ASX Announcement
13 April 2017

BLACKHAM
Resources Limited

Golden Age drilling confirms new geological model

Blackham Resources Ltd **(ASX: BLK) ("Blackham")** wishes to provide an update on recent drilling results which have confirmed the new geological model for the Golden Age orebody.

As outlined in a production update reported to the ASX on 3rd April 2017, ongoing development work and grade control drilling has allowed for a greater understanding of the Golden Age orebody resulting in a more representative geological model. This model has identified that mineralisation within Golden Age has a broad south-easterly plunge. This plunge orientation had not been recognised previously and the focus of mining to date has been in the upper eastern section of the orebody which has proven to be less continuous than the original model predicted.

A grade control drill programme has commenced between the 840m and 1,000mRL's (660m to 500m below surface) targeting the south-easterly plunge of the mineralisation. Results received to date from this drilling continues to provide confidence in the revised geological model with numerous high grade results returned including:

- **1.3m @ 97.0g/t (126g*m)**
- **1.9m @ 25.3g/t (48g*m)**
- **2.3m @ 14.1g/t (32g*m)**
- **1.1m @ 17.8g/t (20g*m)**
- **0.9m @ 24.4g/t (22g*m)**
- **2.1m @ 8.1g/t (17g*m)**

High grade results have also been returned from a new zone of mineralisation intersected in the hanging wall of the previously interpreted lower Golden Age position including:

- **0.5m @ 118g/t (59g*m)**
- **0.9m @ 36.6g/t (33g*m)**
- **3.0m @ 15.4g/t (46g*m)**
- **2.0m @ 10.5g/t (21g*m)**

All these drill intercepts from the new hanging wall lode are outside the current resource and mine plan but within ~60m of existing development.

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Drilling results support new geological model

Recent re-interpretation of mineralisation in the Golden Age orebody based on ongoing development work and grade control drilling as well as historical underground mapping has led to a revised geological model for the orebody. This model indicates that high grade mineralisation is less continuous than previously interpreted especially in the upper eastern section of the orebody where Blackham commenced development. Importantly however, it also indicates that generally more continuous and higher grade mineralisation is associated with a southeasterly plunge direction and this will be the focus for mining (Figure 1). Golden Age mineralisation remains open down plunge and grade control drilling targeting this plunge direction continues to support this revised geological interpretation with numerous high grade intercepts returned from recent drilling. (Figure 2). Results for all drillholes from this current program are given below in Appendix 1.

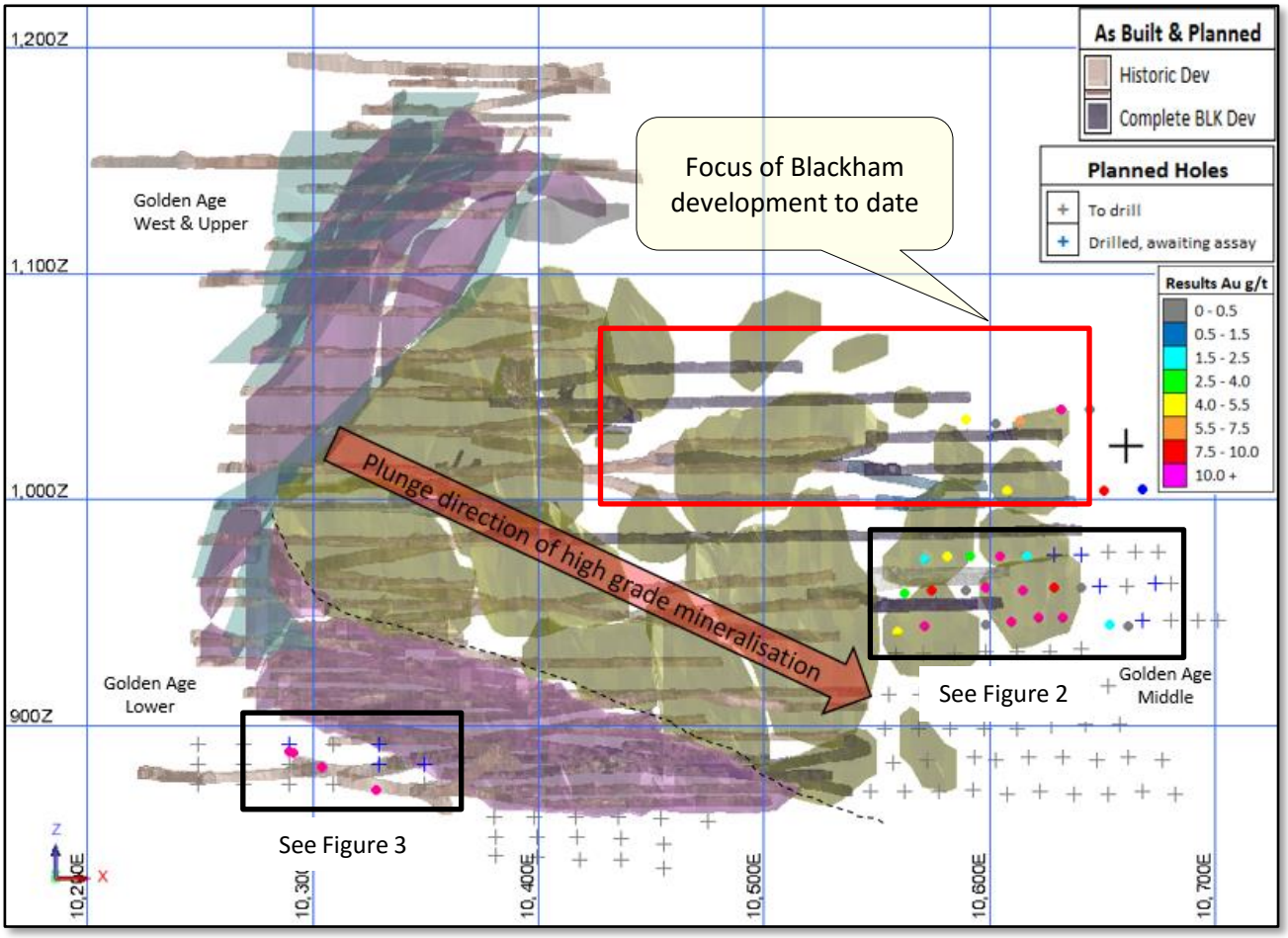

Figure 1. Golden Age long section showing new geological model and location of pierce points of grade control drilling. Inserts show location of Figures 2 and 3.

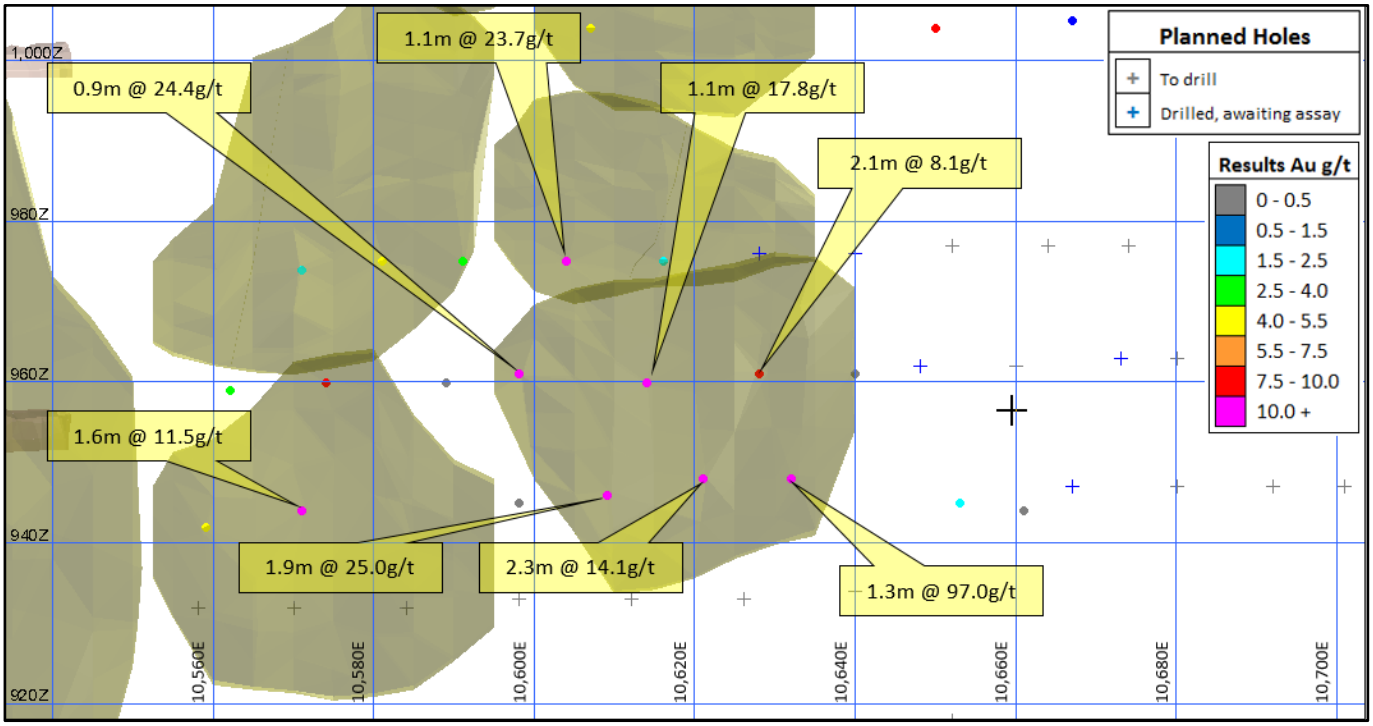

Figure 2 Long section showing pierce points of Golden Age grade control drilling coloured by grade. (Intervals quoted are estimated true width)

New mineralised zone identified

Sparse historical drilling in the deepest part of Golden Age intersected high grade mineralisation in the hanging wall of the predicted position of Golden Age. The significance of these results has not been understood previously due to the complex nature of the orebody. However, the location of these intercepts is consistent with the revised geological model which predicts that mineralisation is likely to occur in this position. Assays have been received from two of four holes drilled to test this new concept (Figure 3). High grade mineralisation has been intersected in both holes including:

- 0.9m @ 36.6g/t
- 0.5m @ 118g/t
- 3.0m @ 15.4g/t and
- 2.0m @ 10.5g/t

A cross section looking west shown in Figure 4 highlights the potential of this newly identified mineralisation to add resources to the mine plan.

Follow up drilling is currently underway to fully define the extent of the new high grade Golden Age Lower lodes. This new high grade mineralisation sits about 60m from existing development and could potential open up a new mining area.

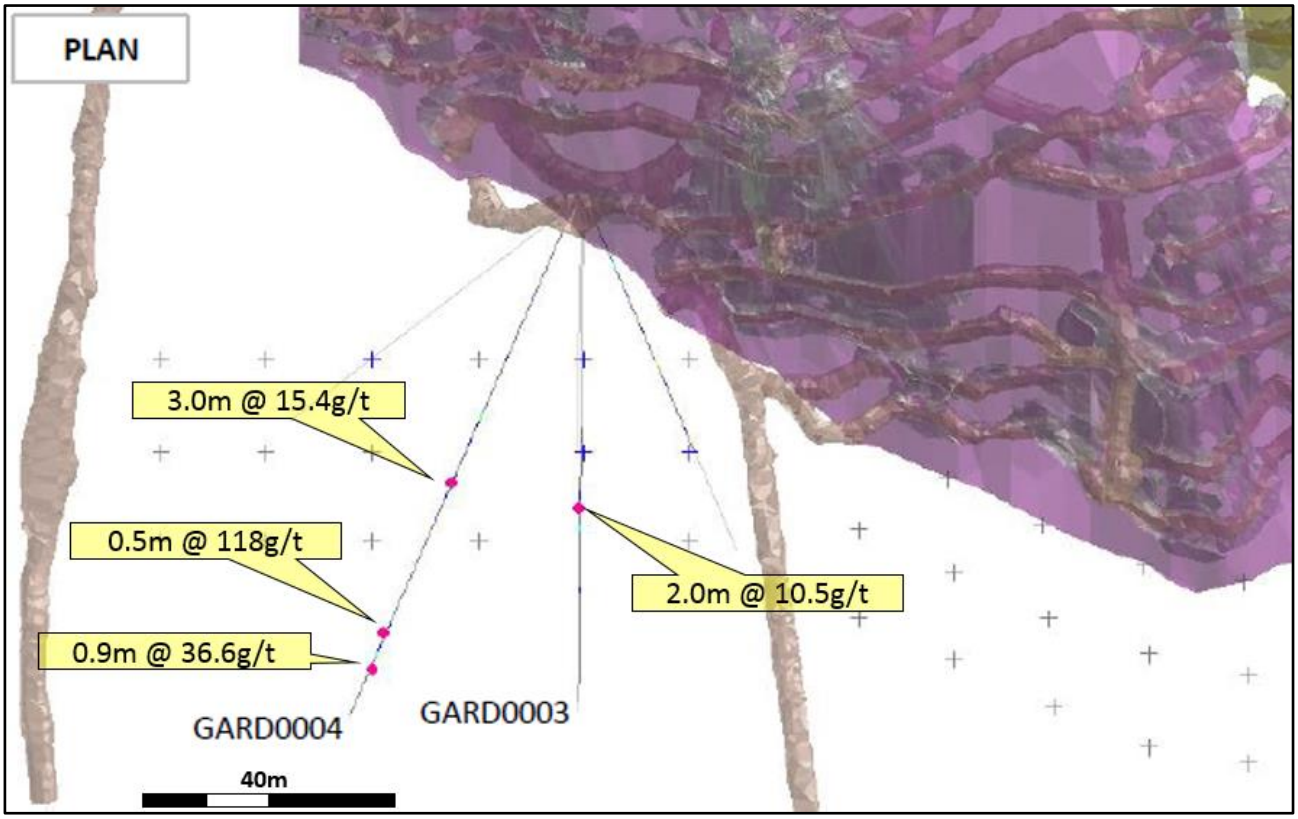

Figure 3. Plan view of drilling results within the newly identified lower Golden Age lodes (Intervals quoted are estimated true width)

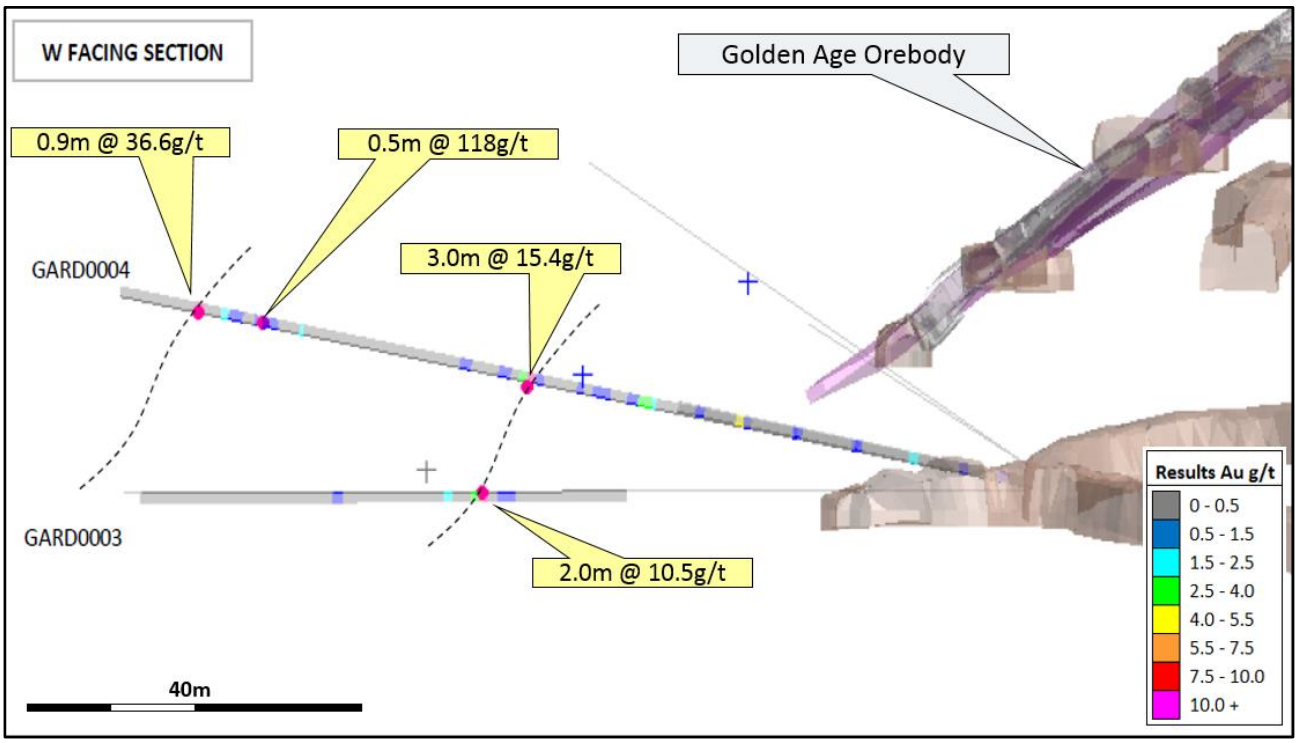

Figure 4. West facing section through newly identified zones of mineralisation showing location of development and Golden Age orebody outside the existing resource and mine plan but within ~ 60m of existing development.

Stoping in Golden Age in the upper levels has begun. Exploration and grade control and drilling is ongoing with a view to lengthening the Golden Age mine plan according to the new predictive geological model.

A revised Golden Age mine plan incorporating the new drilling results is currently being prepared in parallel to the grade control drill programme.

Managing Director Bryan Dixon said "Our geological team has done a great job in reinterpreting the Golden Age orebody based on the development data and confirming the new geological model in a short period of time. The decision to slow development in the underground has been a prudent one. The confirmation drilling has now given us comfort to recommence development work between the 920 to 965 levels. Stoping of ore is ongoing above these levels and is providing higher grade profile to the mill."

Open Pit Mining is fully operational

Mining conditions have improved significantly in the open pits over the last 2 weeks. Conventional face loading has recommenced in the main M4 pit. Mining of the higher grade Galaxy pit has commenced.

Photo 1. Mining has begun in the Galaxy satellite pit. The higher grade Galaxy orebody contains quartz lodes that start at surface.

Photo 2: Main M4 Matilda pit looking south - mining conditions have improved significantly and mining is back to conventional face loading on the 1057.5RL

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Competent Persons Statement

The information contained in the report that relates to Exploration Targets and Exploration Results at the Matilda/Wiluna Gold Operationis based on information compiled or reviewed by Mr Bruce Kendall, who is a full-time employee of the Company. Mr Kendall is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Kendall has given consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information contained in the report that relates to all other Mineral Resources is based on information compiled or reviewed by Mr Marcus Osiejak, who is a full-time employee of the Company. Mr Osiejak, is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Osiejak has given consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

With regard to the Matilda/Wiluna Gold Operation Mineral Resources, the Company is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and parameters underpinning Mineral Resource Estimates as reported in the market announcements dated 14 December 2016 and 23rd January 2017 continue to apply and have not materially changed.

Forward Looking Statements

This announcement includes certain statements that may be deemed 'forward-looking statements'. All statements that refer to any future production, resources or reserves, exploration results and events or production that Blackham Resources Ltd ('Blackham' or 'the Company') expects to occur are forward-looking statements. Although the Company believes that the expectations in those forward-looking statements are based upon reasonable assumptions, such statements are not a guarantee of future performance and actual results or developments may differ materially from the outcomes. This may be due to several factors, including market prices, exploration and exploitation success, and the continued availability of capital and financing, plus general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, and actual results or performance may differ materially from those projected in the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

Appendix 1. Significant Intercepts

Lode/ Zone	Hole ID	Local East	Local North	MGA East	MGA North	RL	EOH (m)	Dip	Azi (MGA)	From	To	Thick (m)	Au g/t	True Thick (m)
GA Middle	GAGC0112	10579	11234	225732	7052603	963	59.29	-3.7	189	41.1	41.9	0.8	7.8	0.6
GA Middle	GAGC0114	10575	11234	225728	7052603	965	48.0	21.7	189	26	26.7	0.7	7.8	0.5
GA Middle	GAGC0116	10579	11234	225732	7052603	963	77.38	-20.3	200	59.3	60.8	1.5	5.4	1.1
GA Middle	GAGC0117	10579	11234	225732	7052603	963	74.94	-17.8	185	58.4	60.0	1.6	11.5	1.4
GA Middle	GAGC0118	10580	11234	225733	7052603	963	87.19	-16.2	184	NSI				
GA Middle	GAGC0119	10590	11236	225743	7052606	963	65.88	-15.3	163	46.0	47.0	1.0	24.4	0.9
GA Middle	GAGC0120	10590	11236	225743	7052606	963	65.9	-15.4	163	52.4	53.8	1.4	17.8	1.1
GA Middle	GAGC0121	10591	11237	225744	7052606	963	74.35	-3.2	140	60.0	62.4	2.4	8.1	2.1
GA Middle	GAGC0122	10590	11236	225743	7052606	965	50.91	-3.6	177	NSI				
GA Middle	GAGC0123	10591	11237	225744	7052606	965	60.02	-1.9	155	34.1	35.3	1.3	23.7	1.1
GA Middle	GAGC0124	10591	11237	225744	7052606	964	64.82	19.1	140	NSI				
GA Middle	GAGC0125A	10590	11237	225743	7052606	963	83.85	17.4	154	67.7	69.9	2.2	25.0	1.9
GA Middle	GAGC0126	10590	11237	225743	7052606	963	87	20.7	157	71.0	73.7	2.7	14.1	2.3
GA Middle	GAGC0127	10591	11237	225744	7052606	963	89.97	15.4	139	76.4	77.9	1.6	97.0	1.3
GA Middle	GAGC0128	10591	11237	225744	7052606	963	101.9	-14.1	137	NSI				
New Zone	GARD0003	10329	11113	225484	7052476	872	98.9	-0.2	179	59.0	61.0	2.0	10.5	2.0
New Zone	GARD0004	10329	11114	225484	7052477	872	110.08	9.5	202	59.0	62.0	3.0	15.4	3.0
New Zone										93	93.5	0.5	118	0.5
New Zone										100	100.9	0.9	36.6	0.9

** Grid is GDA_94 Z51S. Intercepts are calculated using a minimum assay grade of 0.6g/t, minimum 4.0 gram x metres, maximum 2m internal dilution. NSI = No significant intercept.*

APPENDIX A - JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Blackham Resources has used NQ2 or HQ core with ½ core sampling. • Blackham's sampling procedures are in line with standard industry practice to ensure sample representivity. Core samples are selected to capture geological intervals or as 1m samples if the interval is >1m thick. Samples are routinely taken from the right-hand-side of the cut line. • At the laboratory, samples >3kg were 50:50 riffle split to become <3kg. The <3kg splits were crushed to <2mm in a Boyd crusher and pulverized via LM5 to 90% passing 75µm to produce a 50g charge for fire assay. Historical assays were obtained using either aqua regia digest or fire assay, with AAS readings. • Blackham Resources analysed samples using an onsite laboratory. Analytical method was Fire Assay with a 50g charge and AAS finish. Historically, gold analyses were obtained using industry standard methods; split samples were pulverized in an LM5 bowl to produce a 50g charge for assay by Fire Assay or Aqua Regia with AAS finish at the Wiluna Mine site laboratory.

Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Blackham data reported herein is oriented NQ or HQ core drilled with an underground Jumbo rig
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Recovery is measured by the drillers and Blackham geotechnicians and recorded into the digital database. Recoveries were typically 100%. Database compilation is ongoing. • Sample recovery is maximised by the use of short drill runs if required. Routinely sampling the right hand side of the cut line which is either offset from the orientation line, or symmetrically centred on the predominant foliation direction if there is no orientation line ensures that samples are representative as possible • For Blackham drilling, no such relationship was evaluated as sample recoveries were generally excellent.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Drill samples have been logged for geology, alteration, mineralisation, weathering, geotechnical properties and other features to a level of detail considered appropriate for geological and resource modelling. • Logging of geology and colour for example are interpretative and qualitative, whereas logging of mineral percentages is quantitative. • All holes were logged in full. • Core photography was taken for BLK diamond drilling.

Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• For core samples, Blackham uses half core cut with an automatic core saw. Samples are selected on the basis of geology or have a minimum sample width of 0.3m and maximum of 1.2m, though typically 1m intervals were selected. A cut line is routinely drawn at an angle 10 degrees to the right of the orientation line. Where no orientation line can be drawn, where possible samples are cut down the axis of planar features such as veins, such that the two halves of core are mirror images. • Holes have been selectively sampled (visibly barren zones not sampled, though some quartz vein intervals have been left un-sampled) • Boyd <2mm crushing and splitting is considered to be standard industry practice; each sample particle has an equal chance of entering the split chute. At the laboratory, >3kg samples are split so they can fit into a LM5 pulveriser bowl. At the laboratory, >3kg samples are split 50:50 using a riffle splitter so they can fit into a LM5 pulveriser bowl. • No field duplicates have been collected. Blank samples and certified reference standards are inserted at least every ?? samples • Sample sizes are considered appropriate for these rock types and style of mineralisation, and are in line with standard industry practice.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Fire assay is a total digestion method. The lower detection limits of 0.01ppm is considered fit for purpose. Analyses were completed by the Wiluna mine site laboratory which is considered adequate given that drilling is grade control and is standard within the industry for grade control samples. The lower detection limit of 0.01ppm Au used is considered fit for purpose. • No geophysical tools were required as the assays directly measure gold mineralisation. For Blackham drilling, down-hole survey tools were checked for calibration at the start of the drilling program and every two weeks. • Certified reference material, blanks and duplicates were submitted at approximately 1:20. No check samples have been submitted to an umpire lab. Results show good correlation between original and repeat analyses with very few samples plotting outside acceptable ranges (+/- 20%).

Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Blackham's significant intercepts have been verified by several company personnel, including the database manager and exploration manager. • There were no twinned holes drilled in this program. Drilling has been designed at different orientations, to help correctly model the mineralisation orientation. • Wiluna data represents a portion of a large drilling database compiled since the 1930's by various project owners. • Data is stored in Datashed SQL database. Internal Datashed validations and validations upon importing into Surpac were completed, as were checks on data location, logging and assay data completeness and down-hole survey information. QAQC and data validation protocols are contained within Blackham's manual "Blackham Exploration Manual 2016v2". • The only adjustment of assay data is the conversion of lab non-numeric code to numeric for estimation.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Downhole surveys are taken every ~5 or 10m using a gyro tool • Blackham's drill collars are routinely picked up by mine surveyors with centimetre accuracy in the X, Y and Z directions. • Grid systems used in this report are Wil10 local mine grid and GDA 94 Zone 51 S. Drilling collars were originally surveyed in either Mine Grid Wiluna 10, and converted in Datashed to MGA grid. • As holes were drilled from underground there is no need for topographical control.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Holes were drilled from underground drill cuddies with the pierce points designed to be approximately XXm apart in the mineralised zone. • Drilling reported herein is considered adequate to establish geological continuity for Ore Reserve estimation • No sample compositing has occurred.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• As drill holes were drilled as fans from drill cuddies it is not possible to orient them perpendicular to targets in all cases. Holes have been designed to minimise the level of biased sampling • The drill orientation is not considered to have introduced a sampling bias

Sample security	• *The measures taken to ensure sample security.*	• Drill samples are delivered directly to the site lab.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No such audits or reviews have been undertaken as they are not considered routinely required; review will be conducted by external resource consultants when resource estimates are updated.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The drilling is located wholly within M53/200. The tenements are owned 100% by Matilda Operations Pty Ltd, a wholly owned subsidiary of Blackham Resources Ltd. • The tenements are in good standing and no impediments exist. • Franco Nevada have royalty rights over the Matilda Mine mining leases of between 3 to 5% of gold revenue payable.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Modern exploration has been conducted on the tenement intermittently since the mid-1980's by various parties as tenure changed hands many times. This work has included mapping and rock chip sampling, geophysical surveys and extensive RAB, RC and core drilling for exploration, resource definition and grade control purposes. This exploration is considered to have been successful as it led to the eventual economic exploitation of several open pits during the late 1980's / early 1990's.The deposits remain 'open' in various locations and opportunities remain to find extensions to the known potentially economic mineralisation.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The gold deposits are categorized as orogenic gold deposits, with similarities to most other gold deposits in the Yilgarn region. The deposits are hosted within the Wiluna Domain of the Wiluna greenstone belt.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL*	• See Appendix 1 of this report for drill hole details.

Criteria	JORC Code explanation	Commentary
	(Reduced Level – elevation above sea level in metres) of the drill hole collar o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• In the significant intercepts Appendix 1, drill hole intercepts are reported as length-weighted averages, above a 1m @ 0.6g/t cut-off, or > 1.2 gram x metre cut off (to include narrow higher-grade zones) using a maximum 2m contiguous internal dilution. • No metal equivalent grades are reported because only Au is of economic interest.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	• Lode geometries at Wiluna are generally steeply east or steeply west dipping. Generally the lodes strike north-northeast. Historical drilling was oriented vertically or at -60° west, the latter being close to optimal for the predominant steeply-east dipping orientation. Drill holes reported herein have been drilled as closed to perpendicular to mineralisation as possible. In some cases due to the difficulty in positioning the rig close to remnant mineralisation around open pits this is not possible. See significant intercepts in Appendix 1 for

Criteria	JORC Code explanation	Commentary
	• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	estimates of mineralisation true widths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See body of this report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Full reporting of the historical drill hole database of over 80,000 holes is not feasible. A full list of results from the current drilling program is included with the report.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Other exploration tests are not the subject of this report.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly*	• Additional grade control drilling may be required depending on results. • Diagrams are provided in the body of this report.

Criteria	JORC Code explanation	Commentary
	highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	