



BLACKHAM
Resources Limited

BLACKHAM RESOURCES LIMITED ACN 119 887 606

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10:00am (WST)

DATE: Thursday, 28 November 2019

PLACE: Level 3
1 Altona Street
WEST PERTH WA 6005

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9322 6418.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders convened by this Notice of Meeting will be held at 10.00am (WST) on **Thursday, 28 November 2019** at:

Level 3
1 Altona Street
WEST PERTH WA 6005

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your Shareholding and your vote is important.

ATTENDANCE AND VOTING ELIGIBILITY

For the purposes of regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) the Directors have determined that the Shares quoted on the ASX at 4.00pm WST on 26 November 2019 will be taken, for the purposes of this Annual General Meeting, to be held by the persons who held them at that time. Accordingly those persons are entitled to attend and vote (if not excluded) at the Meeting.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the Proxy Form enclosed (and the power of attorney or other authority (if any) under which it is signed (or a certified copy)) and either:

- (a) deliver the Proxy Form to the Company's share registry:
Blackham Resources Limited
Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
Australia
- (b) send the Proxy Form by post to the Company's share registry:
Blackham Resources Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia
- (c) send the Proxy Form by facsimile to the Company's share registry facsimile number +61 2 9287 0309; or
- (d) lodge online at www.linkmarketservices.com.au, instructions as follows:

Select 'Investor Login' and in the "Single Holding" section enter Blackham Resources Limited or the ASX code BLK in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.

so that it is received not later than 10:00am (WST) on 26 November 2019. Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Blackham Resources Limited will be held at **Level 3, 1 Altona Street, West Perth, Western Australia at 10.00am WST on Thursday 28 November 2019**.

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Memorandum (including the Annexures) are defined in the Glossary unless defined elsewhere in the Explanatory Memorandum.

AGENDA

FINANCIAL STATEMENTS AND REPORTS

To **receive and consider** the 2019 Financial Report together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report thereon.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding ordinary resolution**:

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report."

Note: the vote on this Resolution is advisory only and does not bind the Board or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above (the "voter") may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy appointed by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.

RESOLUTION 2 – ELECTION OF DIRECTOR – MR TONY JAMES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That Tony James, a non-executive Director, who retires in accordance ASX Listing Rule 14.4 and the Constitution, and being willing and eligible for election, is elected as a Director."

RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by, or on behalf of, a person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons.

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 170,759,875 Placement Shares on the terms and conditions and in the manner set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by, or on behalf of, any person who participated in the issue, and any associate of that person (or those persons).

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1A

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 240,115,125 Placement Shares on the terms and conditions and in the manner set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of this Resolution by, or on behalf of, any person who participated in the issue, and any associate of that person (or those persons).

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

OTHER BUSINESS

To deal with any business that may be lawfully brought forward.

PROXIES

A Shareholder entitled to attend and vote at the Meeting has a right to appoint a proxy to attend and vote instead of the Shareholder. A proxy need not be a Shareholder and can be either an individual or a body corporate. If a Shareholder appoints a body corporate as a proxy that body corporate will need to ensure that it:

- a) appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
- b) provides the Company with satisfactory evidence of the appointment of its corporate representative prior to commencement of the Meeting.

If such evidence is not received before the Meeting, then the body corporate (through its representative) will not be permitted to act as proxy.

A Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes. Fractions of votes will be disregarded.

In order to vote on behalf of a company that is a Shareholder, a valid Power of Attorney in the name of the attendee, must be either lodged with the Company prior to the Meeting, or be presented at the Meeting before registering on the attendance register for the Meeting.

If the proxy form is signed under a power of attorney on behalf of a Shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already been provided to the Share Registry.

If a representative of a corporate Shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

An appointment of corporate representative form may be obtained from Link Market Services by calling (+61) 1300 554 474 or online at <http://www.linkmarketservices.com.au/corporate/resources/forms.html>

An instrument appointing a proxy:

- a) shall be in writing under the hand of the appointor or of his attorney, or if the appointor is a corporation, either under seal or under the hand of a duly authorised officer or attorney;
- b) may specify the manner in which the proxy is to vote in respect of a particular Resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the Resolution except as specified in the instrument;
- c) shall be deemed to confer authority to demand or join in demanding a poll;
- d) shall be in such form as the Directors determine and which complies with section 250A of the Corporations Act; and
- e) which appoints the Chair as proxy but does not specify the way in which the proxy is to vote on a particular Resolution will be recorded as voting in favour of the Resolutions (subject to the other provisions of these notes on proxies and any required voting exclusions including those in the Notice) as this is the Chair's voting intention.

Corporations

A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to, the Company before the commencement of the Meeting.

Proxies given by corporate Shareholders must be executed in accordance with their constitutions, or signed by a duly authorised attorney. A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as proxy.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Undirected and Directed Proxies

The Company encourages all shareholders who submit proxies to direct their proxy how to vote on each resolution.

If you appoint a member of the Key Management Personnel as your proxy

If you elect to appoint a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, you must direct the proxy how they are to vote. Undirected proxies granted to these persons will not be included in any vote on Resolution 1.

If you appoint the Chair as your proxy

If you elect to appoint the Chair as your proxy, you do not need to direct the Chair how you wish them to exercise your vote on Resolution 1, however if you do not direct the Chair how to vote, you acknowledge that the Chair may exercise his or her discretion in exercising your proxy even though Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for that entity.

The Chair intends to vote all undirected proxies in favour of all Resolutions.

If you appoint any other person as your proxy

You do not need to direct your proxy how to vote.

DATED: 17 OCTOBER 2019 BY ORDER OF THE BOARD



DAN TRAVERS
COMPANY SECRETARY

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders of Blackham Resources Limited in connection with the business specified to be conducted in the Notice of Annual General Meeting at the annual general meeting of Shareholders to be held at Level 3, 1 Altona Street, West Perth, Western Australia 6005 at **10.00am WST on Thursday 28 November 2019**.

The purpose of this Explanatory Memorandum is to provide information that the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

The Notice of Meeting, Explanatory Memorandum and Proxy Form are all important documents. The Directors recommend that Shareholders read them carefully in their entirety before making a decision on how to vote at the Annual General Meeting.

A Glossary of terms frequently used in this Notice of Meeting and Explanatory Memorandum can be found at the end of this Explanatory Memorandum.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the 2019 Financial Report together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report thereon.

The Company will not provide a hard copy of the 2019 Financial Report to Shareholders unless specifically requested to do so. The 2019 Financial Report is available on its website at www.blackhamresources.com.au

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 *General*

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Board or the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

2.2 *Voting Consequences*

Under changes to the Corporations Act which came into effect on 1 July 2011 (known as the two strikes rule), if at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report at the two consecutive annual general meetings, the company will be required to put to shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (Spill Resolution).

If more than 50% of shareholders vote in favour of the Spill Resolution, the company must convene the extraordinary general meeting (Spill Meeting) within 90 days of the company's AGM where the second consecutive strike is received. All of the directors, other than the Managing Director, who were in office when the board approved the last directors' report, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as directors is approved will be the directors of the company.

The Audited Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Audited Remuneration Report is part of the Directors' Report contained in the 2019 Financial Report.

The proportion of votes cast against the adoption of the 2018 Remuneration Report was less than 25% of the total votes cast. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

It is important that Shareholders vote on Resolution 1.

3. RESOLUTION 2 – ELECTION OF DIRECTOR - MR TONY JAMES - BEng, AWASM, FAusImm

Experience

Mr James is a mining engineer with considerable operational, new project development and corporate experience including roles as Managing Director of Carbine Resources Ltd, Atherton Resources Ltd and Mutiny Gold Ltd. At Atherton Resources, Mr James achieved a favourable outcome for shareholders following the takeover by Auctus Minerals. At Mutiny Gold, Mr James led the implementation of a revised development strategy for the Deflector copper-gold deposit in Western Australia that resulted in the successful merger of Mutiny Gold and Doray Minerals Ltd.

Prior to this, Mr James held a number of senior executive positions with international gold producer Alacer Gold Corporation following the merger of Anatolia Minerals and Avoca Resources in 2011. As the Chief Operations Officer of Avoca Resources, he played a key role in Avoca's initial growth and success, leading the feasibility, development and operations of the Trident Underground Mine and the Higginsville Gold Operations.

Term of Office

Mr James was appointed as Director of the Company on 22 June 2018.

Independence

The Board of Blackham Resources Limited considers Mr James to be an Independent Director.

Special Responsibilities

Mr James is a Member of the Company's Audit and Risk Committee and Remuneration and Nomination Committee.

Directors' Recommendation

The Board (excluding Mr James) supports the proposed re-election and recommends that Shareholders vote in favour of the re-election of Mr James as a Director.

Appointment

In undertaking its background checks prior to his appointment, and since that time, the Board did not, and has not, become aware of any material adverse information or identify any interest, position or relationship that may be perceived to compromise Mr James' capacity to act in the best interests of the Company and its Shareholders.

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

4.1 Purpose of resolution

The purpose of this special resolution is to authorise the Directors to seek Shareholder approval to allow the Company to issue a further 10% of the Company's issued share capital under Listing Rule 7.1A during the 10% Placement Period in addition to and without using the Company's 15% placement capacity under Listing Rule 7.1.

The additional 10% placement capacity under Listing Rule 7.1A is in addition to the existing 15% annual placement capacity available under Listing Rule 7.1.

4.2 General information

Listing Rule 7.1A came into effect on 1 August 2012 and enables "eligible entities" to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting if the Equity Securities are in an existing quoted class of the Company's securities ("10% Placement Facility"). The 10% Placement Facility is in addition to the Company's 15% placement annual capacity under Listing Rule 7.1.

An "eligible entity" for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less.

The Company is an eligible entity and has a current market capitalisation of approximately \$48.5 million (at 16 October 2019).

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility during the period up to 12 months after the Meeting. As Resolution 3 is a special resolution 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

If Shareholders approve Resolution 3 the exact number of Equity Securities that may be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to 7.3 (c) below).

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon the issue of any Equity Securities under the 10% Placement Facility.

4.3 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting, which is in addition to its 15% annual placement capacity.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue the following classes of quoted Equity Securities:

- Ordinary fully paid shares (BLK); and
- Quoted options exercisable at 3 cents each and expiring 12 October 2020.

(c) Formula for calculating Additional 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(a x d) – e

a is the number of shares on issue 12 months before the date of issue or agreement:

- (i) *plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;*
- (ii) *plus the number of partly paid shares that became fully paid in the 12 months;*
- (iii) *plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% annual placement capacity without shareholder approval;*
- (iv) *less the number of fully paid shares cancelled in the 12 months.*

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% annual placement capacity.

d is 10%

e is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice (and following pending allotment of the shares pursuant to the share purchase plan which closed on 16 October 2019), the Company has on issue 4,707,242,587 Shares and therefore has a capacity to issue, (assuming that Resolutions 4 and 5 are approved by Shareholders):

- (i) 15% or 706,086,388 Equity Securities under Listing Rule 7.1; and
- (ii) 10% or 470,724,259 Equity Securities under Listing Rule 7.1A (subject to Shareholder approval being sought under this Resolution 3).

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities, or the agreement date, in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to 4.3(c) above).

(e) Information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the below information is provided in relation to the approval of the 10% Placement Facility:

Minimum Price

The minimum price at which Equity Securities may be issued under the 10% Share Issue Capacity is 75% of the VWAP of securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities are to be issued is agreed; or
- if they are not issued within 5 Trading Days of the date above, the date on which the Equity Securities are issued.

Date of Issue

The Equity Securities may be issued under the 10% Placement Facility commencing on the date of the Meeting and expires on the earlier to occur of:

- the date that is 12 months after the date of this Meeting; or
- the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Risk of economic and voting dilution

If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below.

Shareholders should note that there is a risk that:

- the market price for the Equity Securities to be issued may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date.

Any issue of Equity Securities under the 10% Placement Facility will dilute the interests of Shareholders who do not receive any Shares under the issue. If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Facility, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice, assuming the full 10% dilution.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Facility.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.0055 50% decrease in Issue Price	\$0.011 Issue Price	\$0.0165 50% increase in Issue Price
Current Variable A 4,707,242,587 Shares	Shares issued	470,724,259	470,724,259	470,724,259
	Funds raised	\$2,588,983	\$5,177,966	\$7,766,950
50% increase* in current Variable A 7,060,863,880 Shares	Shares issued	706,086,388	706,086,388	706,086,388
	Funds raised	\$3,833,475	\$7,766,950	\$11,650,425
100% increase* in current Variable A 9,414,485,174 Shares	Shares issued	941,448,517	941,448,517	941,448,517
	Funds raised	\$5,177,966	\$10,355,932	\$15,533,898

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued under Listing Rule 7.1.

The table has been prepared on the following assumptions:

- The current Shares on issue are the Shares on issue at 17 October 2019, plus the 300 million shares pending issue following closure of the share purchase plan on 16 October 2019.
- The issue price set out above is the closing price of the Shares on the ASX on 16 October 2019.
- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility hence the voting dilution is shown in each example as 10%.
- The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances, and if necessary seek advice from their professional advisers.
- No unlisted options of the Company are exercised into Shares before the date of issue of the Equity Securities.
- The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, and not dilution under the 15% placement capacity under ASX Listing Rule 7.1, under ASX Listing Rule 7.2, or Shareholder approvals under ASX Listing Rule 7.1.
- The issue of Equity Securities under the 10% Placement Facility consists only of Shares.

Purpose of issue under 10% Placement Facility

The Company may seek to issue the Equity Securities for the following purposes:

- as cash consideration, in which case the Company intends to use the funds raised towards continued exploration, development and expansion of the Company's Matilda/Wiluna Gold Project and its other projects, the evaluation and acquisition of new opportunities and general working capital; or
- as non-cash consideration for working capital purposes, the acquisition of new assets or any other consideration other than cash. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

Allocation under the 10% Placement Facility

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the persons to whom Equity Securities will be issued will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the purpose of the issue;
- the alternative methods of raising funds that are available to the Company, including but not

limited to, an entitlement issue or other issue in which existing security holders can participate;

- the effect of the issue of the Equity Securities on the control of the Company;
- the circumstances of the Company, including but not limited to the financial situation and solvency of the Company;
- prevailing market conditions; and
- advice from corporate, financial and broking advisers (if applicable).

The persons to whom Equity Securities will be issued under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing Shareholders and/or new Shareholders, who are not related parties of the Company or their associates.

Previous Approval under ASX Listing Rule 7.1A

The Company last obtained Shareholder approval under Listing Rule 7.1A at its Annual General Meeting held on 30 November 2018, and the Company has issued a total of 291,234,087 securities pursuant to that prior approval.

During the 12 month period to the date of the 2019 annual general meeting a total of 4,208,243,893 new equity securities have been issued. These new equity securities represent a total of 218% of the total number of diluted equity securities of 1,930,065,916 on issue as at 30 November 2018.

Voting exclusion statement

A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not invited any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

4.4 Listing Rule 7.3A.6 Details of Equity Securities issued during the 12 months to the meeting date

Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to Market Price ¹ on the trading day prior to the issue	<p>If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds</p> <p>If issued for non-cash consideration – a description of the consideration and the current value of the consideration</p>
6 December 2018	72,000,000	Unlisted options exercisable at \$0.08 per option and expiring 13 February 2024	Issued to Lind Partners pursuant to the terms and conditions of a convertible funding agreement (refer ASX announcement 25 September 2018)	<p>Nil issue price.</p> <p>Market price on the trading day prior to the issue was 4.2 cents per share</p>	<p>Options issued for no cash consideration.</p> <p>At the date of this Notice of Meeting the options have a fair value of \$nil based on the underlying market value of the Company's shares.</p>
6 December 2018	1,609,257	Ordinary fully paid shares	Issued on the exercise of unlisted options	<p>Issued at a price of nil cents per share.</p> <p>Market price on the trading day prior to the issue was 4.2 cents per share.</p>	<p>Shares issued on the exercise of options for no cash consideration.</p> <p>At the date of this Notice of Meeting the shares have a fair value of \$17,702 based on the underlying market value of the Company's shares.</p>

Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to Market Price ¹ on the trading day prior to the issue	<p>If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds</p> <p>If issued for non-cash consideration – a description of the consideration and the current value of the consideration</p>
6 December 2018	11,637	Ordinary fully paid shares	Issued on the exercise of listed options	<p>Issued at a price of 8 cents per share.</p> <p>Market price on the trading day prior to the issue was 4.2 cents per share.</p>	<p>Cash consideration \$931 before costs of the issue.</p> <p>Funds from the issue have been used to for working capital purposes.</p>
15 February 2019	27,777,778	Ordinary fully paid shares	Issued to Lind Partners as partial repayment of convertible debt facility	<p>Issued at a price of 2.7 cents per share.</p> <p>Market price on the trading day prior to the issue was 4.2 cents per share.</p>	<p>Issued for nil cash consideration.</p> <p>Value of shares at the market price at the date of this Notice is \$305,556</p>
15 February 2019	6,423,474	Ordinary fully paid shares	Issued to Acuity Partners pursuant to a controlled share placement agreement	<p>Issued at a price of 4.1 cents per share.</p> <p>Market price on the trading day prior to the issue was 2.9 cents per share.</p>	<p>Cash consideration \$26,272 before costs of the issue.</p> <p>Funds from the issue have been used to for working capital purposes.</p>
15 April 2019	1,720,916,438	Ordinary fully paid shares	Issued to existing shareholders, and underwriters, pursuant to a renounceable pro rata entitlement offer dated 21 March 2019	<p>Issued at a price of 1.5 cents per share.</p> <p>Market price on the trading day prior to the issue was 1.4 cents per share.</p>	<p>Cash consideration \$25,813,747 before costs of the issue.</p> <p>Funds from the issue were used to fund operational improvements, expansion feasibility study, resource and reserve drilling and working capital (including costs of the offer).</p>
15 April 2019	573,638,562	Listed options exercisable at \$0.03 each and expiring 12 October 2020	Issued as free attaching securities to existing shareholders, and underwriters, pursuant to a renounceable pro rata entitlement offer dated 21 March 2019	<p>Nil issue price.</p> <p>Market price on the trading day prior to the issue was 1.4 cents per share</p>	<p>Options issued for no cash consideration.</p> <p>At the date of this Notice of Meeting the options have a fair value of \$1,720,916 based on the trading price of options on ASX.</p>

Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to Market Price ¹ on the trading day prior to the issue	<p>If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds</p> <p>If issued for non-cash consideration – a description of the consideration and the current value of the consideration</p>
15 April 2019	1,567,536	Ordinary fully paid shares	Issued to the Executive Chairman on the exercise of options	<p>Issued at a price of \$nil per share.</p> <p>Market price on the trading day prior to the issue was 1.4 cents per share.</p>	<p>Issued for nil cash consideration.</p> <p>Value of shares at the market price at the date of this Notice is \$17,243</p>
15 April 2019	5,000,000	Ordinary fully paid shares	Shares issued to Hartleys for lead manager services provided to the Company's non-renounceable pro rata entitlement offer	<p>Issued at a price of 1.5 cents per share.</p> <p>Market price on the trading day prior to the issue was 1.4 cents per share.</p>	<p>Issued for nil cash consideration.</p> <p>Value of shares at the market price at the date of this Notice is \$55,000</p>
15 April 2019	100,000,000	Listed options exercisable at \$0.03 each and expiring 12 October 2020	Options issued to the underwriter to the Company's non-renounceable pro rata entitlement offer	<p>Nil issue price.</p> <p>Market price on the trading day prior to the issue was 1.4 cents per share</p>	<p>Options issued for no cash consideration.</p> <p>At the date of this Notice of Meeting the options have a fair value of \$300,000.</p>
20 June 2019	265,000,000	Ordinary fully paid shares	Shares issued to Maca Limited pursuant to a mining services agreement	<p>Issued at a price of 0.91 cents per share.</p> <p>Market price on the trading day prior to the issue was 0.9 cents per share.</p>	<p>Issued for nil cash consideration.</p> <p>Value of shares at the market price at the date of this Notice is \$2,915,000</p>
21 June 2019	71,428,571	Ordinary fully paid shares	Issued to Lind Partners as partial repayment of convertible debt facility	<p>Issued at a price of 0.7 cents per share.</p> <p>Market price on the trading day prior to the issue was 0.9 cents per share.</p>	<p>Issued for nil cash consideration.</p> <p>Value of shares at the market price at the date of this Notice is \$785,714</p>

Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to Market Price ¹ on the trading day prior to the issue	<p>If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds</p> <p>If issued for non-cash consideration – a description of the consideration and the current value of the consideration</p>
5 July 2019	82,499,512	Unlisted employee options exercisable for nil consideration and expiring 30 June 2023	Issued to certain employees of the Company pursuant to the Company's employee option plan	<p>Issued at a price of \$nil per option.</p> <p>Market price on the trading day prior to the issue was 1.2 cents per share.</p>	<p>Issued for nil cash consideration.</p> <p>Value of options at the market price at the date of this Notice is \$907,495 based on the underlying share price of the Company</p>
10 July 2019	107,142,858	Ordinary fully paid shares	Issued to Lind Partners as partial repayment of convertible debt facility	<p>Issued at a price of 0.7 cents per share.</p> <p>Market price on the trading day prior to the issue was 1.2 cents per share.</p>	<p>Issued for nil cash consideration.</p> <p>Value of shares at the market price at the date of this Notice is \$1,178,571</p>
16 July 2019	113,657,881	Ordinary fully paid shares	Issued to vendors of the Wiluna Gold Project pursuant to deferred consideration provisions of the sale and purchase agreement	<p>Issued at a price of 1.14 cents per share.</p> <p>Market price on the trading day prior to the issue was 1.1 cents per share.</p>	<p>Issued for nil cash consideration.</p> <p>Value of shares at the market price at the date of this Notice is \$1,250,237</p>
16 July 2019	107,142,857	Ordinary fully paid shares	Issued to Lind Partners as partial repayment of convertible debt facility	<p>Issued at a price of 0.7 cents per share.</p> <p>Market price on the trading day prior to the issue was 1.1 cents per share.</p>	<p>Issued for nil cash consideration.</p> <p>Value of shares at the market price at the date of this Notice is \$1,178,571</p>
26 August 2019	83,333,334	Ordinary fully paid shares	Issued to Lind Partners as partial repayment of convertible debt facility	<p>Issued at a price of 0.9 cents per share.</p> <p>Market price on the trading day prior to the issue was 1.2 cents per share.</p>	<p>Issued for nil cash consideration.</p> <p>Value of shares at the market price at the date of this Notice is \$916,667</p>

Date of Appendix 3B	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to Market Price ¹ on the trading day prior to the issue	If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds If issued for non-cash consideration – a description of the consideration and the current value of the consideration
26 August 2019	13,774,753	Unlisted employee options exercisable for nil consideration and expiring 30 June 2023	Issued to certain employees of the Company pursuant to the Company's employee option plan	Issued at a price of \$nil per option. Market price on the trading day prior to the issue was 1.2 cents per share.	Issued for nil cash consideration. Value of options at the market price at the date of this Notice is \$151,522 based on the underlying share price of the Company
30 August 2019	144,444,445	Ordinary fully paid shares	Issued to Lind Partners as partial repayment of convertible debt facility	Issued at a price of 0.9 cents per share. Market price on the trading day prior to the issue was 1.5 cents per share.	Issued for nil cash consideration. Value of shares at the market price at the date of this Notice is \$158,889
16 September 2019	410,875,000	Ordinary fully paid shares	Issued to sophisticated and professional investors pursuant to a share placement	Issued at a price of 1.0 cent per share. Market price on the trading day prior to the issue was 1.0 cent per share.	Cash consideration \$4,108,750 before costs of the issue. Funds from the issue will be used to fund key mine development programs and provide working capital.
To be issued subsequent to the date of this Notice	300,000,000	Ordinary fully paid shares	300,000,000 shares Issued to eligible shareholders pursuant to a share purchase plan (SPP) which closed on 16 October 2019.	Issued at a price of 1 cent per share. Market price at the date of this Notice was 1.1 cents per share.	Cash consideration \$3,000,000 before costs of the issue. Funds from the issue will be used to fund key mine development programs and provide working capital.

4.5 Directors' Recommendation

The Directors consider that the approval of the issue of the 10% Placement Facility described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under ASX Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should it be required and which will be in addition to, and without using, the Company's 15% annual placement capacity. At the date of the Notice, the Company has no plans to use the 10% Placement Facility should it be approved. Accordingly the Directors recommend that Shareholders vote in favour of Resolution 3.

INFORMATION RELATING TO RESOLUTIONS 4 AND 5

On 12 September 2019, the Company announced to the Australian Securities Exchange a share placement (**Placement**) to professional and sophisticated investors to raise approximately \$4.1 million, before costs, by the issue of 410,875,000 ordinary fully paid shares (**Placement Shares**) at an issue price of 0.01 cents per share.

The Placement is part of a wider \$7.1 million capital raising which included a Share Purchase Plan (**SPP**) to eligible shareholders on the record date which was capped at a maximum of \$3 million (refer to ASX announcements 19 September 2019 and 1 October 2019 for further details of the Share Purchase Plan).

The Company issued on 16 September 2019, a total of 170,759,875 Placement Shares without prior Shareholder approval out of its 15% annual placement capacity under ASX Listing Rule 7.1, and 240,115,125 Placement Shares out of its additional 10% placement capacity under ASX Listing Rule 7.1A which was approved by Shareholders on 30 November 2018.

ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that a company may seek Shareholder approval at its annual general meeting to allow it to issue Securities up to 10% of its issued capital, provided that it is an eligible entity ("Eligible Entity").

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- is not included in the S&P/ASX 300 Index; and
- has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300 million.

At the time approval was obtained, the Company was an Eligible Entity as it was not included in the S&P/ASX 300 Index and had a market capitalisation of less than \$300 million.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1 and 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 or 7.1A (and provided that the previous issue did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1 and 7.1A.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 and up to the 10% annual placement capacity set out in ASX Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1

Resolution 4 seeks ratification of the issue of Placement Shares made under the Company's 15% placement capacity (ASX Listing Rule 7.1) to non-related parties of the Company pursuant to ASX Listing Rule 7.4.

Technical Information Required by ASX Listing Rule 7.4

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of equity securities issued was 170,759,875 ordinary fully paid shares ("Shares") issued pursuant to ASX Listing Rule 7.1;
- (b) the Shares were issued at a placement price of 1 cent each;
- (c) the Shares issued ranked equally with existing ordinary fully paid shares on issue;
- (d) the Shares were issued to professional and sophisticated investors, none of whom are related parties of the Company; and
- (e) the funds raised from the Placement are to be used for key mine development work programs that will underpin Blackham's FY20 production, including pre-production activities at the

Williamson open pit, a new tailings storage facility, rod mill refurbishment, and for general working capital.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES – LISTING RULE 7.1A

Resolution 5 seeks ratification of the issue of Placement Shares made under the Company's additional 10% placement capacity (ASX Listing Rule 7.1A) to non-related parties of the Company pursuant to ASX Listing Rule 7.4.

Technical Information Required by ASX Listing Rule 7.4

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of equity securities issued was 240,115,125 ordinary fully paid shares ("Shares") issued pursuant to ASX Listing Rule 7.1A;
- (b) the Shares were issued at a placement price of 1 cent each;
- (c) the Shares issued ranked equally with existing ordinary fully paid shares on issue;
- (d) the Shares were issued to professional and sophisticated investors, none of whom are related parties of the Company; and
- (e) the funds raised from the Placement are to be used for key mine development work programs that will underpin Blackham's FY20 production, including pre-production activities at the Williamson open pit, a new tailings storage facility, rod mill refurbishment, and for general working capital.

GLOSSARY

In the Notice of Meeting (including the Annexures thereto) and the Proxy Form, the following terms have the following meanings unless they are otherwise defined or the context otherwise requires:

\$ means Australian dollars.

2019 Financial Report means the Company's financial report for the financial year ended 30 June 2019, which can be downloaded from the Company's website at www.blackhamresources.com.au.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

Annexure means an annexure to this Explanatory Memorandum.

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 Listing Rules or **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 ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

Board means the board of Directors.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair or **Chairman** means the chairman of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth) that may be made for this purpose.

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

Constitution means the Company's constitution.

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

Director means a director of the Company.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum accompanying and forming part of the Notice.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the

Company.

Notice or Notice of Meeting or Notice of Annual General Meeting means this notice of annual general meeting including the Explanatory Memorandum and the Proxy Form.

Option means an option to acquire a Share.

Placement means the share placement announced to ASX on 12 September 2019

Placement Shares means shares issued pursuant to the Placement

Proxy Form means the proxy form accompanying and forming part of the Notice.

Remuneration Report means the remuneration report set out in the Directors' Report section of the 2019 Financial Report.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

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

Shareholder means a holder of a Share.

SPP means the share purchase plan capped at \$3 million and announced to ASX on 12 September 2019

Trading Day means a day determined by ASX to be a trading day and notified to market participants being:

- (a) a day other than:
 - (i) a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day; and
 - (ii) any other day which ASX declares and publishes is not a trading day; and
- (b) notwithstanding (a), a day which for the purposes of settlement, ASX declares is a trading day notwithstanding that dealings between market participants are suspended on that day.

VWAP means the volume weighted average price of Shares traded on ASX.

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

Where a word or phrase is given a defined meaning, another part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.