



BLACKHAM

R e s o u r c e s L i m i t e d

ASX ANNOUNCEMENT
22 July 2014

Dear Fellow Shareholders,

I am very pleased to be able to write my first letter to you all as your new Non-Executive Chairman of Blackham Resources Limited (Blackham/Company). I put myself forward for this position upon seeing the recent developments transpire. I do not believe it is in the best interests of the Company and the Shareholders to have management distracted by these developments. Management should continue to be focused on the development of the assets and moving us forward towards production. Ensuring there is an independent Chairman responsible for the interests of shareholders and the Company, strengthens the Board and as a consequence, the management team.

There are challenging, interesting and exciting times ahead for our company, both in the immediate future and in the long term. In the more active role of Chairman of our company, I am prepared to deal with these challenges as they occur. While I appreciate and acknowledge the support and encouragement I have received from a number of existing shareholders in taking on this role, I recognize that I must earn the support of not only shareholders who are less familiar with myself, but also of any prospective shareholders.

As you may now be aware, I first appeared on the Blackham register in 2007 and as a result of my long term interest in the company, have a strong knowledge base not only of the history of the company and management team, but most importantly the Company's Assets themselves. I have observed closely the management team and the metamorphosis of our Company as it moved back into the Gold sector. During this time I have participated in and supported numerous capital raisings.

Our Company has achieved a great deal in recent years under the current management. The initial acquisition of the Matilda Gold Assets and subsequent resource growth is now complemented by the purchase of the Wiluna plant and infrastructure in March of this year. This later transaction is key to unlocking the value of the project for all shareholders. Note that this has been achieved in a financial environment that we have not seen for many years. Risk Capital has been scarce and difficult to find. As the providers of capital, you the shareholders must take credit for having contributed to the result so far. Without that capital, our Company would not be where it is now. We are now moving into the next phase of development and toward production where the potential value in the assets can be unlocked. I am sure that many shareholders here have read the independent analysis and valuation that was published in April of this year, after the Wiluna acquisition. Titled "Reinvigorating the Wiluna Gold Belt", I encourage you to read that report which can be found on the Company's website. As you are all acutely aware today, the market values at close July 21 was \$22.4 million, an equivalent enterprise value of \$5/oz. I leave you to draw your own conclusions as to value of the Company.

The composition of the Board is a significant issue with which we must immediately move to resolve, as soon as possible. In the role of Chairman, I have implicitly committed to dealing with each issue and situation, seen as they are and unseen as they arise. I look forward to earning your support.

Yours sincerely

Paul Murphy
Chairman