



**BLACKHAM**  
Resources Limited

## Capital Raising

February 2020



# Current Capital Structure | ASX: BLK

<b>Current share price</b>	<b>1.3 cent</b> as at 21 February 2020
Shares on issue	4,716,242,587
Quoted Options	673,638,562
Unquoted Options	189,818,368
Market capitalisation	A\$61.3M
Cash & Bullion	A\$6M
Debt (31 December 2019)	A\$7M
Net Debt (31 December 2019)	A\$1M
VWAPs:	10 day \$0.0117 1 month \$0.0114

# Share Placement, Non-Renounceable Entitlement Offer, & Debt

<b>Equity Funding</b>	<b>Securities</b>	<b>Price A\$</b>	<b>Funds Raised A\$'M</b>	<b>Description</b>
Securities currently on issue	4,716,242,587			
Tranche 1 placement securities issued	1,167,800,000	\$ 0.01	12	Placement to sophisticated and professional investors using the Company's placement capacities without shareholder approval under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A
Securities on Issue post Tranche 1	5,884,042,587			
Entitlement Offer shares	2,615,130,039	\$ 0.01	26	Entitlement Offer on the basis of 4 Shares for every 9 Shares held at the record date
Securities on issue post Entitlement Offer	8,499,172,626			
Tranche 2 placement securities issued (shareholder approval)	1,432,200,000	\$ 0.01	14.3	Placement to sophisticated and professional investors in excess of the Company's placement capacities under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A, therefore requiring shareholder approval
Ordinary shares on issue following the Placements & Rights Issue	<b>9,931,372,626</b>		<b>52.2</b>	

## Debt being sought for up to A\$40m

- Indicative non-binding term sheet for \$40m funding, with discussions ongoing
  - \$40m via a senior secured gold pre-pay arrangement
  - Funds to be applied specifically to Stage 1 Expansion activities, including the construction of a flotation plant
  - Proposed 4 year repayment term with repayments commensurate with production profile
  - Proposed 4 year hedging program committing approximately 175,000oz of gold
  - Customary Conditions Precedent including, but not limited to, satisfactory technical and financial due diligence, completion of KYC process, investment committee and management approvals, evidence of a minimum Liquidity Balances at closing of the transaction (which will be satisfied by the Equity Funding above), execution of financing documentation, receipt of all required legal opinions and subordination of all existing loans (including intercompany loans)



# Stg 1 Expansion | *Uses & Sources of funds*

Use of funds	A\$m
Commencement of the Stage 1 Expansion:	
Sulphide Processing Plant	25
Wiluna Tailings Retreatment Infrastructure	5
Underground Mine Establish. & Infrastructure	6
Pre-production Mining Activities	26
Less net cash inflows before financing requirements	(9)
<b>Net Operations' Expansions Requirements</b>	<b>53</b>
Drilling programme to expand reserves and resources	9
Retirement of existing secured debt to refresh the balance sheet as a precursor to drawing down on a to be agreed project loan facility	12
Feasibility work associated with Phase 2 expansion to target +250,000 oz. of annual gold production	2
Ongoing regional and brownfields exploration program	8
Improvement of working capital position	5
Expenses relating to capital raising activities	3
<b>Total Uses of Funds</b>	<b>92</b>
Sources of funds	A\$m
Tranche 1 Placement	12
Rights Issue	26
Tranche 2 Placement	14
Debt Funding	40
<b>Total Sources of Funds</b>	<b>92</b>

# ■ Wiluna | Snapshot

- Location                                   Approx. 1,100km N/E of Perth, Western Australia; 530km north of Kalgoorlie
- Ownership                                   100% Blackham
- Reserves (100%)                         24.7Mt at 1.7g/t for 1.4Moz Au
- Resources (100%)                         93.2Mt at 2.1g/t for 6.4Moz Au
- Ore type                                     Free Milling, Sulphides
- Mining                                      Open pit: Conventional excavator and truck operation  
Underground: Mechanised long hole
- Processing                                 Capacity: ~2.1Mtpa – Crush, grind, CIL and flotation circuits  
(Currently only for the free milling ore)
- Gold Production Numbers             Blackham (October 2016 – December 2019) 213koz Au, historic  
(1897 – 2013) >4Moz Au
- FY2020 production guidance         70,000-80,000oz
- FY2020 AISC guidance                 A\$1,550/oz A\$1,750/oz



# Directors and Management

## Milan Jerkovic - Executive Chairman

- A qualified geologist with postgraduate qualifications in mining & mineral economics and over 30 years of experience in the mining industry. Involved in resource evaluation, operations, financing, acquisition, development and general management.
- Chairman of Straits Asia Resources Ltd (2006-2010), CEO of Straits Resources Limited (2002-2012) and has held positions with WMC, BHP, Nord Pacific, Hargraves, Tritton, Straits Asia Resources (as founding Chairman) Metals X and Geopacific Ltd
- Specialises in building resource companies from fledgling, under financed geological opportunities to fully engineered, built operations and capitalised companies. Has achieved this through difficult economic cycles by building strong capital markets support to source and apply risk capital to finance geological opportunities

## Tony James - Non-Executive Director

- A mining engineer with considerable operational, new project development and corporate experience, including roles as Managing Director of Carbine Resources, Atherton Resources and Mutiny Gold
- Held a number of senior executive positions with international gold producer Alacer Gold Corporation, including President of its Australian Operations following the merger between Antolia Minerals and Avoca Resources in 2011
- Played a key role in Avoca's initial growth and success

## Greg Fitzgerald - Non-Executive Director

- A chartered accountant with more than 30 years of gold mining and resources related experience, and extensive executive experience in managing finance and administrative matters for listed companies
- Held the positions of Chief Financial Officer and Company Secretary for ASX 200 company, Resolute Mining Limited, for more than 15 years

## Neil Meadows - Executive Director Operations

- A qualified metallurgist with over 30 years experience in the mining and processing industries
- Recently worked as Chief Operating Officer for European Metals Holdings Limited
- Previously COO Karara Mining Ltd, MD IMX Resources Limited, COO Queensland Nickel Pty Ltd and GM Murrin Muiin Operations for Minara Resources Ltd

## Anthony Rechichi - Chief Financial Officer

- A Chartered Accountant and a highly accomplished senior accounting and finance professional with over 20 years of experience in public companies and professional services, predominantly in the gold mining industry
- More than ten years spent with Resolute Mining Limited where he performed the role of General Manager – Finance, playing a key role in long term budgeting and forecasting across three operating mines with a key focus on cost control, treasury management, financial reporting, and taxation planning and compliance
- Strong experience in both debt and equity financing

## Guy Simpson - General Manager Operations & Planning

- A Mining Engineer from the WA School of Mines with 25 years experience in underground and open pit gold mines both in Australia and internationally
- Formerly General Manager at the Jerritt Canyon Gold Mine in Nevada and General Manager Technical Services at Norton Goldfields
- Mr Simpson brings to Blackham a wealth of technical operations experience and a strong business focus

## Cain Fogarty - General Manager Geology & Business Development

- A geologist with post-graduate qualifications in mineral economics and 20 years of experience in the mining industry, predominantly in near-mine reserve growth, greenfield exploration, and acquisitions
- Brings a wealth of multi-commodity, global experience from working with major and junior mining companies in Australia, Africa and China
- Prior to joining Blackham, Mr Fogarty worked on the successful exploration and development of Equinox Mineral's copper projects in Zambia, with CSA Global on the Caijiaying Zn-Au mine in China, and with Barrick Gold in near-mine reserve development at WA gold mines

## Jim Malone - General Manager Investor Relations

- Over 30 years experience in the mining, resources, financial, broking and sport industries
- Has worked in Perth, Melbourne, London, Santiago and New York, and Listed, advised, managed and been on the Boards of a number of ASX resource and oil and gas companies
- Has raised over A\$200 million in equity and debt for ASX listed companies
- Was CEO of Richmond Football Club from 1994 until 2000

# Gold Ore Resources | June 2019

Matilda-Wiluna Gold Operation Resource Summary												
Mining Centre	OPEN PIT RESOURCES											
	Measured			Indicated			Inferred			Total 100%		
	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au
Matilda <sup>1</sup>	-	-	-	6.1	1.45	285	3.6	1.30	149	9.7	1.40	435
Wiluna <sup>2</sup>	-	-	-	15.6	2.48	1,245	5.3	3.00	510	20.9	2.61	1,755
Williamson <sup>3</sup>	-	-	-	2.6	1.30	108	1.5	1.40	66	4.1	1.34	174
Regent	-	-	-	0.7	2.71	61	3.1	2.11	210	3.8	2.22	271
Tailings	-	-	-	34.0	0.62	680	-	-	-	34.0	0.62	680
Stockpiles	0.6	0.80	15	-	-	-	-	-	-	0.6	0.80	15
<b>OP Total</b>	<b>0.6</b>	<b>0.80</b>	<b>15</b>	<b>59.0</b>	<b>1.25</b>	<b>2,379</b>	<b>13.4</b>	<b>2.16</b>	<b>935</b>	<b>73.0</b>	<b>1.42</b>	<b>3,330</b>
UNDERGROUND RESOURCES												
Mining Centre	Measured			Indicated			Inferred			Total 100%		
	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au
Matilda <sup>1</sup>	-	-	-	0.1	2.51	10	0.5	3.66	61	0.6	3.44	71
Wiluna <sup>2</sup>	-	-	-	6.9	5.49	1,210	11.7	4.42	1,664	18.5	4.82	2,874
Williamson <sup>3</sup>	-	-	-	-	-	-	0.3	2.61	23	0.3	2.61	23
Golden Age <sup>4</sup>	0.02	6.80	4	0.2	4.91	28	0.3	3.20	28	0.5	4.01	61
Galaxy <sup>5</sup>	-	-	-	0.1	3.70	6	0.2	2.80	16	0.2	2.98	22
<b>UG Total</b>	<b>0.02</b>	<b>6.80</b>	<b>4</b>	<b>7.3</b>	<b>5.38</b>	<b>1,254</b>	<b>12.9</b>	<b>4.31</b>	<b>1,793</b>	<b>20.2</b>	<b>4.71</b>	<b>3,051</b>
<b>Grand Total</b>	<b>0.6</b>	<b>0.99</b>	<b>20</b>	<b>66.2</b>	<b>1.71</b>	<b>3,633</b>	<b>26.4</b>	<b>3.22</b>	<b>2,728</b>	<b>93.2</b>	<b>2.13</b>	<b>6,381</b>

See ASX announcement 27 September 2019 for further information.



# Gold Ore Reserves | June 2019

<b>OPEN PIT RESERVES</b>									
<b>Mining Centre</b>	<b>Proved</b>			<b>Probable</b>			<b>Total 100%</b>		
	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au
<b>Matilda</b>	-	-	-	0.30	2.2	21	0.30	2.2	21
<b>Williamson</b>	-	-	-	1.05	1.6	53	1.05	1.6	53
<b>Wiluna Free Milling</b>	-	-	-	2.05	1.8	116	2.05	1.8	116
<b>Wiluna Sulphide</b>	-	-	-	7.71	2.5	669	7.71	2.5	669
<b>Stockpiles</b>	0.6	0.8	15	-	-	-	0.60	0.8	15
<b>OP Total</b>	<b>0.55</b>	<b>0.8</b>	<b>15</b>	<b>11.11</b>	<b>2.4</b>	<b>859</b>	<b>11.70</b>	<b>2.3</b>	<b>874</b>
<b>UNDERGROUND RESERVES</b>									
<b>Mining Centre</b>	<b>Proved</b>			<b>Probable</b>			<b>Total 100%</b>		
	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au
<b>Wiluna Free Milling</b>	-	-	-	0.03	4.2	3	0.03	4.2	3
<b>Wiluna Sulphide</b>	-	-	-	1.75	4.8	270	1.75	4.8	270
<b>UG Total</b>	-	-	-	<b>1.78</b>	<b>4.8</b>	<b>273</b>	<b>1.78</b>	<b>4.8</b>	<b>273</b>
<b>WILUNA TAILINGS</b>									
<b>Mining Centre</b>	<b>Proved</b>			<b>Probable</b>			<b>Total 100%</b>		
	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au
<b>Tailings Total</b>	-	-	-	<b>11.2</b>	<b>0.7</b>	<b>234</b>	<b>11.2</b>	<b>0.7</b>	<b>234</b>
<b>Grand Total</b>	<b>0.55</b>	<b>0.8</b>	<b>15</b>	<b>24.1</b>	<b>1.8</b>	<b>1,366</b>	<b>24.7</b>	<b>1.7</b>	<b>1,381</b>

See ASX announcement 23 January 2020 for further information.





# Disclaimers & Important Information

## Forward-Looking Statements

This presentation includes certain statements that may be deemed 'forward-looking statements'. All statements that refer to any future production, resources or reserves, exploration results and events or production that Blackham Resources Ltd ('Blackham' or 'the Company') expects to occur are forward-looking statements. Although the Company believes that the expectations in those forward-looking statements are based upon reasonable assumptions, such statements are not a guarantee of future performance and actual results or developments may differ materially from the outcomes. This may be due to several factors, including market prices, exploration and exploitation success, and the continued availability of capital and financing, plus general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, and actual results or performance may differ materially from those projected in the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

## Competent Person Statements

The information contained in the report that relates to Exploration Targets and Exploration Results at the Wiluna Gold Project is based on information compiled or reviewed by Mr Cain Fogarty, who is a full-time employee and security holder of the Company. Mr Fogarty is a member of the AIG and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken 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 Fogarty has given consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information contained in the report that relates to all other Mineral Resources is based on information compiled or reviewed by Mr Marcus Osiejak, who is a full-time employee of the Company. Mr Osiejak is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken 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 Osiejak has given consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

With regard to the Matilda-Wiluna Gold Operation Mineral Resources, the Company is not aware of any new information or data that materially affects the information included in this report.

The information contained in the report that relates to Ore Reserves for the Open Pits at the Matilda-Wiluna Gold Operation is based on information compiled or reviewed by Simon Hewson. Mr Hewson confirmed that he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 JORC Edition). He is a Competent Person as defined by the JORC Code 2012 Edition, having more than five years' experience which is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which he is accepting responsibility. Mr Hewson is a Member of The Australasian Institute of Mining and Metallurgy, has reviewed the Report to which this consent statement applies and is a full time employee of Blackham Resources Limited and having prepared the documentation for the Matilda/Wiluna Gold Project on which the Report is based, for the period ended 30 June 2019. He has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Mr Hewson verifies that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in his supporting documentation relating to Ore Reserves.



# Disclaimers & Important Information | Cont

The information contained in the report that relates to Ore Reserves for the Bulletin, Creek Shear, Essex and East-West underground mines at the Wiluna Gold Mine is based on information compiled or reviewed by Matthew Keenan. Mr Keenan confirmed that he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 JORC Edition). He is a Competent Person as defined by the JORC Code 2012 Edition, having more than five years' experience which is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which he is accepting responsibility. Mr Keenan is a Member of The Australasian Institute of Mining and Metallurgy, has reviewed the Report to which this consent statement applies and is a full time employee working for Entech Pty Ltd having been engaged by Blackham Resources Ltd to prepare the documentation for the Matilda Gold Project on which the Report is based, for the period ended 30 June 2019. He disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Mr Keenan verifies that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in his supporting documentation relating to Ore Reserves.

The information contained in the report that relates to Ore Reserves for Wiluna Tailings at the Matilda-Wiluna Gold Operation is based on information compiled or reviewed by Daryl Evans. Mr Evans confirmed that he has read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 JORC Edition). He is a Competent Person as defined by the JORC Code 2012 Edition, having more than five years' experience which is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which he is accepting responsibility. Mr Evans is a Fellow of The Australasian Institute of Mining and Metallurgy, has reviewed the Report to which this consent statement applies and is a full time employee working for Independent Metallurgical Operations Pty Ltd having been engaged by Blackham Resources Ltd to prepare/review the documentation for the Matilda/Wiluna Gold Project on which the Report is based, for the period ended 30 June 2018. He disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. Mr Evans verifies that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in his supporting documentation relating to Ore Reserves.

With regard to the Matilda-Wiluna Gold Operation Production Targets, the Company is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and parameters underpinning Production Targets as reported in the market announcements dated 28th February 2019 continue to apply and have not materially changed.