laboratory tracking systems and assays are returned via email</p>
Audits or reviews	<p>Sampling methodologies and assay techniques used in this drilling programme are considered to be mineral exploration industry standard and any audits or reviews are not considered necessary at this early exploration stage. No audits or reviews have been conducted at this stage apart from internal reviews and field quality control.</p>

## JORC Table 1 Section 2

Criteria	Commentary
Mineral tenement and land tenure status	<p>Drill results contained in the table of significant intersections in this document are contained within Mining Leases M37/513, and M37/514. The tenements are held 100% by SR Mining Pty Ltd, which is a subsidiary of Bligh Resources Limited.</p> <p>There are no caveats associated with the Mining Leases</p> <p>There are no registered Aboriginal Heritage sites within the mining leases</p> <p>All production is subject to a Western Australian state government NSR royalty of 2.5%</p> <p>All production is subject to an NSR royalty of 1.5% attributable to International Royalty Corporation of Denver Colorado.</p> <p>No known impediment exists to obtaining a licence to operate and the tenements are all in good standing</p>

Criteria	Commentary
Exploration done by other parties	<p>The earliest exploration completed over the Bundarra Gold Project was by Grimes Holdings in 1991 with the drilling of 97 vacuum holes to 14m depth. Mt Edon Gold Mines entered into a joint venture with Grimes in 1992 and commenced exploration which included soil sampling, RAB drilling, pit and costean mapping, RC drilling, and diamond hole drilling primarily over the Celtic deposit up until 1996. Following the takeover of Mt Edon by Pacmin in 1997, additional RC and diamond core drilling was completed at Celtic in 2000. The Celtic pit was mined by Pacmin between Nov 2000 and Nov 2001.</p> <p>The Wonder deposit area was identified from soil geochemistry and follow up RAB drilling in 1995, and subsequent RC drilling in 1996. Resource infill drilling was completed in 2000 and 2001, with mining at the Wonder, Wonder North, and Wonder West deposits carried out between May 2002 and February 2003, following the acquisition of Pacmin by Sons of Gwalia in October 2001.</p> <p>The Project was acquired by St Barbara Limited in 2005 from the administrators of Sons of Gwalia, who subsequently sold the Project to Terrain Minerals who completed airborne magnetics and RC drilling at the Celtic, Bluebush, and Wonder North deposits from 2006 to 2008.</p> <p>The Project was sold by Terrain to SR Mining in 2011</p>
Geology	<p>On a regional scale, gold mineralisation is structurally controlled and occurs in late stage, possibly reactivated west to northwest striking, steeply north dipping faults and shears. The preferred host for mineralisation is highly oxidised, coarse grained granitoid that varies in composition from granodiorite, through tonalite to quartz diorite. The mineralisation has been preferentially deposited at the margins, or near marginal zones of the more mafic granitoids, close to their contacts with greenstones. Geochemical and/or competency contrasts between granite and lenses or xenoliths of more mafic lithologies are possible controls on localising mineralisation, and cross-cutting structures and local jogs in the strike and dip of the mineralised structures may also be important. Late stage quartz veining within the host rock is an essential element for mineralisation to be present; without quartz, mineralisation is only low grade.</p>
Drillhole Information	<p>The location of all drillholes is presented as part of the significant intersection table in the body of this report. Significant down hole gold intersections are presented in the long-section and also reported in the table of intersections. All hole depths refer to down hole depth in metres. All hole collars are GDA94 Zone51 positioned. Elevation is a nominal estimate. Drill holes are measured from the collar of the hole to the bottom of the hole.</p>
Data aggregation methods	<p>All significant intercepts have been length weighted with a minimum Au grade of 0.5ppm. No high grade cut off has been applied. Intercepts are aggregated with minimum width of 1m and maximum width of 3m for internal dilution.</p> <p>There are no metal equivalents reported in this release.</p>
Relationship between mineralisation widths and intercept lengths	<p>The orientation, true width and geometry can be determined by interpretation of historical drilling and existing cross sections, however the varied orientation of the lodes and true widths of the high grade shear zone remain unclear and therefore drilling is regarded as close to but not true width. Drilling on an Azimuth of 220° is regarded as best practice to intersect as close to true width as possible at the Wonder North deposit, and 210° at the Bluebush deposit. The geometry of the mineralisation is well known and true thickness can be calculated.</p>
Diagrams	<p>Included in this release is an appropriately orientated long section of the Wonder North mineralization, illustrating the centroids of the intercept point projected to a plane. A collar plan of drilling at Wonder North has also been included</p>
Balanced reporting	<p>All results from the recent RC drilling program have been reported, irrespective of success or not.</p>
Other substantive exploration data	<p>Historic activities have included drilling to obtain samples for metallurgical test work, bulk density analyses and geotechnical analyses. Regarding the results received from this drilling program, no other substantive data is currently considered necessary. All meaningful data is or has been previously reported.</p>
Further work	<p>Bligh is currently working on establishing exploration opportunities which will extend the known mineralisation at depth at Wonder North. This will primarily focus on understanding the key geological relationships and critical continuity directions to target depth extensions</p>