

December 2018 Quarterly Report

Highlights

- Step out drill program extends mineralisation at Wonder North Deeps to over 400 metres below surface
- All four holes intersected the main mineralised structure
- Mineralisation remains open down dip and along strike
- Mineral Resource estimate updated.
- Resource tonnes increased by 1.5mt (+18%) to 9.7 mt at 2.1g/t and total ounces increase by 80,000 ounces to 660,000 ounces (+14%)

Bligh Resources Limited (ASX: BGH) ("Company") is pleased to report on activities completed over the December 2018 quarter.

During the period the Company reported assay results from the most recent drilling program completed at its 100% owned Bundarra Gold Project near Leonora. The program which comprised of four diamond core holes was located at the Wonder North deposit and were designed to target extensions to the Wonder North Deeps mineralisation.

All four holes achieved their objective in intersecting the fault/shear hosted, gold-bearing lode down plunge up to 100 metres below previous drilling. The step out program confirmed that significant widths and grade of gold mineralisation extend continuously from the base of the Wonder North pit to 450 metres plus down plunge to the southeast. The mineralisation remains open both along strike and down dip (Refer to figures and plans 1-4 in Appendix 1). Significant drill assay intersections are listed below and full details are shown in Appendix 3, Table 5

- BDR005 28 metres @ 3.0 g/t from 342 metres
 - Including 4 metres @ 5.8g/t
 - and 2 metres @ 11.3 g/t
- BDRC006 24.3 metres @ 1.7 g/t from 425 metres
 - Including 5 metres @ 2.7g/t
 - and 4 metres @ 3.0 g/t
- BDRC004 19 metres @ 1.9 g/t from 460 metres
 - Including 2.2 metres @ 3.18g/t
- BDRC007 25 metres @ 1.1 g/t from 450 metres
 - Including 5.9 metres @ 2.1g/t

Drill holes comprised of approximately 260 metre RC pre-collars followed by NQ diamond core tails up to 255 metres in length and were designed to target extensions to the Wonder North Deeps mineralisation. All four holes intersected the main fault/shear hosted, gold-bearing lode down plunge up to 100 metres below previous drilling. The step-out drill program confirmed that significant widths and grade of gold mineralisation extend continuously from the base of the Wonder North pit to 450 metres plus down plunge to the southeast. Mineralised intercepts up to **28 metres @ 3.0 g/t from 342 m, including 4 m @ 5.8 g/t** were returned from the recent deep drilling (Bligh ASX announcement, 1st November 2018). Mineralisation remains open both along strike and down dip (Figures 1 & 2).

Mineral Resource Update

Subsequent to receiving assay results from the program, the Company engaged resource consultants CSA Global Pty Ltd (CSA Global) to completed an update of the Mineral Resource estimate for Wonder North deposit and Bundarra Project (refer ASX announcement dated 18 December 2018).

The Mineral Resource update incorporating the latest step-out drilling at Wonder North Deeps has seen an overall increase in ounces at both the Wonder North Resource and the Bundarra Project Global resources of 80,000 ounces. This equates to an increase of 21% & 14% respectively (Table 1 & 2). It has delineated a further 1.5 Mt of resource at Wonder North increasing its overall tonnage by 29% providing an updated estimate of 6.5 Mt @ 2.2 g/t for 470,000 ounces (Table 3). This increased tonnage has resulted in an overall Global increase of 18% for the Bundarra Project. Total resources now stand at 9.7 Mt @ 2.1 g/t for 660,000 ounces of gold (Table 1 below & 4 in Appendix 2).

The high-grade robustness of the Wonder North resource is evident in the grade-tonnage report at various lower cut off grades given in Table 4. Of the 470 Koz contained within the 0.5g/t lower cut resource over 55% or 258 Koz is contained within a 2.5 g/t lower cut (i.e. 1.9 Mt @ 4.25 g/t for 258Koz, Table 4).

Table 1

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

	Tonnes	Grade (g/t Au)	Au Ounces
Measured	370,000	2.3	26,000
Indicated	3,240,000	2.2	225,000
Inferred	6,060,000	2.1	410,000
TOTAL	9,670,000	2.1	660,000

Notes:

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

Next Step

The Company is in the process of reviewing the work to date and evaluating the open pit and underground potential at the Wonder North project. The review will also include planning for a further drill program.

Site rehabilitation of drilling undertaken at the project is also underway and is expected to be completed by the end of the quarter.

The Company looks forward to providing further updates as work progresses.

Jamie Sullivan

Executive Director

17 January 2019

1. *The information in this report that relates to Mineral Resources is based on information compiled by Messrs Steve Rose & Dmitry Pertel whom are Fellows of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Rose & Pertel are full-time employees 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 they 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 & Dmitry consents to the inclusion of such information in this report in the form and context in which it appears.*

2. *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.*

3. 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.

Appendix 1

Figures and plans

Figure 1: Drill Hole Location Plan _ Wonder North Deeps (with section marker)

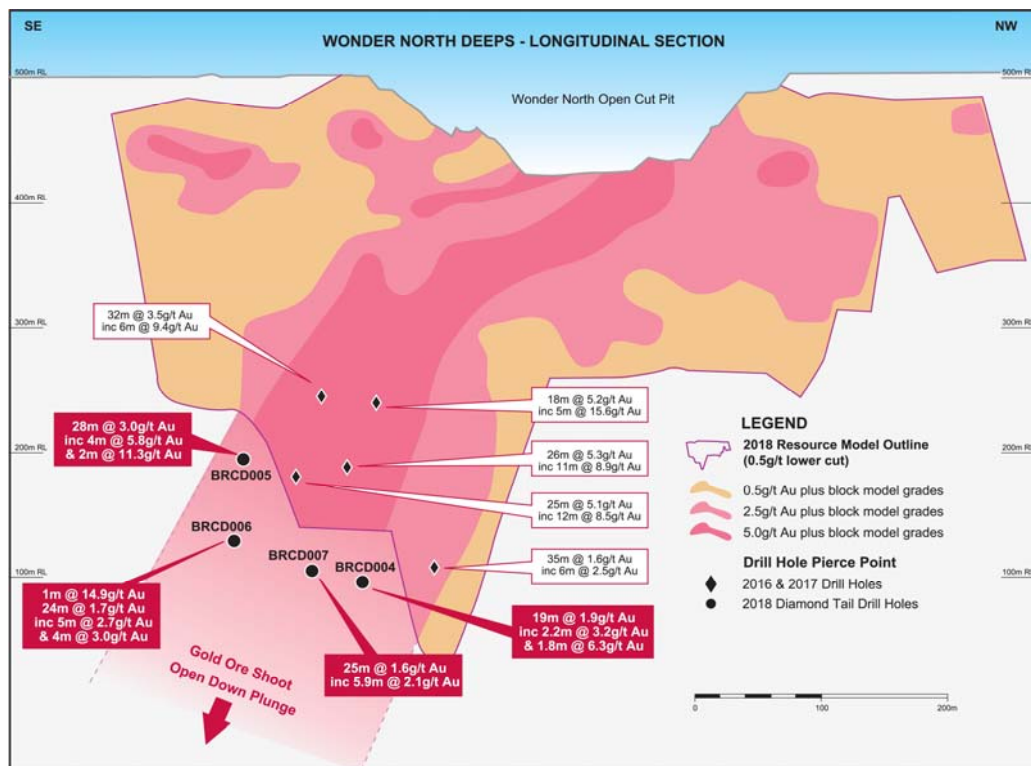
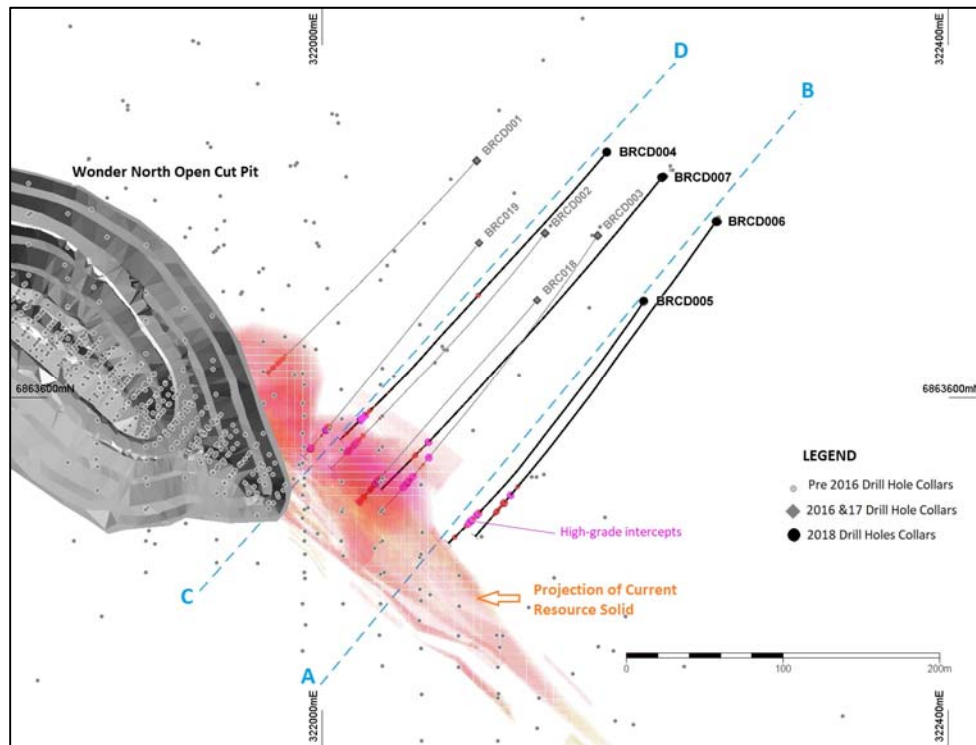


Figure 2: Longitudinal Section – Wonder North Deeps. Showing Sept 2018 drill hole pierce points and results. Note this slide shows April 2018 resource outline.

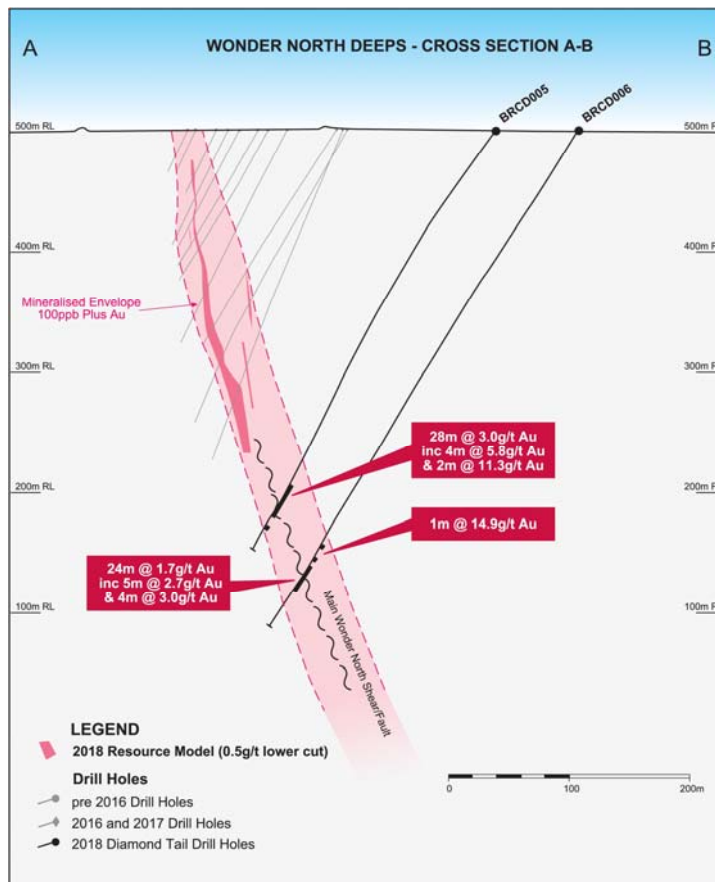


Figure 3: Cross Section A_B – Wonder North Deep.

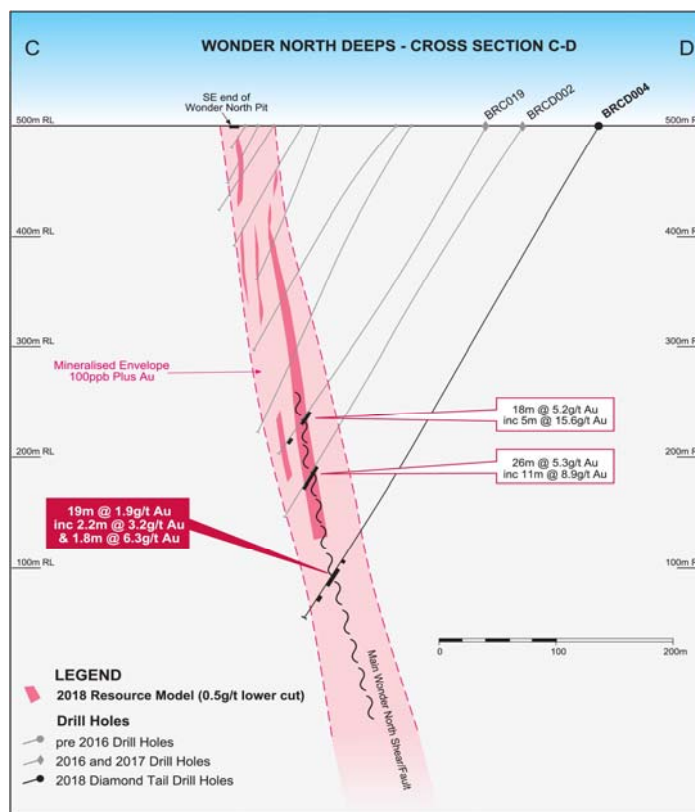


Figure 4: Cross Section C_D – Wonder North Deep.

Appendix 2 Resource Update Tables, Figures and Plans

Table 2: Wonder North Mineral Resource estimate comparison April 2018 & November 2018
(i.e. at 0.5 g/t Au lower grade cut-off)

April 2018 Mineral Resource Estimate Summary

	Volume (k)	Tonnes (k)	Grade (g/t Au)	Oz (k)
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

November 2018 Mineral Resource Estimate Summary

	Volume (k)	Tonnes (k)	Grade (g/t Au)	Oz (k)
Measured	137	327	2.2	23
Indicated	855	2,239	2.2	155
Inferred	1,487	3,968	2.3	291
Total	2,479	6,534	2.2	470

Table 3: Wonder North November 2018 Mineral Resource Estimate at various Lower Cut-off Grades.

Cut off	Category	Volume '000 m ³	Tonnes Kt	Au g/t	Au KOz
0.5	Measured	137	327	2.21	23
	Indicated	855	2,239	2.16	155
	Inferred	1,487	3,968	2.28	291
	TOTAL	2,478	6,534	2.23	469
1	Measured	100	244	2.71	21
	Indicated	712	1,869	2.42	145
	Inferred	1,242	3,317	2.57	274
	TOTAL	2,054	5,430	2.52	441
2	Measured	58	144	3.59	17
	Indicated	331	868	3.59	100
	Inferred	615	1,646	3.72	197
	TOTAL	1,003	2,658	3.67	314
2.5	Measured	44	112	3.98	14
	Indicated	243	639	4.06	84
	Inferred	427	1,142	4.38	161
	TOTAL	714	1,893	4.25	258

Table 4: Bundarra Project November 2018 Mineral Resources at 0.5 g/t Au Cut-off

Bundarra Project Mineral Resources, November 2018					
Deposit	Category	Volume '000 m ³	Tonnes '000 t	Au g/t	Au '000 Oz
Celtic North	Indicated	71	195	2.4	15
	Inferred	387	1,060	2.0	69
	Total	458	1,254	2.1	84
Celtic South	Indicated	35	78	2.1	5
	Inferred	47	111	1.4	5
	Total	82	188	1.7	10
Wonder West	Measured	17	39	3.0	4
	Indicated	205	495	2.1	33
	Inferred	114	291	1.7	16
	Total	336	825	2.0	54
Wonder North	Measured	137	327	2.2	23
	Indicated	855	2,239	2.2	155
	Inferred	1,487	3,968	2.3	291
	Total	2,478	6,534	2.2	469
Bluebush	Indicated	103	235	1.7	13
	Inferred	240	634	1.5	30
	Total	344	868	1.5	43
Total Measured and Indicated:		1,420	3,610	2.1	250
Total Inferred:		2,270	6,060	2.1	410
Total:		3,700	9,670	2.1	660

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.

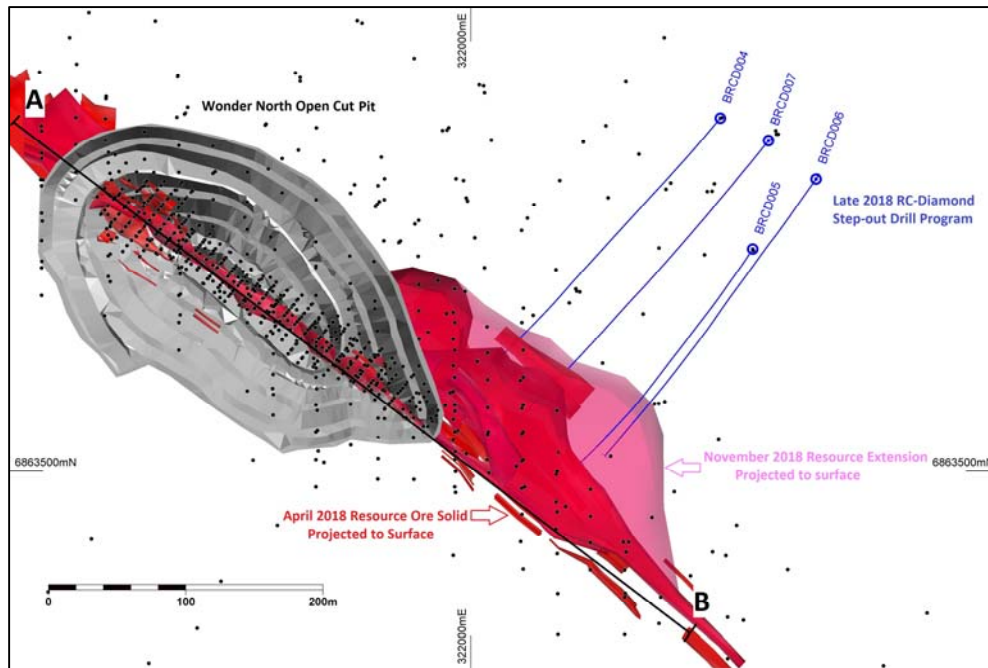


Figure 5. Wonder North Deposit – Updated Resource Envelopes/Solids & Drill Hole Plan

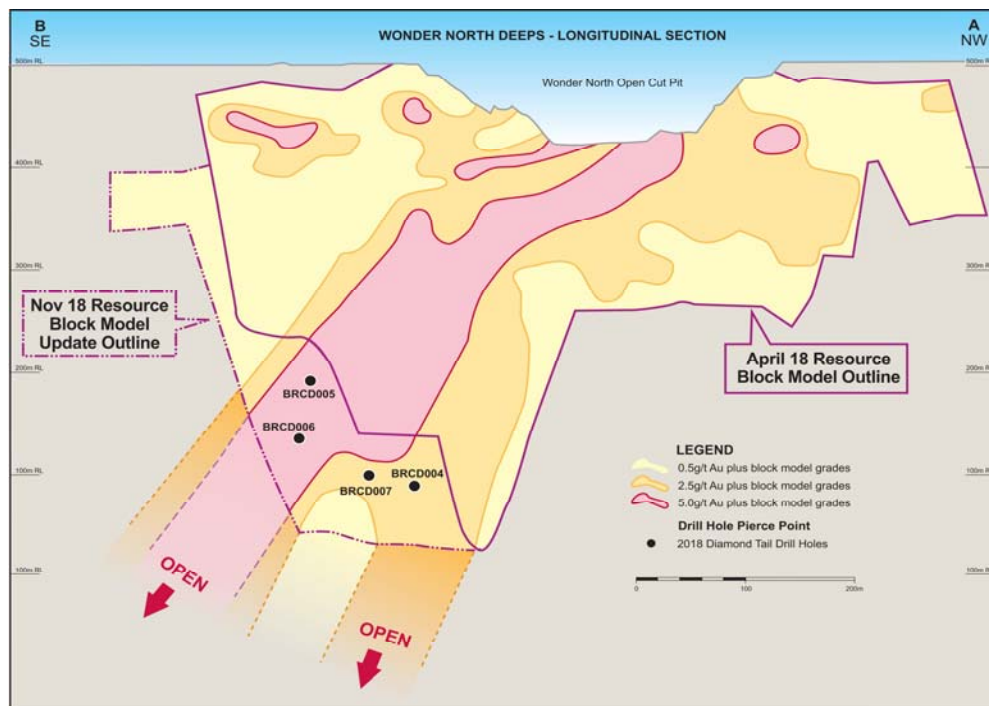


Figure 6. Wonder North Upgraded Resource Outline – Longitudinal Section

Appendix 3 Drilling Results

Table 5: Wonder North Deeps – Significant drill hole Intercepts – 2018 Drilling

Hole_ID	Easting (GDA94)	Northing (GDA94)	Total Depth (metres)	From (m)	To (m)	Width (m)	Gold (g/t)
BRC004	322182	6863758	513.2	254	257	3	1.40
<i>includes</i>				255	256	1	3.2
				426	427	1	1.27
				430	431	1	1.26
				449	456	7	0.89
				460	479	19	1.89
				460	461	1	2.79
				463	464	1	2.55
				468	470.2	2.2	3.18
				469.7	470.2	0.5	7.74
				474.7	475	0.3	13.5
				477.2	479	1.8	6.34
				488	494	6	0.73
				498	505	7	0.76
				502	503	1	2.52
				509	511	2	1.29
BRC005	322205	6863662	402.6	342	370	28	3.03
<i>includes and containing and</i>				345	349	4	5.84
				357	359	2	11.26
				357	358	1	16.3
				363	364	1	5.3
				379	380	1	1.08
				390	391	1	3.28
BRC006	322252	6863713	484.5	403	413	10	0.66
<i>includes</i>				403	404	1	2.77
				417	418	1	14.90
				425	449.3	24.3	1.69
				429	434	5	2.68
				429	431	2	4.78
				438.55	439.5	0.95	2.25
				442.4	446.4	4	2.95
				453	454	1	1.28
BRC007	322217	6863741	530.9	377	378	1	1.51
<i>includes</i>				417	419	2	0.76
				443	445	2	3.62
				444	445	1	5.54
				450	475	25	1.05
				465.75	471.65	5.9	2.06
				467.75	468.75	1	3.49

Notes: - All holes drilled nominally at 60 degrees dip to 220 degrees magnetic azimuth. 2 m internal dilution.
- 0.5 g/t Au lower cut, no upper cut, maximum 2m internal dilution & only intercepts over 1 gram x metre reported.
- All widths are down hole intercepts with true widths being approximately 70-75% of down hole width.

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%

About the Bundarra Gold Project

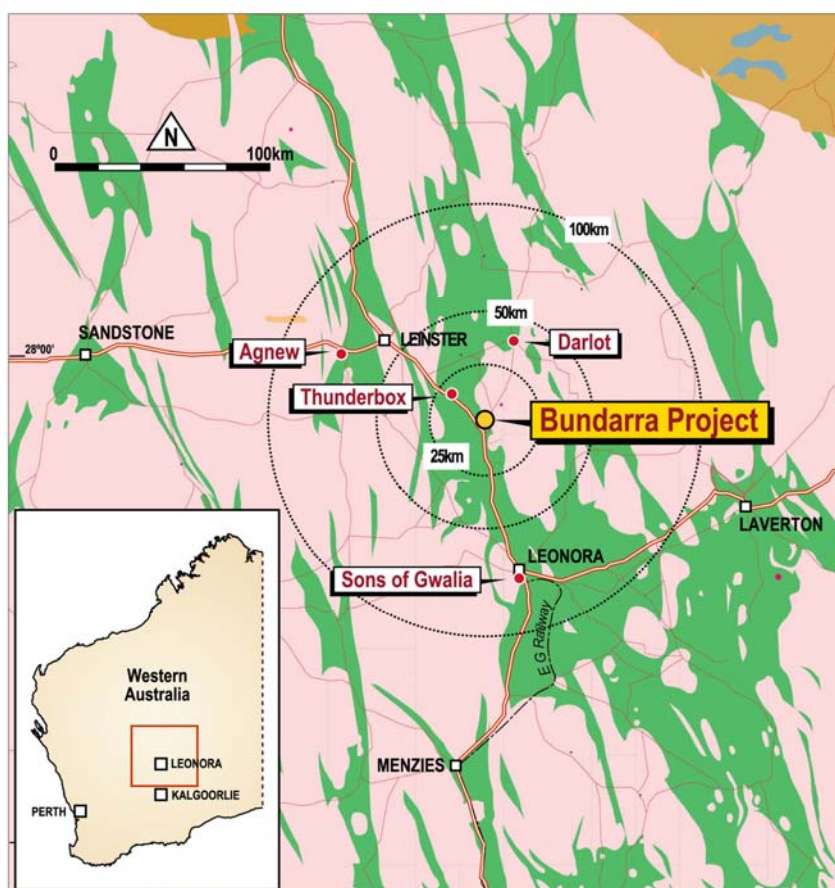
The Bundarra Gold Project lies within the Norseman-Wiluna greenstone belt of the Archaean Yilgarn Craton, approximately 65km north of Leonora in the Eastern Goldfields region of Western Australia.

The project covers an area of 26.57 km² and consists of five Mining Leases, five Prospecting Licences. To date, more than 6,675 holes have been drilled with an accumulated drill depth of more than 210,000m.

The Company has committed to further exploration programs aimed at expanding its gold resource inventory presently defined near to and beneath the existing open pits within the project area. The Company priority focus is to define additional high resource located below the Wonder North open pit. The mineralised structure at the Wonder North is a significant structure that extends from the base of the open pit to at least 400 metres below surface. Diamond and RC drilling has returned high grade results over 25 metre widths grading up to 5 g/t. Mineralisation remains open at depth and further drilling is underway to build on the high grade underground resource.

The project hosts a JORC 2012 compliant mineral Resources estimated to contain 9.7 million tonnes averaging 2.1 g/t Au for a total of 660,000 ounces of gold across five deposits.

Bundarra Project Location Plan



Bundarra Project November 2018 Mineral Resources at 0.5 g/t Au Cut-off (JORC 2012)

Bundarra Project Mineral Resources, November 2018					
Deposit	Category	Volume '000 m³	Tonnes '000 t	Au g/t	Au '000 Oz
Celtic North	Indicated	71	195	2.4	15
	Inferred	387	1,060	2.0	69
	<i>Total</i>	<i>458</i>	<i>1,254</i>	<i>2.1</i>	<i>84</i>
Celtic South	Indicated	35	78	2.1	5
	Inferred	47	111	1.4	5
	<i>Total</i>	<i>82</i>	<i>188</i>	<i>1.7</i>	<i>10</i>
Wonder West	Measured	17	39	3.0	4
	Indicated	205	495	2.1	33
	Inferred	114	291	1.7	16
	<i>Total</i>	<i>336</i>	<i>825</i>	<i>2.0</i>	<i>54</i>
Wonder North	Measured	137	327	2.2	23
	Indicated	855	2,239	2.2	155
	Inferred	1,487	3,968	2.3	291
	<i>Total</i>	<i>2,478</i>	<i>6,534</i>	<i>2.2</i>	<i>469</i>
Bluebush	Indicated	103	235	1.7	13
	Inferred	240	634	1.5	30
	<i>Total</i>	<i>344</i>	<i>868</i>	<i>1.5</i>	<i>43</i>
Total Measured and Indicated:		1,420	3,610	2.1	250
Total Inferred:		2,270	6,060	2.1	410
Total:		3,700	9,670	2.1	660

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")

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (..6....months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(560)	(650)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(117)	(186)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(677)	(836)

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 (..6.....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	-	-
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	700	700
3.6	Repayment of borrowings	-	-
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	700	700

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	63	222
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(677)	(836)
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)	700	700
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	86	86

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	86	63
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)	86	63

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

43

-

Salary and fee payments made to directors for the quarter.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

29

-

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	1,000	700
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.		

Funding for resource drilling and working capital through loan agreement with major shareholder Zeta Resources Limited.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	150
9.2 Development	-
9.3 Production	-
9.4 Staff costs	33
9.5 Administration and corporate costs	45
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	228

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 – 31 December 2018. No changes to interests.	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	Please refer to the Quarterly Activities Report – 31 December 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: Date:17 January 2019.....
(Company secretary)

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.