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[blighresources@gmail.com](mailto:blighresources@gmail.com)**Bundarra Project Update****Highlights :**

***Auger drilling highlights coherent gold geochem anomalies up to 2 kilometres in strike length to the east of the Wonder North and Bluebush gold deposits.***

***RC & Diamond drilling program to test down dip and strike extension of high grade gold mineralisation at Wonder North Deeps commencing this week***

**Bligh Resources Limited (ASX: BGH) ("Company")** is pleased to provide an update on exploration activities at the Company's 100% owned Bundarra Gold Project located 65 kilometres north of Leonora in the North Eastern Goldfields.

The Company recently completed an auger drilling program designed to test four prospective corridors interpreted from aeromagnetic imagery over the eastern portion of the project area (Figure 1).

Gold assay results returned from the auger sampling have highlighted the potential of all the interpreted corridors to host significant gold mineralisation. Large coherent anomalies up to 2 kilometres in strike length have been delineated within these corridors. The largest and highest magnitude gold-in-auger anomalies have been returned from what have been named the Wonder North (WNC), Bluebush North (BBNC) and Bluebush South (BBSC) Corridors. These corridors extend southeast of the Wonder North (241,000 oz) and Bluebush (43,000 oz) gold deposits respectively. While not of the same amplitude, an anomaly has also been defined along the Northern Corridor (NC), particularly at its northwest end (Figure 1).

Statistically determined thresholds have delineated at least six coherent, high order anomalous target areas within the broader anomalous trends/corridors (i.e. Background  $\leq$  4 ppb Au). Two of these highly anomalous targets lie within the Wonder North Corridor (WNC), a further three within the Bluebush South Corridor (BBSC) and a further one within the Bluebush North Corridor (BBNC). Gold values returned from within these target zones are up to 110 ppb Au. One highly anomalous spot value of 106 ppb Au was returned from the south portion of the Northern Corridor (NC). These encouraging results demonstrate that follow up exploration is warranted.

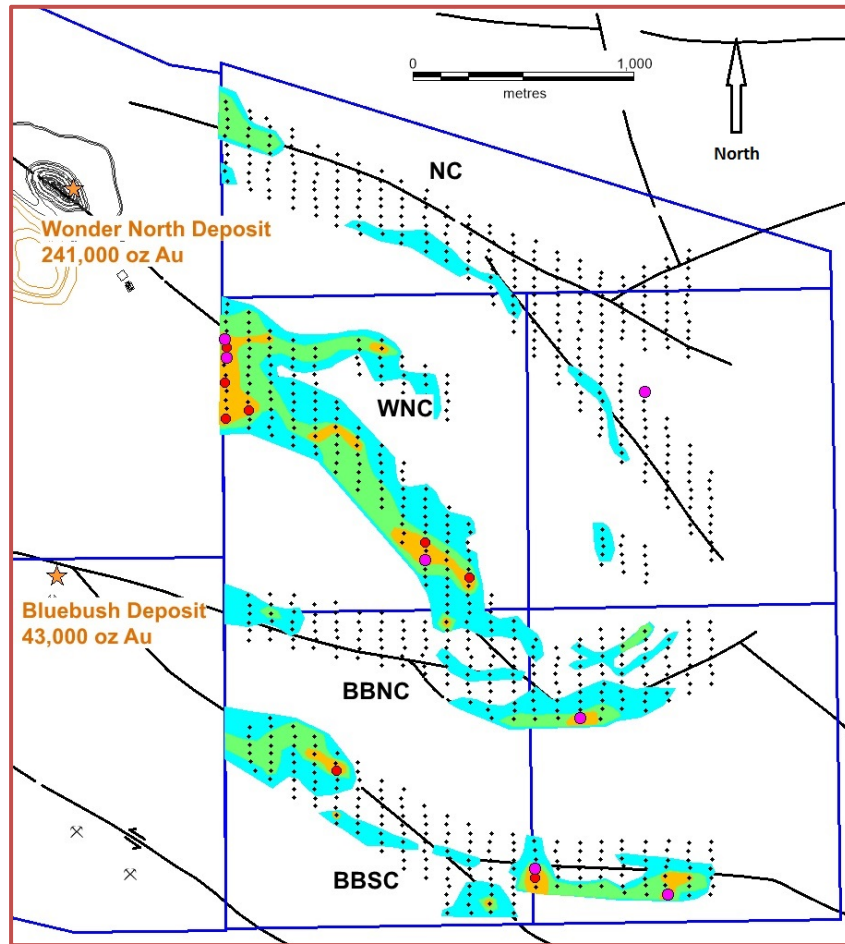


Figure 1: Gold-in-Auger Anomalism – Eastern Bundarra Project Area

(Note: Statistically determined thresholds of Blue - 4ppb Au plus; Green- 8ppb plus; Orange – 12ppb Au plus; Red - 16ppb plus and Magenta – 25 ppb Au plus)

### RC-Diamond Drilling Program - Wonder North Deeps

A drilling program comprising of 5 deep holes with RC pre-collars ranging from 245 to 310 m depths and NQ diamond core tails ranging from 120 to 190 m in length is scheduled to commence in the next week.

The program has been planned to further explore the extent of known high-grade, gold mineralisation at Wonder North Deeps and will test both along strike and down dip of two RC holes (i.e. BRC018&19) which returned the high-grade intercepts at depth from drilling completed in late 2016. Results from this drilling recorded the following intersections

- 18m @ 5.17 g/t from 299m including **5m @ 15.58 g/t** from 302m in BRC019
  - 8m @ 3.64 g/t from 328m including **1m @ 18.85 g/t** from 335m in BRC019
  - 32m @ 3.47 g/t from 294m including **6m @ 9.38 g/t** from 299m in BRC018
- (Full results are reported in ASX announcement 14<sup>th</sup> December 2016)

The program will test some 220 m of strike length on a hole spacing ranging from 25 to 50 m. Holes will also be testing positions ranging from 35 to 90 m down dip of the current resource model and 55 to 100 m down dip of previous drill hole intercepts. These holes have the potential to significantly

increase the resource inventory (Refer to figures 2 & 3). Results from the drilling program are expected to be available in late January 2018.

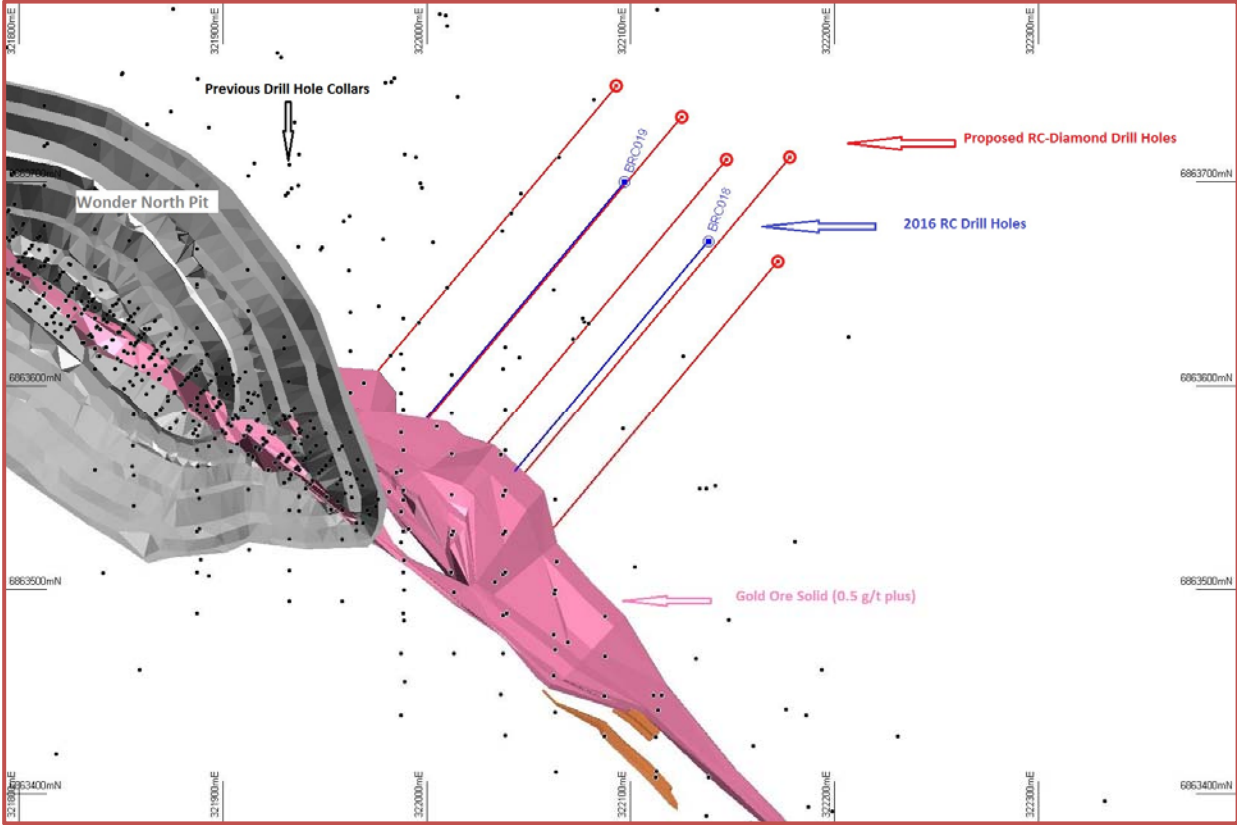


Figure 2. Wonder North proposed RC-Diamond Drill Hole Location Plan

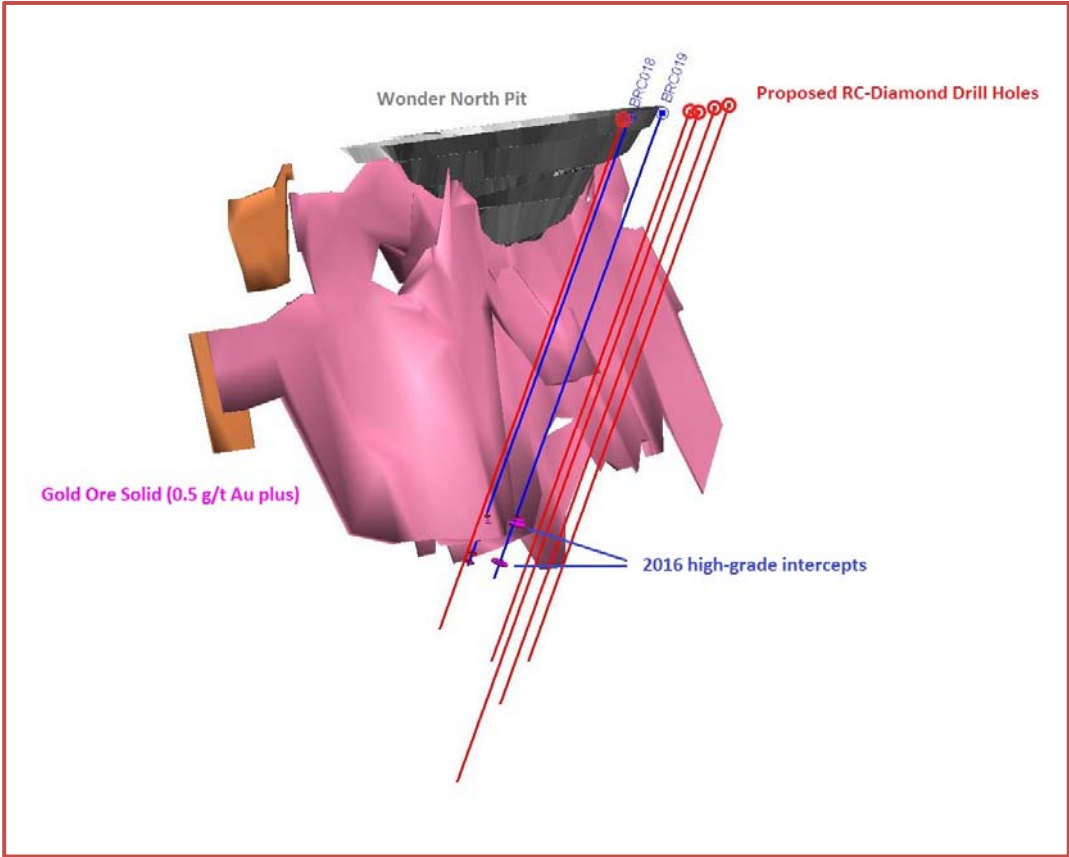


Figure 3. 3D view of proposed RC/Diamond Drill Holes looking East to West.

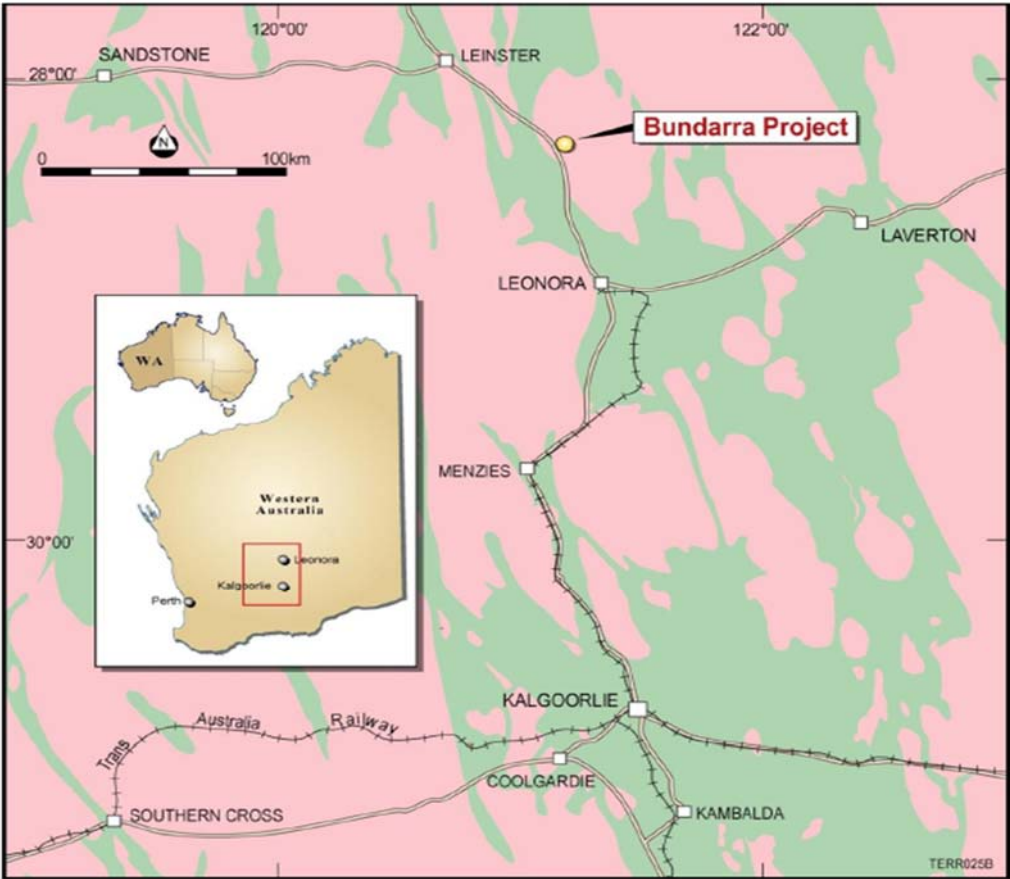
**About the Bundarra Gold Project**

The Bundarra Gold Project lies within the Norseman-Wiluna greenstone belt of the Archean Yilgarn Craton, approximately 65km north of Leonora in the Eastern Goldfields region of Western Australia.

The Project is located on the on The Company has previously reported a JORC 2012 Mineral Resources (Refer Table 1)) containing 431,000 ounces of gold across -five deposits.

The project covers an area of 60.5 km2 and consists of five Mining Leases, five Prospecting Licences and two Miscellaneous Licences for groundwater exploration and a future haulage route. To date, more than 6,400 holes have been drilled with an accumulated drill depth of more than 210,000m.

The Company has committed to futher exploration programs aimed at expanding the high grade gold resources that have delfined near to and beneath the existing open pits located within the project area.



Bundarra Project location plan

**Table 1: Bundarra Project Mineral Resources at 0.5 g/t Cut-off**

Bundarra Project Mineral Resources, December 2016					
Deposit	Category	Volume '000 m <sup>3</sup>	Tonnes '000 t	Au g/t	Au '000 Oz
Celtic North	Indicated	71	195	2.4	15
	Inferred	387	1,060	2.0	69
	<b>Total</b>	<b>458</b>	<b>1,254</b>	<b>2.1</b>	<b>84</b>
Celtic South	Indicated	35	78	2.1	5
	Inferred	47	111	1.4	5
	<b>Total</b>	<b>82</b>	<b>188</b>	<b>1.7</b>	<b>10</b>
Wonder West	Measured	17	39	3.0	4
	Indicated	205	495	2.1	33
	Inferred	114	291	1.7	16
	<b>Total</b>	<b>336</b>	<b>825</b>	<b>2.0</b>	<b>54</b>
Wonder North	Measured	142	339	2.1	22
	Indicated	868	2,274	2.1	150
	Inferred	487	1,289	1.6	68
	<b>Total</b>	<b>1,496</b>	<b>3,902</b>	<b>1.9</b>	<b>241</b>
Blue Bush	Indicated	103	235	1.7	13
	Inferred	240	634	1.5	30
	<b>Total</b>	<b>344</b>	<b>868</b>	<b>1.5</b>	<b>43</b>
<b>Total:</b>		<b>2,717</b>	<b>7,038</b>	<b>1.9</b>	<b>431</b>

**Notes:**

1. Mineral Resources are based on JORC Code 2012 definitions.
2. A cut-off grade of 0.5 g/t gold has been applied.
3. Rows and columns may not add up exactly due to rounding.

**Competent Person Statement**

*The information in this report that relates to Mineral Resources is based on information compiled by Mr Steve Rose, who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Rose is a full-time employee of CSA Global Pty Ltd and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Rose consents to the inclusion of such information in this report in the form and context in which it appears.*

*The information in this report that relates to Exploration Results is based on information compiled by Mr Mark Gunther who is a member of The Australasian Institute of Geoscientists. Mr Gunther is a Principal Consultant with Eureka Geological Services. Mr Gunther has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking 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 Gunther consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.*

## Appendix 1: JORC TABLE 1

### Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li><i>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 sounds, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>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.</i></li> </ul>	<p>Soil auger samples were taken at auger hole depths between 0.5 and 1.5m. Each sample was approximately 800grams to 1 kg of material.</p> <p>The samples were pulverised at the laboratory, with a 40g sample analysed by industry standard fire assay with ICP-OES finish for low level gold.</p> <p>The sampling techniques used are deemed appropriate for the style of exploration.</p>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li><i>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).</i></li> </ul>	<p>Auger drilling, with end of holes spoils sampled.</p>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li><i>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.</i></li> </ul>	<p>There we no significant issues with sample recovery or condition noted during the auger programme.</p> <p>No quantitative analysis of samples weights, sample condition, recovery or repeatability has been undertaken.</p>



<p><b>Logging</b></p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>• The total length and percentage of the relevant intersections logged.</li> </ul>	<p>No geological logging was undertaken. Depth, spoils colour, hydrochloric acid reaction and comments on end of hole conditions were noted by the contractor.</p>
<p><b>Sub-sampling techniques and sample preparation</b></p> <ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• 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.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p>Field samples were scoop samples of end of hole spoils.</p> <p>All samples were submitted to Bureau Veritas Laboratory Leonora and then transported to Perth Laboratory for analyses. The sample preparation included:</p> <ul style="list-style-type: none"> <li>– Samples were sorted dried and weighed. Dry weights were determined gravimetrically.</li> <li>– Primary preparation by crushing if required then samples were pulverized in a vibrating pulveriser.</li> <li>– Analysis was undertaken for gold using, 40g charge for fire assay and ICP-OES (Bureau Veritas Method FA002).</li> </ul> <p>Sample collection and size are deemed appropriate for the style of exploration.</p>
<p><b>Quality of assay data and laboratory tests</b></p> <ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• 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.</li> <li>• 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.</li> </ul>	<p>All samples were assayed by industry standard methods through commercial laboratories in Australia (Bureau Veritas Perth Laboratory Canning Vale).</p> <p>Typical analysis methods used;</p> <ul style="list-style-type: none"> <li>– Analysis was undertaken for gold using, 40g charge for fire assay and ICP-OES (Bureau Veritas Method FA002).</li> </ul> <p>18 routine “standard” (mineralised pulp) Certified Reference Material (CRM) were inserted by the auger contractor. No material issues were noted.</p> <p>The analytical laboratories provided their own routine quality controls within their own practices. No significant issues were noted.</p> <p>Results from CRM (standards) gives confidence in the accuracy and precision of the assay data returned from bureau Veritas.</p>

<p><b>Verification of sampling and assaying</b></p>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<p>No verification of sampling and assaying has been undertaken in the auger programme.</p> <p>Bligh Resources has strict procedures for data capture, flow and data storage, and validation.</p> <p>Limited adjustments were made to returned assay data; values returned lower than detection level were set to the methodology's detection level, and this was flagged by code in the database.</p>
<p><b>Location of data points</b></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<p>Sample locations were determined by a dual GPS system.</p> <p>The MGA94 UTM zone 51 coordinate system was used for all undertakings.</p>
<p><b>Data spacing and distribution</b></p>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<p>The auger samples were spaced nominally 40m apart along north-south striking lines spaced approximately 100 m apart. The programme covered approximately half of the project Prospecting Licenses P37/8382 – P37/8386, and was deemed appropriate for the style of exploration.</p> <p>The spacing and location of data is currently only being considered for exploration purposes.</p>
<p><b>Orientation of data in relation to geological structure</b></p>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>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.</i></li> </ul>	<p>North-south auger sample lines were chosen to test four main prospective corridors where practical and interpreted from aeromagnetic imagery.</p> <p>Considering the nature of exploration and potential mineralisation styles at the project, the sampling is deemed to be representative for exploration reporting purposes.</p>
<p><b>Sample security</b></p>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<p>Bligh Resources has strict chain of industry standard chain of custody procedures that are adhered to for drill samples.</p>



**Audits or reviews**

- *The results of any audits or reviews of sampling techniques and data.*

None completed.

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<p>Bligh Resources' Bundarra Project includes the Prospecting licences P37/8382, P37/8383, P37/8384, P37/8385 and P37/8386. The licences are held in the name of SR Mining a wholly owned subsidiary of Bligh Resources.</p> <p>These tenements are currently under extension of terms application lodged with the Department of Mines Industry Regulation and Safety.</p>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> <li></li> </ul>	<p>Within the whole Bundarra Project area there is the presence of numerous old pits and shafts indicates that the area has been mined and prospected for gold since the 1890's.</p> <p>In 2000 Pacmin completed resource definition drilling and Feasibility Studies on the adjacent Celtic and Wonder North deposits.</p> <p>2001 Sons of Gwalia Ltd ("SOG") acquired Pacmin and mined Wonder, Wonder North and Wonder West pits producing 818 931t at 2.21b/t Au.</p> <p>2006 Terrain acquired the Bundarra and Great Western (and also the Black Cat) tenements. Airborne magnetics and two programs of RC drilling were carried out.</p> <p>2009 Mineral Resource estimates were prepared for Wonder North, Bluebush and Great Western projects. Open pit optimisation studies were carried out for Celtic, Wonder North and Great Western. The potential for underground mining at Wonder North and Great Western was also assessed.</p> <p>2010 preliminary mining activities, including pit dewatering and a grade control drilling program, started at the Celtic Deposit.</p> <p>October 2011 the Bundarra and Great Western projects are sold to SR Mining.</p> <p>SR Mining commissioned Optiro to estimate the remnant mineralisation at Celtic pit.</p> <p>During May 2013 Bligh, having a 42.9% stake in SR Mining, completed a scoping study for the Bundarra Project and identified a series of further exploration targets. In June 2013 metallurgical testing on drill core samples showed high recovery rates.</p> <p>Maiden Ore Reserve estimate released in November 2013 with a total of 1.63 million tonnes at 2.29 g/t Au for 120,006 oz.</p>

<p><b>Geology</b></p>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<p>The project lies within a low strain terrane of greenstones and granitoids bounded by the north-northwest trending Keith-Kilkenny Lineament to the west, and the Laverton Tectonic Zone to the east. Gold mineralisation is structurally controlled and occurs in late stage, possibly reactivated west to northwest striking, steeply north dipping faults and shears.</p>
<p><b>Drill hole Information</b></p>	<ul style="list-style-type: none"> <li>• <i>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:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <i>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.</i></li> </ul>	<p>The location and context of the auger sampling is provided in gridded images in the main report body.</p> <p>No other drilling results are reported.</p>
<p><b>Data aggregation methods</b></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>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.</i></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<p>Generally individual results from the auger programme are not provided, excluding mention of the highest value returned and a single high outlier value in the body of the announcement. No aggregation of results is reported.</p>
<p><b>Relationship between mineralisation widths and</b></p>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> </ul>	<p>No mineralisation widths are reported.</p>

<p><b>intercept lengths</b></p>	<ul style="list-style-type: none"> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>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').</i></li> </ul>	<p>No intercepts reported</p>
<p><b>Diagrams</b></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<p>Diagrams contain required information</p>
<p><b>Balanced reporting</b></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<p>Contouring of results provided to define areas where relative anomalous gold was returned.</p>
<p><b>Other substantive exploration data</b></p>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<p>Rectified aeromagnetic imagery and interpretation of these images to propose four prospective target corridors to be tested.</p>
<p><b>Further work</b></p>	<ul style="list-style-type: none"> <li>• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<p>Follow up drill testing of anomalous gold regions.</p>