

Report for Quarter ended 30 June 2018

Bligh Resources Limited (ASX: BGH) (“Bligh or the Company”) is pleased to provide this quarterly update on its operations and activities for the quarter ended 30 June 2018.

Bundarra Gold Project - Resource Update

***Drilling increases Mineral Resource by
150,000 ounces (35%) to 580,000 ounces***

Highlights

- ***Recent drilling below the Wonder North open pit at the Bundarra Gold Project has resulted in a significant increase in Mineral Resources***
- ***Wonder North Mineral Resource increased by 62% from 3.9 million tonnes at 1.9g/t Au to 5.1 million tonnes at 2.4 g/t Au (Refer Table 2)***
- ***The Wonder North resource remains open at depth and along strike***
- ***Total Mineral Resource contained gold ounces at Bundarra increase by 150,000 ounces to 580,000 ounces(Refer Tables 1 & 3)***
- ***Total Resource tonnes increase by 16.5% from 7.0 million tonnes to 8.2 million tonnes***
- ***Overall Mineral Resource gold grade increases 16% from 1.9 g/t to 2.2g/t***
- ***Wonder North deposit represents one of five deposits at the Bundarra Project of which all have potential for Mineral Resource upgrades with further drilling.***

During the reporting period the Company provided and an updated Mineral Resource estimate for the Bundarra Gold Project. The resource estimate was completed by Internationally recognised resource consultants CSA Global Pty Ltd (CSA Global) (refer to tables 1 & 2).

Since the last publicly reported Mineral Resource estimate by CSA Global in December 2016, the company has completed two drilling programs, comprising an additional 17 drill holes, 15 of which have been drilled at the Wonder North deposit and the remaining two at the Bluebush deposit. Of this drilling, four RC holes have resulted in relatively shallow extension to the Wonder North resource along strike to the northwest. These were part of a program of holes drilled in late 2016. A further five holes have continued to delineate the down plunge extent of the high-grade Wonder North lode. Two of these holes are RC and completed in the late 2016 program while the remaining three holes are RC with NQ diamond tails completed in late 2017 (Figure 1 & 2).

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

	Volume (k)	Tonnes (k)	Grade (g/t Au)	Oz (k)
Measured	160	370	1.7	20
Indicated	1,270	3,260	2.2	230
Inferred	1,720	4,580	2.2	330
TOTAL	1,928	8,200	2.2	580

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.

The majority of the increased resource upgrade comes from high-tenor gold drill intersections located up to 100 metres below the previous resource outline at the Wonder North deposit. The high-grade mineralisation at Wonder North has been defined over a strike length of 150 metres and remains open both at depth and along strike to the southeast. Wonder North provides the Company with a significant target for future drilling programs (Figure 2).

The JORC 2012 compliant resource at the Bundarra Gold Project is now estimated to contain 8.2 million tonnes at 2.2g/t for 580,000 ounces of gold, representing an 16.5% increase in tonnes and 16% in overall grade to 2.2g/t. (Refer Tables 1 & 3)

Significant results from the two drilling programs (listed below) have been incorporated into the data base and used to calculate the resource update.

BRC018 32m @ 3.47 g/t Au from 294m including 6m @ 9.38 g/t Au from 299m
BRC019 18m @ 5.17 g/t Au from 299m including 5m @ 15.58 g/t Au from 302m
BRC003 25m @ 5.13g/t Au from 363m Including 12m @ 8.45 g/t Au from 375m
BRC002 26m @ 5.28g/t Au from 354m Including 10 m @ 8.89g/t Au from 358m
BRC001 35 m @ 1.64 g/t Au from 424m Including 6 m @ 2.5 g/t Au from 435m
(Refer ASX announcement, 14th December 2016).

Geological logging shows mineralisation extending below the Wonder North pit is associated with 25 to 30 metres of abundant quartz veining and strong alteration with a central 6 to 12 metre wide zone of intense veining and silica dominant alteration. High-grade mineralisation is associated with typical Archaean, shear/fault hosting, quartz and subordinate carbonate, chlorite and sulphide veins.

Next Step

Following a review of the previous two drilling programs, the Company is planning a further four RC/Diamond holes to test deeper into the Wonder North structure. The program will be along similar lines the previous drill holes, with RC pre-collars established to approximately 250 metres followed by NQ diamond tails up to 300m in length that will be drilled through the mineralised zones. The program will advance the project a further 2,110 metres and if successful will extend the mineralised zone approximately 80 -100 metres below the last round of drill holes.

The Company is in the process of securing rates and availability from drilling contractors.

Jamie Sullivan

Executive Director

16 July 2018

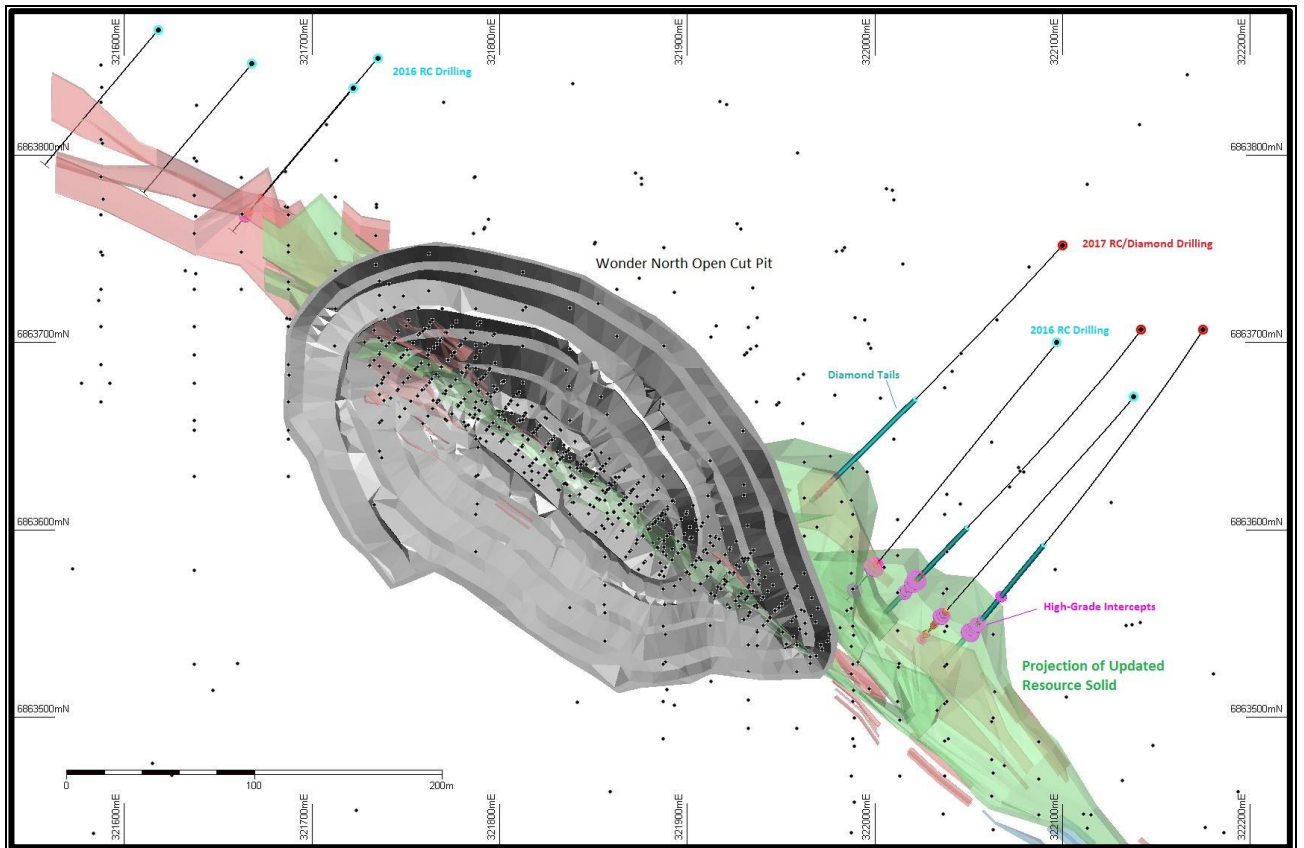


Figure 1. Wonder North Deposit Plan

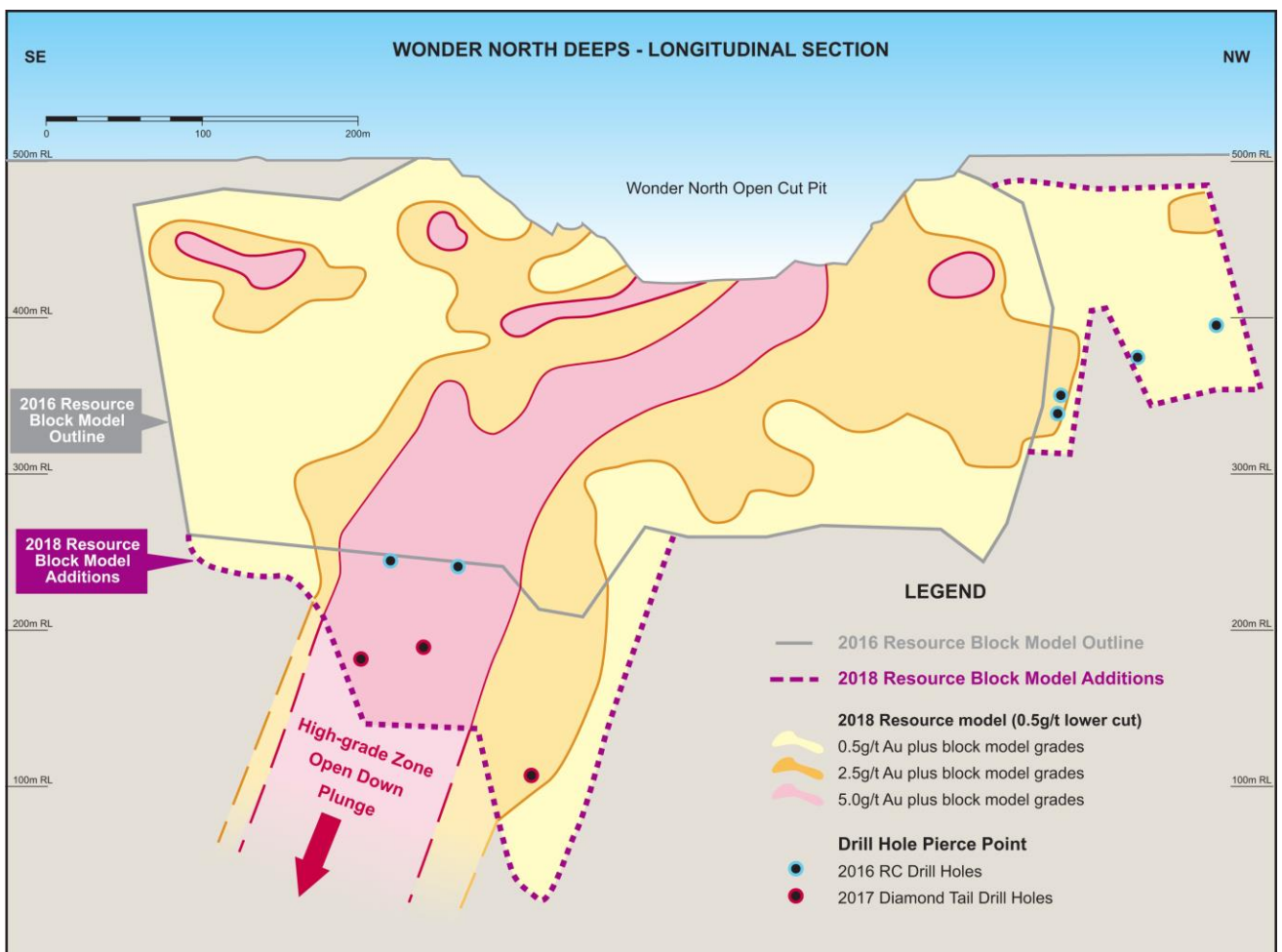


Figure 2. Wonder North Resource Upgrade – Longitudinal Section

Table 2: Wonder North Mineral Resource estimate comparison 2016 & 2018 at 0.5 g/t Au Cut-off
2018 Mineral Resource Estimate Summary

	Volume (k)	Tonnes (k)	Grade (g/t Au)	Oz (k)
Measured	140	330	2.2	20
Indicated	860	2260	2.1	160
Inferred	930	2480	2.7	210
TOTAL	1930	5060	2.4	390

2016 Mineral Resource Estimate Summary

	Volume (k)	Tonnes (k)	Grade (g/t Au)	Oz (k)
Measured	142	339	2.1	22
Indicated	868	2274	2.1	150
Inferred	487	1289	1.9	68
Total	1496	3902	1.9	241

Table 3: Bundarra Project 2018 Mineral Resources at 0.5 g/t Au Cut-off

Bundarra Project Mineral Resources, April 2018					
Deposit	Category	Volume '000 m ³	Tonnes '000 t	Au g/t	Au '000 Oz
Celtic North	Indicated	70	200	2.4	20
	Inferred	390	1,060	2.0	70
	Total	460	1,250	2.1	80
Celtic South	Indicated	40	80	2.1	10
	Inferred	50	110	1.4	10
	Total	80	190	1.7	10
Wonder West	Measured	20	40	3.0	0
	Indicated	210	500	2.1	30
	Inferred	110	290	1.7	20
	Total	340	830	2.0	50
Wonder North	Measured	140	330	2.2	20
	Indicated	860	2,260	2.1	160
	Inferred	930	2,480	2.7	210
	Total	1,930	5,060	2.4	390
Blue Bush	Indicated	100	240	1.7	10
	Inferred	240	630	1.5	30
	Total	340	870	1.5	40
Total Measured and Indicated:		1,430	3,360	2.1	250
Total Inferred:		1,720	4,580	2.2	330
Total:		3,150	8,200	2.2	580

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.

Qualifying Statement

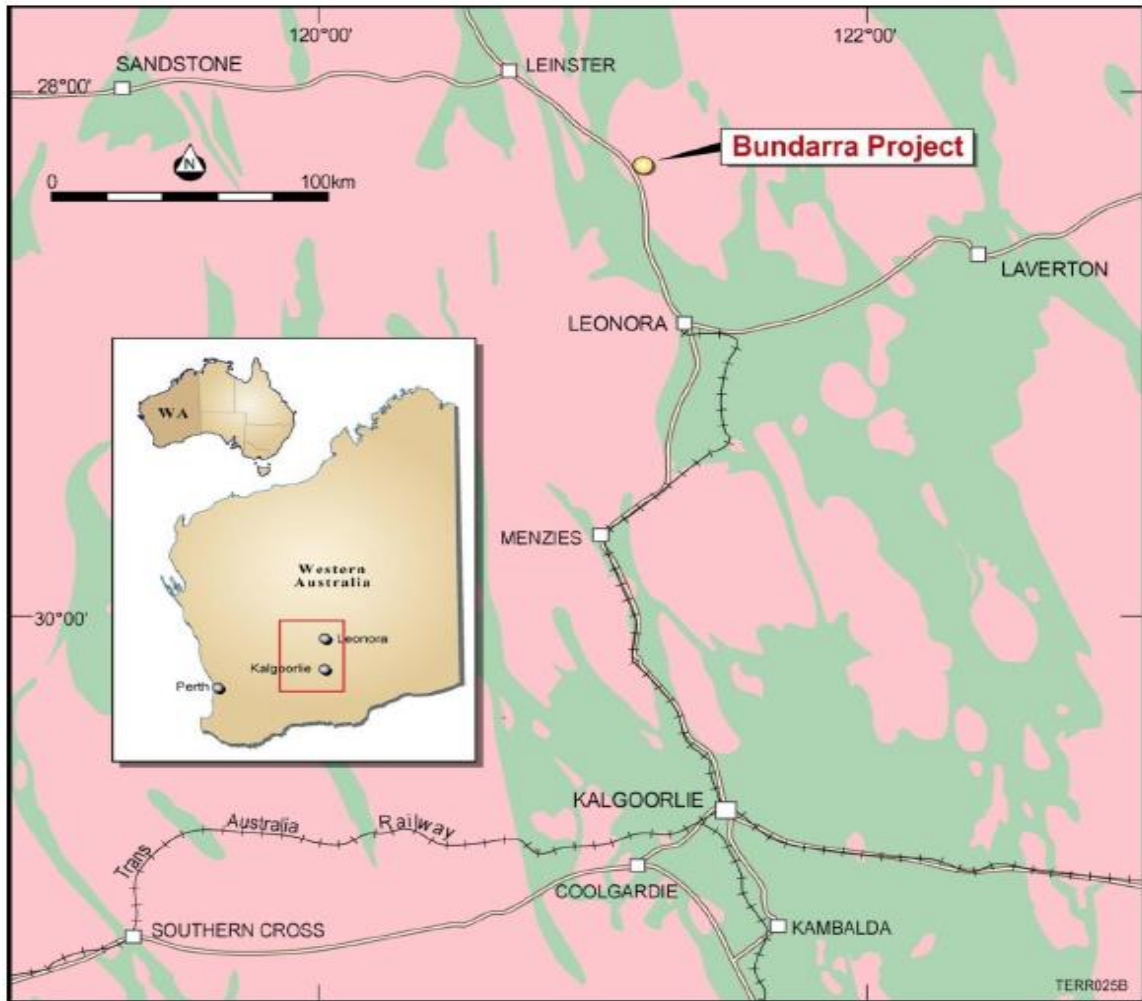
This announcement contains statements that use speculative words such as “potential”, “encouraging”, “prospective”, “projected” and “target zones”. Such statements are based on the current expectations and certain assumptions of Bligh Resources management & consultants, and are, therefore, subject to certain risks and uncertainties. While Bligh is confident of their interpretations there is no guarantee that high-grade gold mineralisation results will be returned.

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 have 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 consent 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 2 Project Location Plan and Tenement holding



Bligh Resources Ltd Tenement Listing

Tenement	Location	Interest
M 37/514	Bundarra	100%
M 37/638	Bundarra	100%
M 37/350	Bundarra	100%
M 37/488	Bundarra	100%
M 37/513	Bundarra	100%
P 37/8382	Bundarra	100%
P 37/8384	Bundarra	100%
P 37/8386	Bundarra	100%
P 37/8383	Bundarra	100%
P 37/8385	Bundarra	100%
L 37/201	Bundarra	100%
L 37/210	Bundarra	100%

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Bligh Resources Limited

ABN

83 130 964 162

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (..12....months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(12)	(755)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(56)	(281)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (net GST)	42	42
1.9 Net cash from / (used in) operating activities	(26)	(992)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..12....months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	1,225
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(146)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	1,079

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	250	137
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(26)	(992)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,079
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	224	224

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	224	250
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	224	250

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	26
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments made to directors at normal commercial rates

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	14
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Equipment hire and shared services at normal commercial rates.

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	50
9.2 Development	-
9.3 Production	-
9.4 Staff costs	42
9.5 Administration and corporate costs	28
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	120

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		Please refer to the Quarterly Activities Report – 30 June 2018. No changes to interests.		
10.2 Interests in mining tenements and petroleum tenements acquired or increased		Please refer to the Quarterly Activities Report – 30 June 2018		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:
(Company secretary) Date:16 July 2018.....

Print name:Lloyd Flint.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.