

BLACKHAM RESOURCES LIMITED
ACN 119 887 606

PROSPECTUS

For the issue of up to 1,071,429 Shares at a deemed issue price of \$0.042 per Share

IMPORTANT INFORMATION

This is an important document. You should read this document in its entirety to assist in deciding whether or not to invest in the Company.

You should consult your professional advisers before deciding whether to invest in the Company. This Offer does not take into account your investment objectives, financial situation or particular needs. You should carefully consider the risk factors in Section 3.4 and Section 7 in light of your circumstances.

This Prospectus has been prepared for the purpose of section 708A(11) of the Corporations Act 2001 (Cth) to remove any secondary trading restrictions on the sale of securities issued by the Company.

THE SHARES OFFERED BY THIS PROSPECTUS SHOULD BE CONSIDERED SPECULATIVE.

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1. CORPORATE DIRECTORY

Directors

Mr Milan Jerkovic
Executive Chairman

Mr Bryan Dixon
Managing Director

Mr Greg Fitzgerald
Non-Executive Director

Mr Tony James
Non-Executive Director

Mr Geoff Jones
Non-Executive Director

Solicitors to the Company

Cardinals
Lawyers and Consultants
60 Havelock Street
WEST PERTH WA 6005
Telephone: +61 8 9213 3000
Facsimile: +61 8 9481 7479

Company Secretary

Mr Anthony Rechichi

Auditor*

RSM
8 St Georges Terrace
PERTH WA 6000
Telephone: +61 8 9261 9100
Facsimile: +61 8 9261 9101

Registered Office & Contact Details

Level 3
1 Altona Street
WEST PERTH WA 6005
Telephone: +61 8 9322 6418
Facsimile: +61 8 9322 6398
Email: info@blackhamresources.com.au
Website: www.blackhamresources.com.au

Share Registry*

Link Market Services Ltd
Level 12, 250 St Georges Terrace
PERTH WA 6000
Telephone: +61 8 9211 6670

ASX Code

BLK

*The names of these entities are included for information purposes only and they have not been involved in the preparation or issue of this Prospectus.

2. TIMETABLE AND IMPORTANT DATES

Indicative timetable

Lodgement of Prospectus with ASIC	19 September 2018
Opening Date of Offer	19 September 2018
Closing Date of Offer* (5:00pm WST)	19 December 2018

*Subject to the Listing Rules and the Corporations Act, the Company reserves the right to extend the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

3. IMPORTANT NOTES AND KEY RISKS

3.1 Important Notes

This Prospectus is dated 19 September 2018 and was lodged with ASIC on that date. ASIC takes no responsibility for the contents of this Prospectus. No person or entity is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied on as having been authorised by the Company in connection with the Offer or this Prospectus.

No Shares will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Offer is only available to the Consultant personally invited by the Company to participate in the Offer in lieu of services provided. An application for the Shares offered pursuant to this Prospectus can only be submitted with an original Application Form which accompanies this Prospectus.

It is important that the Applicant reads this Prospectus in its entirety and, if in any doubt about whether to apply for the Shares, seeks professional advice. The Shares that are the subject of this Prospectus should be considered speculative. None of the Company, the Directors or any other person gives any guarantee as to the success of the Company, the repayment of capital, the payment of dividends, the future value of the Shares or the price at which the Shares will trade on the ASX.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and their professional advisers.

3.2 Applicant Outside Australia and New Zealand

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. A failure to comply with these restrictions may violate applicable securities laws. This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. If you are resident a country other than Australia or New Zealand you should consult your professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained. No action has been taken by the Company to register or qualify the Shares or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside of Australia and New Zealand.

3.3 Not Underwritten

The Offer is not underwritten.

3.4 Key Risks

You should be aware that subscribing for the Shares that are the subject of this Prospectus involves a number of risks to the business, assets and operations of the Company that potentially influence the operating and financial performance of the Company.

Blackham is a gold mining company and you should consider that an investment in the Company is speculative.

You should read this Prospectus in its entirety and, in particular, consider the key risk factors set out below and the Risk Factors in Section 7 before deciding whether to apply for the Shares under this Prospectus.

You are urged to consider those risks carefully and, if necessary, also consult your professional advisers with any questions before deciding whether to subscribe for the Shares. You should

also note that the key risks below and the Risk Factors in Section 7 are not an exhaustive list of all risks faced by the Company or by investors in the Company.

Some risks can be mitigated by the use of appropriate safeguards and appropriate systems and controls by the Company, however some risks are unpredictable and outside the control of the Company and the extent to which they can be mitigated or managed is very limited or not possible.

Set out below are key and specific risks that the Company is exposed to and that may have a direct influence on the Company and its activities or assets, therefore affecting the value of an investment in the Company.

Future Capital Requirements

The Company's capital requirements depend on numerous factors. The Company may require further financing for exploration and development of its existing projects or for additional other capital expenditure in the future. Any equity financing that the Company may undertake in the future will dilute existing shareholdings. Debt financing, if available, may involve restrictions on financing and operating activities. There can be no assurance that the Company will be able to obtain additional financing when required in the future, or that the terms and time frames associated with such financing will be acceptable to the Company. This may have an adverse effect on the Company's ability to achieve its strategic goals and have a negative effect on the Company's financial results, liquidity position and the value of the Company's Shares.

Resource and Reserve Estimates

Resource and reserve estimates are inherently prone to variability. They involve expressions of judgement with regard to the presence and quality of mineralisation and the ability to extract and process the mineralisation economically. These judgments are based on a variety of matters such as drilling results, past experience, knowledge and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations and reduce the estimated amount of gold mineral resources and ore reserves available for production and expansion plans.

Exploration, Development, Production and Sales Risks

Mineral exploration and development are high risk undertakings. The tenements of the Company are at various stages of exploration, development and production.

There can be no assurance that exploration of the mining tenements, or any other tenements that may be acquired in the future, will result in the discovery of economic mineral reserves and, even if identified, there is no guarantee that they can be economically exploited. Even if economic mineralisation is discovered there is no guarantee that it can be commercially exploited.

Production relies on the continued operation and performance of the Company's operating mines, plants, equipment, power stations, borefields, camp, tailings dams and processing facilities. Mining and development operations can be hampered by force majeure circumstances, environmental considerations and cost overruns for unforeseen events. Competent management of operations and finance in relation to the Company's mines, plant, mining equipment, power stations, borefields, camp, tailings dams and processing facilities are essential for production to be successful.

There is no guarantee that the Company will be able to successfully transport any or all future recovered minerals to commercially viable markets or sell the minerals to customers to achieve commercial returns.

Mining Approvals

Prior to the commencement of any future new mining operations, the Company will be required to ensure it obtains all relevant approvals. Where the Company is required to obtain additional approvals, there can be no assurances that those approvals will be received or that the conditions within the approvals are not overly onerous. The effects of these factors cannot be accurately predicted and conditions imposed on approvals may impede the operation or development of a project and even render it uneconomic.

Operating Risks

The operations of the Company may be affected by various factors, including operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated metallurgical problems which may affect extraction

costs; adverse weather conditions (e.g. significant rainfall); delays in construction of tailings dam wall lifts; industrial and environmental accidents; industrial disputes; and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. Such changes may have an adverse effect on the operations and production ability of the Company by increasing costs or delaying activities.

Gold Price Volatility and Exchange Rates

Any revenue the Company derives from the sale of gold is exposed to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for gold, technological advancements, forward selling activities, financial investment and speculation and other macro-economic factors.

Title and Tenure Risk

Interests in tenements in Australia are governed by State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and has annual expenditure and reporting commitments, together with other conditions requiring compliance. While the Company has good title to its tenements, the Company could lose its title to or its interest in one or more of the tenements in which it has an interest if licence conditions are not met or if insufficient funds are available to meet the minimum expenditure commitments.

The Company's tenements, and other tenements in which the Company may acquire an interest, will be subject to renewal, which is usually at the discretion of the relevant authority. If a tenement is not renewed the Company may lose the opportunity to discover mineralisation and develop that tenement.

The Company cannot guarantee that any tenements in which it has an interest will be renewed beyond their current expiry date, and there is a material risk that, in the event the Company is unable to renew any of its tenements beyond their current expiry date, all or part of the Company's interests in the corresponding projects may be relinquished.

Geotechnical Risk

Geotechnical risks arise from the movement of the ground during and following mining activity. This may result in temporary or permanent access to a mine being cut off. The loss of access may have a significant impact on the economics of the ore body. Additionally, significant additional costs may result from designing and constructing alternative access drives which will also impact the economics of the mining operation, potentially making the mine uneconomic.

Assessment of the extent and magnitude of ground movements that could take place or that have taken place within the mine and surrounding area will be evaluated by the Company.

Access Risk - Native Title and Aboriginal Heritage

It is possible that Aboriginal significant or sacred sites found within tenements held by the Company now, and obtained in the future, may preclude exploration and mining activities and the Company may also experience delays with respect to obtaining permission from the traditional owners to explore for, and extract, resources.

The Company must comply with Aboriginal heritage legislation, requirements and access agreements which require heritage survey work to be undertaken ahead of the commencement of mining operations. It is possible that tenements may not be available for exploration due to Aboriginal heritage issues (whether in respect of registered sites or not).

Under Western Australian and Commonwealth legislation the Company may need to obtain the consent of the holders of interests in applicable tenements before commencing activities on affected areas of the tenements. These consents may be delayed or given on conditions which are not satisfactory to the Company.

Environmental Risks

The operations and proposed activities of the Company are subject to Australian laws and regulations concerning the environment. It is the Company's intention to conduct its activities consistent with its environmental obligations, including compliance with all environmental laws. The ability of the Company to operate, develop and explore projects may be delayed and limited by environmental considerations and significant costs may result from complying with the Company's environmental obligations.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant

investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

Joint Venture Parties, Contractors and Agents

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party; or the insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or the insolvency or other managerial failure by any of the other service providers used by the Company for any activities. The Company may not be able to meet forecast production, or to complete planned exploration, appraisal and development programmes if there is a failure by these parties.

Access to Infrastructure

The Operation has gas and diesel power stations and permitted water borefields and related infrastructure. Production will require the use of both power and water infrastructure. A disruption to gas, diesel or water supplies to the Operation could have an adverse effect on the Company.

Default and Liquidity Risk

The Orion Project Financing Facility and the MACA Loan now represent the Company's remaining debt obligations. The Orion Project Financing Facility is fully secured and repayable by 30 November 2018 as detailed in the Company's ASX announcement dated 15 January 2018. The MACA Loan is also fully secured and is repayable by 31 May 2019 as also detailed in the Company's ASX announcement dated 15 January 2018. In addition to the MACA Loan, trade payables owing to MACA Limited for mining services provided to the Company are also secured against the Group's assets.

The Company's repayment obligations to Orion and MACA, as well as its obligations under its offtake agreement with Osisko, are secured against the Blackham Group's assets pursuant to a general security deed and mining mortgages over the Operation. If the Company is unable to repay Orion, MACA and/or Osisko as required under the Orion Project Financing Facility, the MACA Loan or the offtake agreement (as applicable), it would default in its obligations under those agreements. The Company would then be at risk of default proceedings should Orion, MACA or Osisko seek to enforce its rights under the relevant document.

The Company is currently managing its liquidity risk so that it can meet its repayment obligations under the Orion Project Financing Facility, the MACA Loan and to its other trade creditors.

Certain members of the Blackham Group also have security deeds and mortgages in place with Franco-Nevada in respect of future royalty obligations. If the Blackham Group is unable to pay Franco-Nevada or if it defaults in its obligations under the relevant documents, the Blackham Group will be at risk of Franco-Nevada seeking to commence default proceedings and enforcing its rights under those relevant documents.

Key Personnel

The Company's success depends to a significant extent upon its key management personnel, as well as other management and technical personnel including subcontractors.

The Company's inability to recruit additional appropriately skilled and qualified personnel to replace any key personnel who may leave the Company at some point in the future could have an adverse effect on the Company. There can be no guarantee that personnel with the appropriate skills will be available within the Company's required timeframes.

Further risks associated with an investment in the Company are contained in Section 7.

3.5 Forward Looking Statements

This Prospectus contains forward looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects' or 'intends' and other similar words that involve risks and uncertainties.

These statements relate to intentions and future acts and events. They are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management, which could cause these future acts, events and circumstances to differ from the way or manner in which they are expressly or implicitly portrayed in this Prospectus. Some of these risk factors are set out in Section 3.4 and the Risk Factors in Section 7.

The Company does not intend to update or review forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this Prospectus will actually occur, and you are cautioned not to place undue reliance on these forward looking statements.

3.6 Electronic Prospectus

Pursuant to ASIC Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and an electronic application form on the basis of a paper prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

This Prospectus will be issued in paper form and as an electronic prospectus which may be accessed on the internet at the Company's website at www.blackhamresources.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

If you have received this Prospectus as an electronic prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company (see the Corporate Directory in Section 1 for the Company's contact details) and the Company will send you, at no cost to you, either a hard copy or a further electronic copy of the Prospectus or both during the Offer period.

The Corporations Act prohibits any person passing an Application Form on to another person unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. The Company reserves the right not to accept the Application Form if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

3.7 Website

No document or information on the Company's website is incorporated by reference into this Prospectus.

3.8 Definitions

Throughout this Prospectus abbreviations and defined terms are used. Defined terms are generally identifiable by the use of an upper case first letter and the definitions of those terms are contained in the Glossary in Section 9.

4. DETAILS OF THE OFFER

4.1 The Offer

Under the Offer, the Company will invite the Consultant providing services to subscribe for up to 1,071,429 Shares at a deemed issue price of \$0.042 per Share. The Company has received services from the Consultant and the Shares are proposed to be issued in lieu of a payment in cash for the services provided, therefore raising funds is not the purpose of the Offer. As at the date of this Prospectus the Company has 1,265,518,664 Shares on issue. Refer to Section 6.1 for information on the rights and liabilities attaching to the Shares.

The purpose of the Offer is set out in Section 5.1.

4.2 How to Apply for the Shares

An application for the Shares by the party invited to apply must be made using the Application Form. The completed Application Form must be mailed to the Company at:

Blackham Resources Limited
PO Box 1412 WEST PERTH WA 6872

or deliver to:

Blackham Resources Limited
Level 3, 1 Altona St WEST PERTH WA 6005

No funds are required to be remitted to the Company as the Shares are proposed to be issued in lieu of a payment in cash for services rendered to the Company. A completed Application Form from the Consultant invited to subscribe for the Shares must reach one of the above addresses by no later than 5:00pm WST on the Closing Date (subject to variation).

4.3 Application Form

A completed Application Form cannot be withdrawn and constitutes a legally binding application for, and acceptance of, the Shares on the terms set out in this Prospectus.

If the Application Form is not completed correctly it may still be treated as valid. The Company's decision as to whether to treat the acceptance as valid, and how to construe, amend or complete the Application Form is final.

A completed Application Form for the Shares will extinguish the liability for the services previously provided by the Consultant.

4.4 Applicant Outside Australia

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. A failure to comply with these restrictions may violate those applicable laws. This Prospectus does not, and is not intended to, constitute an offer or invitation to subscribe in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. If you are resident a country other than Australia you should consult your professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

The return of the completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

No action has been taken by the Company to register or qualify the Shares or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside of Australia.

4.5 Minimum Subscription

Not applicable.

4.6 Issue of Shares

The Shares offered by this Prospectus will be issued in accordance with the Listing Rules.

Following issue a statement of Share holding will be dispatched to the Applicant in accordance with the Listing Rules. It is the responsibility of the Applicant to determine the Applicant's allocation prior to trading in the Shares. If the Applicant sells the Shares before receiving the holding statement it is at the Applicant's own risk.

4.7 ASX Listing

The Company will apply to the ASX for Quotation of the Shares offered under this Prospectus within seven (7) days of the date of this Prospectus. If the ASX does not grant permission for Quotation of the Shares within three (3) months after the date of this Prospectus, or such longer period as is varied by ASIC, the Company will not issue or allot the Shares offered for subscription under this Prospectus and will repay the Applicant in cash for the services they have previously provided to the Company.

The ASX takes no responsibility for the contents of this Prospectus. The fact that the ASX may grant Quotation of the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares.

4.8 No Underwriting

The Offer is not underwritten.

4.9 Risk Factors

You should be aware that subscribing for the Shares the subject of this Prospectus involves a number of risks. The key risks are set out in Section 3.4 and other Risk Factors are set out in Section 7. The Applicant is urged to consider those risks carefully, and if necessary consult their professional advisers before deciding whether to invest in the Company. The risk factors set out in Section 3.4 and Section 7, and other general risks applicable to all investments in listed securities not specifically referred to, may in the future affect the value of the Shares. Accordingly an investment in the Company should be considered speculative.

4.10 Governing Law

The Prospectus and the contract that arises from acceptance of the Application are governed by the laws applicable in Western Australia and the Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia.

4.11 Taxation

The Directors do not consider it appropriate to give advice regarding the taxation consequences of subscribing for the Shares under this Prospectus. The acquisition and disposal of Shares will have tax consequences which will differ depending upon the Applicant's individual financial affairs. The Applicant is urged to obtain independent financial advice about such consequences from a taxation viewpoint and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to the taxation consequences of subscribing for the Shares under this Prospectus.

4.12 Queries

This Prospectus provides important information and should be read in its entirety. If you have any questions about what action to take after reading this Prospectus, please contact your stockbroker, financial planner, accountant, lawyer or independent financial adviser. Any questions concerning the Offer should be directed to the Company Secretary, Mr Anthony Rechichi, on +61 8 9322 6418.

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Purpose of the Offer

The Consultant, BPDT & Co, has provided the Company with gold concentrate marketing services. In lieu of payment of their services, the Consultant has agreed to subscribe for, and the Company has agreed to issue, Shares at a deemed issue price of \$0.042 per Share. The total value of the services provided by the Consultant to the Company to date is \$15,000. The Consultant may be requested by the Company to provide additional services in the future, consideration for which will be a payment in cash, or if the parties agree, the issue of additional Shares.

The purpose of the Offer is to ensure that the Shares are not subject to any trading restrictions. Section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body;
- (b) either:
 - (i) a prospectus is lodged with ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

5.2 Effect of the Offer

The effect of the Offer will be to remove any secondary trading restrictions on the Shares.

The Offer will also:

- (a) increase the number of Shares on issue by up to 1,071,429 Shares;
- (b) decrease the current liabilities of the Company by up to \$45,000 by satisfying the Company's obligation to make payment to the Consultant for services it has provided to the Company; and
- (c) decrease the cash reserves of the Company by approximately \$10,090 (being the estimated costs of the Offer).

5.3 Effect on Financial Position

The issue of up to 1,071,429 Shares under this Prospectus, at a deemed issue price of \$0.042 per Share, will not have a material impact on the Company's financial position. For this reason a pro-forma statement of the Company showing the financial effect of the Offer has not been included in this Prospectus.

The expenses of the Offer will be met from the Company's existing cash reserves. As such the Offer will have an effect on the Company's financial position, being a reduction in its cash reserves of approximately \$10,090.

5.4 Effect on Capital Structure

The effect of the Offer on the capital structure of the Company is set out below.

Capital Structure on Completion of the Offer

Type of Securities	Balance at date of Prospectus	To be issued under the Offer	Balance after the Offer (including Placement Shares)
Shares	1,265,518,664 ⁽¹⁾	1,071,429	1,266,590,093
Quoted Options	534,430,433 ⁽¹⁾	Nil	534,430,433
Unquoted Options	54,796,895 ⁽²⁾	Nil	54,796,895

(1) Assumes no Options are exercised prior to the completion of the Offer.

(2) The number, terms and expiry dates of the Options are set out below.

Details of Quoted Options on issue at the date of this Prospectus

All of the 534,430,433 Quoted Options on issue as at the date of this Prospectus are exercisable at \$0.08 on or before 31 January 2019.

Details of Unquoted Options on issue at the date of this Prospectus

Terms of Unquoted Options	Number
Zero exercise price options (ZEPO's) (with vesting conditions measured over a 3 year period ending 31/12/20) expiring 31/12/21	51,596,895
\$1.00 options expiring on 1 June 2019	1,000,000
\$0.308 options expiring 29 February 2020	2,000,000
\$0.57 options expiring 31 December 2019	200,000
Total Options on issue on completion of Offer	54,796,895

On a fully diluted basis the Company would have 1,854,745,992 Shares on issue at the date of this Prospectus and 1,855,817,421 Shares on issue at completion of the Offer.

No Shares or Options are subject to escrow restrictions, either voluntary or imposed by ASX.

5.5 Financial Forecasts and Cashflow Projections

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and consider that they do not have a reasonable basis to forecast future earnings for the Company. Given the speculative nature of mineral production and exploration and the stage of the Company's projects there are significant uncertainties associated with the future revenue earning potential of the Company and the timing and sustainability of the cash flow. On the basis of these inherent uncertainties, the Directors believe that reliable forecasts cannot be prepared and accordingly have not included forecasts in this Prospectus.

6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

6.1 Rights and Liabilities attaching to Shares

The Shares offered for subscription under this Prospectus will rank equally with the issued Shares. The rights attaching to Shares are set out in the Constitution and in certain circumstances are regulated by the Corporations Act, the Listing Rules, the ASX Settlement Operating Rules and general law. The rights, privileges and restrictions attaching to Shares are summarised below. This is not exhaustive nor is it a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement you should obtain independent legal advice. A copy of the Constitution is available for inspection at the Company's registered office during normal business hours.

- (a) **Voting**

At a general meeting, on a show of hands every Shareholder present in person has one vote. At the taking of a poll, every Shareholder present in person or by proxy, attorney or representative of a Shareholder and whose shares are fully paid, has one vote for each of his or her shares or for each share in respect of which they are appointed a proxy, attorney or representative. On a poll, the holder of a partly paid share has a fraction of a vote with respect to the share. The fraction is equivalent to the proportion which the amount paid (not credited) bears to the total amount paid and payable (excluding amounts credited).
- (b) **Dividends**

The Directors, in their judgement, may declare interim and final dividends to Shareholders out of profits of the Company. The Directors may fix the amount, the record date for determining eligibility and the method of payment. All dividends must be paid to the Shareholders in proportion to the number and the amount paid on the Shares held.
- (c) **Transfer of Shares**

Generally, all Shares are freely transferable subject to the procedural requirements of the Constitution, and to the provisions of the Corporations Act, the Listing Rules and the ASX Settlement Operating Rules. The Directors may decline to register any transfer of Shares (other than a Market Transfer (as that term is defined in the Constitution)) where the Listing Rules or the ASX Settlement Operating Rules permit the Company to do so or the Listing Rules or the ASX Settlement Operating Rules require the Company to do so.
- (d) **General meetings**

Each Shareholder is entitled to, receive notice of, attend and vote at general meetings of Company and to receive all notices, financial statements and other documents required to be sent to Shareholders under the Constitution, the Corporations Act and the Listing Rules.
- (e) **Variation of rights**

The Company may only modify or vary the rights attaching to any class of Shares with the prior approval by a special resolution of the holders of Shares in that class at a meeting of those holders, or with the written consent of the holders of at least three-quarters of the issued Shares of that class.
- (f) **Liquidation Rights**

Subject to any Shares that may in the future be issued with special or preferential rights (currently there are none), the surplus assets of the Company after winding-up shall be distributed among the members in proportion to the number of Shares held by them, irrespective of the amounts paid or credited as paid on the Shares.

A liquidator in a winding-up may, with the sanction of a special resolution of members, divide among the members the whole or any part of the property of the Company and determine how the division is to be carried out as between members of different classes.

- (g) **Issue of further Shares**
Subject to the Constitution, the Corporations Act and the Listing Rules, the Directors may issue, or grant options in respect of, Shares to such persons on such terms as they think fit. In particular, the Directors may issue preference shares, including redeemable preference shares, and may issue shares with preferred, deferred or special rights or restrictions in relation to dividends, voting, return of capital and participation in surplus on winding up.
- (h) **Alteration to the Constitution**
The Constitution can only be amended by a special resolution passed by at least 75% of ordinary Shareholders present and voting at a general meeting. At least 28 days' notice of the intention to propose the special resolution must be given.
- (i) **Directors**
The minimum number of Directors is three and the maximum is 10 unless resolved otherwise in general meeting. Currently, there are four Directors and one alternate Director. Directors must retire on a rotational basis so that one-third of Directors retire at each annual general meeting. Any other Director who has been in office for three or more years must also retire. A retiring Director is eligible for re-election. The Directors may appoint a Director either in addition to existing Directors or to fill a casual vacancy, who then holds office until the next annual general meeting.
- (j) **Decisions of Directors**
Questions arising at a meeting of Directors are decided by a majority of votes. Where the votes are equal on a proposed resolution the Chairman, in addition to the Chairman's deliberate vote, has a casting vote except where only two Directors are present and entitled to vote on a question.

7. RISK FACTORS

7.1 Introduction

Blackham is a gold mining and exploration company that owns 100% of the Matilda-Wiluna Gold Operation located in the Northern Goldfields of Western Australia. You should consider that an investment in the Company is speculative. You should consult your professional advisers before deciding whether to apply for the Shares pursuant to this Prospectus.

There are a number of factors, both specific to the Company and of a general nature to the business and economic climate which may, either individually or in combination, affect the future operating and financial performance of the Company, its prospects, its investment returns and the value of its Shares. These risks include, but are not limited to, the risks set out in this Section.

The risks have been separated into Company specific risks (described under Section 7.2) and risks associated with investing in the market generally (described under Section 7.3). The Company's specific risks have been based on an assessment by the Directors of the probability of the risk occurring and the impact of the risk if it is to occur. This assessment was based on the knowledge of the Directors as at the date of this Prospectus and therefore there is no guarantee or assurance that the importance of the different risks referred to below will not change.

Prospective investors should note that this Section is not an exhaustive list of the risks associated with an investment in the Company and it should be considered in conjunction with other information disclosed in this Prospectus. The risk factors may materially affect the financial performance of the Company and the value and/or the market price of its Shares.

7.2 Company Specific Risks

(a) **Future capital requirements**

The Company's capital requirements depend on numerous factors. The Company may require further financing for exploration and development of its existing projects or for additional other capital expenditure in the future. Any equity financing that the Company may undertake in the future will dilute existing shareholdings.

Debt financing, if available, may involve restrictions on financing and operating activities.

There can be no assurance that the Company will be able to obtain additional financing when required in the future, or that the terms and time frames associated with such financing will be acceptable to the Company. This may have an adverse effect on the Company's ability to achieve its strategic goals and have a negative effect on the Company's financial results, liquidity position and the value of the Company's Shares.

(b) **Resource and reserve estimates**

Resource and reserve estimates are inherently prone to variability. They involve expressions of judgement with regard to the presence and quality of mineralisation and the ability to extract and process the mineralisation economically. These judgments are based on a variety of matters such as drilling results, past experience, knowledge and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations and reduce the estimated amount of gold mineral resources and ore reserves available for production and expansion plans.

(c) **Exploration, development and production and sale risks**

Mineral exploration and development are high risk undertakings. The tenements of the Company are at various stages of exploration, development and production.

There can be no assurance that exploration of the mining tenements, or any other tenements that may be acquired in the future, will result in the discovery of economic mineral reserves and, even if identified, there is no guarantee that they can be

economically exploited. Even if economic mineralisation is discovered there is no guarantee that it can be commercially exploited.

Production relies on the continued operation and performance of Blackham's operating mines, plant, equipment, power stations, borefields, camp, tailings dams and processing facilities. Mining and development operations can be hampered by force majeure circumstances, environmental considerations and cost overruns for unforeseen events. Competent management of operations and finance in relation to the Company's plants, mines, mining equipment, power stations, borefields, camp, tailings dam and processing facilities are essential for production to be successful.

There is no guarantee that the Company will be able to successfully transport any or all future recovered minerals to commercially viable markets or sell the minerals to customers to achieve commercial returns.

(d) **Mining approvals**

Prior to commencement of any future new mining operations the Company will be required to ensure it obtains all relevant approvals. Where the Company is required to obtain additional approvals, there can be no assurances that those approvals will be received or that the conditions within the approvals are not overly onerous. The effects of these factors cannot be accurately predicted and conditions imposed on approvals may impede the operation or development of a project and even render it uneconomic.

(e) **Operating risks**

The operations of the Company may be affected by various factors, including operational and technical difficulties encountered in mining; difficulties in commissioning and operating plant and equipment; mechanical failure or plant breakdown; unanticipated metallurgical problems which may affect extraction costs; adverse weather conditions (e.g. significant rainfall); delays in construction of tails dam wall lifts; industrial and environmental accidents; industrial disputes; and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. Such changes may have an adverse effect on the operations and production ability of the Company by increasing costs or delaying activities.

(f) **Gold price volatility and exchange rate risk**

Any revenue the Company derives from the sale of gold is exposed to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for gold, technological advancements, forward selling activities, financial investment and speculation and other macro-economic factors.

Fluctuations in exchange rates between currencies in which the Company operate, invest, report, incur costs, purchase capital equipment or derive revenue may cause fluctuations in the Company's financial results that are not necessarily related to the Company's underlying operations.

(g) **Title and tenure risk**

Interests in mining tenements in Australia are governed by State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and has annual expenditure and reporting commitments, together with other conditions requiring compliance. While the Company has good title to its tenements, the Company could lose its title to or its interest in one or more of the tenements in which it has an interest if licence conditions are not met or if insufficient funds are available to meet the minimum expenditure commitments.

The Company's mining tenements, and other tenements in which the Company may acquire an interest, will be subject to renewal, which is usually at the discretion of the relevant authority. If a tenement is not renewed the Company may lose the opportunity to discover mineralisation and develop that tenement.

The Company cannot guarantee that any tenements in which it has an interest will be renewed beyond their current expiry date, and there is a material risk that, in the event the Company is unable to renew any of its tenements beyond their current expiry date, all or part of the Company's interests in the corresponding projects may be relinquished.

- (h) **Geotechnical risk**
Geotechnical risks arise from the movement of the ground during and following mining activity. This may result in temporary or permanent access to a mine being cut off. The loss of access may have a significant impact on the economics of the ore body. Additionally, significant additional costs may result from designing and constructing alternative access drives which will also impact the economics of the mining operation, potentially making the mine uneconomic.
Assessment of the extent and magnitude of ground movements that could take place or that have taken place within the mine and surrounding area will be evaluated by the Company.
- (i) **Access risk - Native title and Aboriginal heritage**
It is possible that Aboriginal significant or sacred sites found within tenements held by the Company now, and obtained in the future, may preclude exploration and mining activities and the Company may also experience delays with respect to obtaining permission from the traditional owners to explore for, and extract, resources.
The Company must comply with Aboriginal heritage legislation, requirements and access agreements which require heritage survey work to be undertaken ahead of the commencement of mining operations. It is possible that tenements may not be available for exploration due to Aboriginal heritage issues (whether in respect of registered sites or not).
Under Western Australian and Commonwealth legislation the Company may need to obtain the consent of the holders of interests in applicable tenements before commencing activities on affected areas of the tenements. These consents may be delayed or given on conditions which are not satisfactory to the Company.
- (j) **Environmental risks**
The operations and proposed activities of the Company are subject to Australian laws and regulation concerning the environment. It is the Company's intention to conduct its activities consistent with its environmental obligations, including compliance with all environmental laws. The ability of the Company to operate, develop and explore projects may be delayed and limited by environmental considerations and significant costs may result from complying with the Company's environmental obligations.
There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.
The Company recognises management's best estimate for assets' retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.
- (k) **Joint venture parties, contractors and agents**
The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party; or the insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or the insolvency or other managerial failure by any of the other service providers used by the Company for any activities. The Company may not be able to meet forecast production, or to complete planned exploration, appraisal and development programmes if there is a failure these parties.
- (l) **Access to Infrastructure**
The Operation has gas and diesel power stations and permitted water borefields and related infrastructure. Production will require the use of both power and water infrastructure. A disruption to gas, diesel or water supplies to the Operation could have an adverse effect on the Company.

(m) **Default and Liquidity Risk**

The Orion Project Financing Facility and the MACA Loan now represent the Company's remaining debt obligations. The Orion Project Financing Facility is fully secured and is repayable by 30 November 2018 as detailed in the Company's ASX announcement dated 15 January 2018. The MACA Loan is also fully secured and is repayable by 31 May 2019 as also detailed in ASX announcement dated 15 January 2018. In addition to the MACA Loan, trade payables owing to MACA Limited for mining services provided to the Company are also secured against the Group's assets.

The Company's repayment obligations to Orion and MACA, as well as its obligations under its offtake agreement with Osisko are secured against the Blackham Group's assets pursuant to a general security deed and mining mortgages over the Operation. If the Company is unable to repay Orion, MACA and/or Osisko as required under the Orion Project Financing Facility, the MACA Loan or the offtake agreement (as applicable), it would default in its obligations under those agreements. The Company would then be at risk of default proceedings should Orion, MACA or Osisko seek to enforce its rights under the relevant document.

The Company is currently managing its liquidity risk so that it can meet its repayment obligations under the Orion Project Financing Facility, the MACA Loan and to its other trade creditors.

Certain members of the Blackham Group also have security deeds and mortgages in place with Franco-Nevada in respect of future royalty obligations. If the Blackham Group is unable to pay Franco-Nevada or if it defaults in its obligations under the relevant documents, the Blackham Group will be at risk of Franco-Nevada seeking to commence default proceedings and enforcing its rights under those relevant documents.

(n) **Key personnel**

The Company's success depends to a significant extent upon its key management personnel, as well as other management and technical personnel including subcontractors.

The Company's inability to recruit additional appropriately skilled and qualified personnel to replace these key personnel could have an adverse effect on the Company. There can be no guarantee that personnel with the appropriate skills will be available within the Company's required timeframes.

(o) **Litigation**

The Company may be subject to litigation and other claims. The Company is reserving its rights and considering its options in relation to the Pacific Road Capital funding arrangement announced on 24 November 2017, which did not progress. Any litigation in relation to this or any other matter in which the Company may in the future become involved could result in negative publicity, potential liability and additional expenditure.

7.3 General Risks

(a) **Share price fluctuations**

The Shares offered under this Prospectus will be quoted on ASX, where the price may rise or fall relative to the Offer Price. The Shares issued or sold under this Prospectus carries no guarantee in respect of profitability, dividends, return of capital, or the price at which they may trade on ASX. The value of the Shares issued under this Prospectus will be determined by the share market and will be subject to a range of factors, many or all of which may be beyond the control of the Company and the management team.

(b) **Economic factors**

Changes in economic and business conditions or government policies in Australia or internationally may affect the fundamentals of the Company's target markets or its cost structure and profitability. Adverse changes in the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), consumer spending, and employment rates, are outside the control of the Company and

the management team and may have an adverse effect on the financial performance and/or financial position of the Company.

(c) **Changes in laws and government policy**

Changes to government regulations, law (including taxation and royalties) and policies, both domestically and internationally, under which the Company operates may adversely impact the Company's activities, planned projects and the financial performance of the Company. Recently, the Western Australian State Government proposed an increase to gold royalty rates. Whilst the increase was not implemented, there is a risk that royalty rates may increase in the future which would erode the Company's profit margins.

(d) **Taxation**

There may be tax implications arising from the Application for the Shares offered under this Prospectus, the receipt of dividends (both franked and unfranked) (if any) from the Company, the participation in any on-market Share buy-back and on the disposal of the Shares offered under this Prospectus.

(e) **Global credit and investment markets**

Global credit, commodity and investment markets volatility may impact the price at which the Shares trade regardless of operating performance, and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required.

(f) **Counterparty risk**

There is a risk that contracts and other arrangements which the Company is party to and obtains a benefit from, will not be performed by the relevant counterparties if those counterparties become insolvent or are otherwise unable to perform their obligations.

The Company and its projects may suffer material adverse consequences such as increased costs, delayed projects, loss of market share, or loss of customers.

(g) **Insurance Risks**

Exploration for and development of minerals involves hazards and risks that could result in the Company incurring losses or liabilities that could arise from its operations. If the Company incurs losses or liabilities which are not covered by its insurance policies, the funds available for exploration and development will be reduced and the value and/or title to the Company's assets may be at risk.

The Company insures its operations in accordance with industry practice. However in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance against all risks associated with mining exploration and production is not always available and, where available, the costs can be prohibitive or not adequate to cover all claims.

(h) **Unforeseen Expenditure Risk**

Expenditure may need to be incurred that has not been considered in this Prospectus. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred this may adversely affect the expenditure proposals and activities of the Company, as the Company may be required to reduce the scope of its operations and scale back its exploration programmes. This could have a material adverse effect on the Company's activities and the value of its Shares.

8. ADDITIONAL INFORMATION

8.1 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. The Applicant should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with ASIC;
 - (ii) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in paragraph (i) above and before the lodgement of this Prospectus with ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in paragraph (i) above and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours, free of charge.

The Company has lodged the following announcements with ASX since the lodgement of the Company’s 2017 half year financial report and before the lodgement of this Prospectus with ASIC:

Date	Description of Announcement
19/09/2018	Additional Wiluna High Grade Free-milling Mineralisation
17/09/2018	Appointment of Company Secretary
13/09/2018	Wiluna Gold Resources Continue to Grow
28/08/2018	Lake Way Drilling Confirms Large Mineralised Gold System
15/08/2018	Expiry of Options
13/08/2018	Change of Registered Address
06/08/2018	Diggers and Dealers Presentation 2018
02/08/2018	Initial and Final Directors' Notices
01/08/2018	Resignation and Appointment of a Director
31/07/2018	SO4: Scoping Study for a Demonstration Plant at Lake Way
30/07/2018	Quarterly Activities & Cashflow Report June'18
27/07/2018	GWR: Wiluna West Gold Project Update
24/07/2018	Wiluna Tailings (Wiltails) - Maiden Resource
18/07/2018	Australian Gold Producer With Outstanding Growth Opportunity
18/07/2018	Operations Update and FY19 Guidance
22/06/2018	Appointment of Mr Tony James as Director
21/06/2018	Wiluna High Grade Free Milling Mineralisation Extended
14/06/2018	Expiry of Options
12/06/2018	Multiple High Grade Extensions Identified at Golden Age
14/05/2018	Appendix 3B
11/05/2018	Results of Meeting
08/05/2018	BLK - A Dominant Position in Australia's Largest Gold Belt
08/05/2018	High Grade Oxide & Transitional Mineralisation Identified
02/05/2018	Testwork Confirms Transition Ores Amenable to CIL Processing
26/04/2018	SO4: Initial Results Confirm Lake Way Potential
17/04/2018	A Dominant Position in Australia's Largest Gold Belt
16/04/2018	Quarterly Activities & Cashflow Report March'18
11/04/2018	General Meeting Proxy Form
11/04/2018	Notice of General Meeting
09/04/2018	Record Quarter of Gold Production for Blackham
21/03/2018	Expiry of Options
19/03/2018	Ceasing to be a substantial holder
19/03/2018	Golden Age Underground Mine Plan Growing
12/03/2018	SO4: MOU with Blackham for Potential Development of Lake Way
09/03/2018	S&P DJ Indices Announces March Quarterly Rebalance
08/03/2018	Another Record Month of Gold Production for Blackham

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.blackhamresources.com.au.

8.2 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and the Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares traded on ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest: \$0.075 on 21 June 2018
 Lowest: \$0.037 on 24 August 2018
 Last: \$0.042 on 18 September 2018

8.3 Material Contracts

The Shares are proposed to be issued as consideration for services provided by the Consultant to the Company pursuant to a service agreement between those parties dated 6 September 2018. That service agreement contains terms and conditions ordinarily found in an agreement of its type.

8.4 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director or proposed Director holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

- the formation or promotion of the Company; or
- any property acquired or proposed to be acquired by the Company in connection with:
 - its formation or promotion; or
 - the Offer; and
- the Offer,

and no amounts have been paid or agreed to be paid (in cash, Shares, Options or otherwise) and no benefits have been given or agreed to be given to a Director or a proposed Director:

- as an inducement to become, or to qualify as, a Director; or
- for services provided in connection with:
 - the formation or promotion of the Company; or
 - the Offer.

Security Holdings

The Directors' relevant interests in Securities as at the date of this Prospectus are set out below.

Name	Shares	Quoted Options	Unquoted Options ⁽¹⁾
Bryan Dixon	11,340,000	3,725,000	10,000,000
Milan Jerkovic	7,337,477	3,028,325	10,000,000
Greg Fitzgerald	-	-	-
Tony James	-	-	-
Geoff Jones	-	-	-

(1) Zero Exercise Price Options (ZEPO's) were granted to Mr Dixon and Mr Jerkovic under the Blackham Employee Option Plan. The ZEPO's were approved by shareholders on 11 May 2018.

Remuneration

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine

where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them in the performance of their duties.

The following table shows the total the Directors, including their personally-related entities, have been paid or are entitled to be paid (including the value of any Options issued).

Name	Year Ended 30 June 2017	Year Ended 30 June 2018	1 July 2018 to date of this Prospectus
	\$	\$	\$
Bryan Dixon	485,377	380,598	153,463
Milan Jerkovic ⁽¹⁾	181,855	309,573	77,982
Greg Fitzgerald ⁽²⁾	-	36,950	18,891
Anthony James ⁽³⁾	-	1,961	18,891
Geoff Jones ⁽⁴⁾	-	-	11,808

(1) Mr Jerkovic became Executive Chairman on 15 January 2018. He was previously Non-Executive Chairman.

(2) Mr Fitzgerald was appointed a Non-Executive Director on 19 February 2018

(3) Mr James became a Non-Executive Director on 22 June 2018

(4) Mr Jones became a Non-Executive Director on 1 August 2018

8.5 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- promoter of the Company; or
- an underwriter (but not a sub-underwriter),

holds, or has held within the two (2) years preceding lodgement of this Prospectus with ASIC, any interest in:

- the formation or promotion of the Company; or
- any property acquired or proposed to be acquired by the Company in connection with:
 - its formation or promotion; or
 - the Offer; and
- the Offer,

and no amounts have been paid or agreed to be paid (in cash, Shares, Options or otherwise) and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- the formation or promotion of the Company; or
- the Offer.

Cardinals Lawyers and Consultants have acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Cardinals Lawyers and Consultants approximately \$5,000 plus GST and disbursements for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, the Company has paid fees totalling approximately \$55,810 plus GST and disbursements to Cardinals Lawyers and Consultants for legal services provided to the Company.

8.6 Consents

Each of the parties referred to in this Section:

- (a) does not make the Offer;
- (b) has not authorised or caused the issue of this Prospectus;
- (c) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and

- (d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statement included in or omitted from this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section 8.6.

Cardinals Lawyers and Consultants has given its written consent to being named as solicitors to the Company in this Prospectus, in the form and context in which it is named. Cardinals Lawyers and Consultants has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

8.7 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$10,090 and are expected to be applied towards the items set out in the table below:

Item of Expenditure	\$
ASIC fees	3,206
ASX fees	1,884
Legal fees	5,000
TOTAL	10,090

8.8 Litigation

As at the date of this Prospectus, the Company is not currently involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company.

The Company may in the future be subject to litigation and other claims. The Company is reserving its rights and considering its options in relation to the Pacific Road Capital funding arrangement announced on 24 November 2017, which did not progress.

8.9 Privacy Statement

If you complete an Application Form you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, and, if your application is successful, to service your needs as a Security holder and to facilitate distribution payments and corporate communications to you as a Security holder.

The information may also be used from time to time and disclosed to persons inspecting the Share register, including bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the Share Registry whose contact details are set out in the Corporate Directory in Section 1.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

You should note that if you do not provide the information required on the Application Form the Company may not be able to accept or process your application.

8.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company participates in the Clearing House Electronic Sub-register System (**CHES**). CHES is operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of the ASX, in accordance with the Listing Rules and the ASX Settlement Operating Rules. The Company operates an electronic issuer-sponsored sub-register and an electronic CHES sub-register. The two sub-registers together make up the Company's principal register of Securities.

The Company will not issue certificates to Security holders. Instead Security holders will receive a statement of their holdings in the Company. If an investor is broker sponsored, ASX Settlement Pty Ltd will send a CHES statement. This statement will also advise investors of either their

Holder Identification Number (HIN) in the case of a holding on the CHESSE sub-register or a Security Holder Reference Number (SRN) in the case of a holding on the issuer sponsored sub-register.

A statement will be routinely sent to Security holders at the end of any calendar month during which their holding changes. A Security holder may request a statement at any other time however a charge may be incurred for additional statements.

8.11 Dividend Policy

The Company has not declared a dividend since its incorporation and, at the date of this Prospectus, does not intend to pay any dividends in the two year period following the date of this Prospectus. During this period the Board expects to incur significant expenditure on the development of the Company's Operation and in identifying, evaluating and, if warranted, acquiring other resource projects or assets in Australia and/or overseas that have the potential to add Shareholder value. The extent, timing and payment of dividends by the Company in the future will be at the discretion of the Directors and will depend on a number of factors including future earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances in relation to the payment of dividends, or the franking credits attached to such dividends, can be given.

9. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings, unless the context requires otherwise:

\$ means an Australian dollar.

Applicant means the person invited by the Company to submit an application for the Shares pursuant to the Offer, being the Consultant.

Application Form means the application form attached to and forming part of this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the market operated by it (as the context requires).

ASX Settlement Operating Rules means the operating rules of the settlement facility operated by ASX Settlement Pty Ltd ACN 008 504 532, as amended from time to time.

Blackham Group means Blackham and its related bodies corporate (as that term is defined in the Corporations Act) (if any) as at the date of this Prospectus.

Board means the board of Directors.

Business Day means a day other than a Saturday or a Sunday when trading banks are ordinarily open for business in Perth, Western Australia.

Chairman means the chairman of the Board.

Closing Date means the closing date of the Offer as set out in the indicative timetable in Section 2 (subject to the Company reserving the right to extend the Closing Date).

Company or **Blackham** means Blackham Resources Limited ACN 119 887 606.

Constitution means the constitution of the Company.

Consultant means BPDT & Co ACN 145 363 257.

Corporations Act means the *Corporations Act 2001* (Cth) and any regulations made under it, each as amended from time to time.

Directors means the directors of the Company from time to time.

Group means the Company and its related bodies corporate (as that term is defined in the Corporations Act) (if any).

Listing Rules means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the official list of the ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

MACA means MACA Mining Pty Ltd ACN 102 886 064.

MACA Loan means the \$14.3m secured loan agreement dated 11 January 2018 between the Company and MACA.

Matilda-Wiluna Gold Operation or **Operation** means the Blackham Group's Matilda-Wiluna gold project surrounding Wiluna, Western Australia and which includes the tenements held by each of Kimba Resources Pty Ltd ACN 106 123 951 and Matilda Operations Pty Ltd ACN 166 954 525, and the property of the Blackham Group located on those tenements.

Offer means the invitation to subscribe for Shares under this Prospectus.

Offer Price means \$0.042.

Option means an option to acquire a Share.

Orion means Orion Fund JV Ltd.

Orion Project Financing Facility means the secured project financing facility with Orion.

Prospectus means this prospectus dated 19 September 2018.

Quotation means official quotation by the ASX in accordance with the Listing Rules.

Quoted Option means an Option exercisable at \$0.08 on or before 31 January 2019.

Section means a section of this Prospectus.

Securities means Shares and Options, or any one of them, as the context requires, and **Security** has a corresponding meaning.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Link Market Services Ltd.

Shareholder means a holder of a Share.

Unquoted Option means an unquoted Option of the Company.

WST means Western Standard Time as observed in Perth, Western Australia.

10. DIRECTORS' STATEMENT AND AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

Each Director has consented to the lodgement of this Prospectus with ASIC in accordance with section 720 of the Corporations Act and has not withdrawn that consent.

Dated 19 September 2018.

Bryan Dixon
Managing Director
For and on behalf of
Blackham Resources Limited

BLACKHAM RESOURCES LIMITED

ACN 119 887 606

APPLICATION FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT,
PLEASE CONTACT YOUR STOCKBROKER OR OTHER PROFESSIONAL ADVISER

REGISTERED OFFICE: Level 3, 1 Altona Street, West Perth WA 6005

SHARE REGISTRY: Link Market Services, Level 12, 250 St Georges Terrace, Perth WA 6000

Offer of up to 1,071,429 Shares at a deemed issue price of \$0.042 per Share. The Offer closes at 5.00 pm (WST) on 19 December 2018.

To the Directors
Blackham Resources Limited

I/We the above mentioned apply for the Shares in accordance with the enclosed Prospectus.

By submitting this Application Form I/we represent and warrant that I/we have read and understood the Prospectus to which this Application Form relates and declare that this Application is completed and lodged according to the Prospectus and the instructions on the reverse of this Application Form, and declare that all details and statements made by me/us are complete and accurate.

I/We agree to be bound by the constitution of Blackham Resources Limited and agree to the terms and conditions of the Offer. I/We represent and warrant that I/we have not relied on any other information provided by or on behalf of the Company other than as set out in the Prospectus when making my/our decision to invest.

I/We hereby authorise you to place my/our name(s) on the registers of Shareholders in respect of the Shares (if any) allotted to me/us.

RETURN OF THIS DOCUMENT WILL CONSTITUTE YOUR APPLICATION FOR THE SHARES

APPLICATION FOR SHARES

NUMBER OF SHARES APPLIED FOR	TOTAL DEEMED ISSUED PRICE CALCULATED AT \$0.042 PER SHARE

PAYMENT

Not applicable. Services previously provided to the Company by Applicant.

My/Our contact numbers in the case of enquiry are:

Telephone : ())

Fax : ())

Email :

Complete this panel and sign below only if a change of address is to be registered with the Company

New Address :

Signature(s) : Date :

Please indicate correct title: Director / Secretary /

THE OFFER CLOSSES 5.00 PM WST ON 19 DECEMBER 2018 (UNLESS EXTENDED). THE DIRECTORS RESERVE THE RIGHT TO MAKE AMENDMENTS TO THIS APPLICATION FORM WHERE APPROPRIATE. PLEASE REFER OVERLEAF FOR INSTRUCTIONS.

APPLICATION INSTRUCTIONS

Payment

Not applicable. Services previously provided to the Company by Applicant.

Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this Application Form.

Lodgement of Application

The Company must receive the Application at the address below no later than 5:00pm WST on 19 December 2018. You should allow sufficient time for this to occur.

The Company accepts any responsibility if you lodge your Application Form at any other address or by any other means.

Privacy Statement

Personal information is collected on this Application Form by Link Market Services Ltd, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Link Market Services Ltd, or you would like to correct information that is inaccurate, incorrect or out of date, please contact Link Market Services Ltd. In accordance with the Corporations Act 2001 (Cth), you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting Link Market Services Ltd. You can contact Link Market Services Ltd using the details provided on the front of this Application Form.

If you have any enquiries concerning this Application Form, please contact Link Market Services Ltd on 08 9211 6670.

CHES holders must contact their Controlling Participant to notify a change of address.

By Mail

Blackham Resources Limited
PO Box 1412, West Perth
Western Australia 6872

Or

By Delivery

Blackham Resources Limited
Level 3, 1 Altona St
West Perth
Western Australia 6005

Capitalised terms used in this Application Form have the same meaning as those terms in the Prospectus unless the context requires otherwise.