



(ACN 119 887 606)

NOTICE OF GENERAL MEETING

**Meeting to be held at Level 3, 1 Altona Street, West Perth, Western Australia
on Monday 6 April 2020 commencing at 10.00am (AWST).**

This Notice and Explanatory Statement should be read in its entirety.

**Shareholders are urged to attend or vote by lodging the Proxy Form accompanying this
Notice.**

**If Shareholders are in doubt as to how to vote, they should seek advice from their
accountant, solicitor or other professional adviser without delay.**

BLACKHAM RESOURCES LIMITED (ACN 119 887 606)

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Blackham Resources Limited (ACN 119 887 606) will be held at Level 3, 1 Altona Street, West Perth, Western Australia on Monday 6 April 2020 commencing at 10.00am (AWST).

Terms and abbreviations used in this Notice are defined in the Glossary in the Explanatory Statement attached to this Notice.

AGENDA

Ordinary business

1. Resolution 1 – Ratification of issue of Tranche 1 Placement – 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 purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 697,086,388 Shares to the Tranche 1 Investors under the Tranche 1 Placement on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved, including the Tranche 1 Investors; or
- (b) an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form;
- (b) 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; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

2. Resolution 2 – Ratification of issue of Tranche 1 Placement – 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 purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 470,713,612 Shares to the Tranche 1 Investors under the Tranche 1 Placement on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved, including the Tranche 1 Investors; or
- (b) an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form;
- (b) 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; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. Resolution 3 – Approval of the issue of Tranche 2 Placement

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

“That pursuant to ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the allotment and issue of 1,432,200,000 Shares to the Tranche 2 Investors (or their nominees) pursuant to the Tranche 2 Placement, and on such terms and conditions referred to in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), including the Tranche 2 Investors; or
- (b) an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form;
- (b) 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; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice and should be read in conjunction with it.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in this Notice and the Explanatory Statement.

Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

Voting Entitlements

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)* that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00am (AWST) on Saturday 4 April 2020.

Corporate Representative

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>

By order of the Board

A handwritten signature in black ink, appearing to read 'Milan Jerkovic', is written over a faint, circular embossed or stamped mark.

Mr Milan Jerkovic
Executive Chairman

28 February 2020

EXPLANATORY STATEMENT

1. Ratification of issue of Tranche 1 Placement Shares – Listing Rule 7.1

1.1 General

On 26 February 2020 the Company announced that it had:

- (a) agreed to issue the Tranche 1 Placement, comprising of the issue and allotment of 697,086,388 Shares pursuant to ASX Listing Rule 7.1 and 470,713,612 Shares pursuant to ASX Listing Rule 7.1A to sophisticated and professional investors (**Tranche 1 Placement**); and
- (b) agreed to issue and allot 1,432,200,000 Shares 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 (**Tranche 2 Placement**).

Resolution 1 seeks shareholder ratification of the issue of the Tranche 1 Placement Shares issued pursuant to ASX Listing Rule 7.1 (**7.1 Tranche 1 Placement Shares**).

1.2 The Listing Rules

The Company anticipated completing the issue of the 7.1 Tranche 1 Placement Shares on or about 3 March 2020 (**Issue Date**).

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the 7.1 Tranche 1 Placement Shares does not fit within any of these exceptions and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1 for the 12 month period following the Issue Date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 1 shareholder approval of the 7.1 Tranche 1 Placement Shares under and for the purposes of Listing Rule 7.4.

If Resolution 1 is passed, the 7.1 Tranche 1 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Issue Date.

If Resolution 1 is not passed, the 7.1 Tranche 1 Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Issue Date.

1.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification:

- (a) 697,086,388 Shares were issued.
- (b) The issue price per Share was \$0.01.
- (c) The Shares were issued on or about 3 March 2020, and in any event within 3 months of the date of the Meeting.
- (d) The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (e) The Shares were issued to various sophisticated and professional investors, including a substantial shareholder of the Company, Delphi, which was issued 233,537,600 Shares.

With the exception of Delphi, none of the allottees of the 7.1 Tranche 1 Placement Shares were:

- (i) a related party of the Company,
- (ii) a member of the Company's key management personnel;
- (iii) a substantial holder in the Company;
- (iv) an adviser to the Company; or
- (v) an associate of any of the above,

and issued more than 1% of the Company's current issued capital.

- (f) \$6,970,864 was raised from the issue of the 7.1 Tranche 1 Placement Shares. Proceeds from the issue are intended to advance the Company's Stage 1 expansion plan, as detailed in the Company's announcement dated 26 February 2020, including:
 - (i) construction of a sulphide processing plant and associated infrastructure and mine development;
 - (ii) a drilling programme to expand reserves and resources;
 - (iii) retirement of existing secured debt to refresh the balance sheet as a precursor to drawing down on a to be agreed project loan facility;
 - (iv) feasibility work associated with the Stage 2 expansion;
 - (v) ongoing regional and brownfields exploration program; and
 - (vi) improvement of working capital position.
- (g) A voting exclusion statement is included in the Notice.

1.4 Recommendation

The Board recommends that Shareholders vote in favour of Resolution 1.

2. Ratification of issue of Tranche 1 Placement Shares – Listing Rule 7.1A

2.1 General

Resolution 2 seeks shareholder ratification of the issue of the Tranche 1 Placement Shares issued pursuant to ASX Listing Rule 7.1A (**7.1A Tranche 1 Placement Shares**).

2.2 The Listing Rules

The Company issued the 7.1A Tranche 1 Placement Shares on the Issue Date as part of the Tranche 1 Placement.

Broadly speaking, under Listing Rule 7.1A, an eligible listed entity may, subject to shareholder approval by way of special resolution, issue Shares comprising up to 10% of its issued share capital in addition to the normal 15% new issue 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.

The issue of the 7.1A Tranche 1 Placement Shares does not fit within any of these exceptions and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 10% limit in Listing Rule 7.1A, reducing the Company's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1A for the 12 month period following the Issue Date.

To this end, Resolution 2 shareholder approval of the 7.1A Tranche 1 Placement Shares under and for the purposes of Listing Rule 7.4.

If Resolution 2 is passed, the 7.1A Tranche 1 Placement Shares will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Issue Date.

If Resolution 2 is not passed, the 7.1A Tranche 1 Placement Shares will be included in calculating the Company's 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Issue Date.

2.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification:

- (a) 470,713,612 Shares were issued.
- (b) The issue price per Share was \$0.01.
- (c) The Shares were issued on or about 3 March 2020, and in any event within 3 months of the date of the Meeting.
- (d) The Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (e) The Shares were issued to various sophisticated and professional investors. None of the allottees of the 7.1A Tranche 1 Placement Shares were:
 - (i) a related party of the Company,
 - (ii) a member of the Company's key management personnel;
 - (iii) a substantial holder in the Company;
 - (iv) an adviser to the Company; or
 - (v) an associate of any of the above,and issued more than 1% of the Company's current issued capital.
- (f) \$4,707,136 was raised from the issue of the 7.1A Tranche 1 Placement Shares. Proceeds from the issue are intended to advance the Company's Stage 1 expansion plan, as detailed in the Company's announcement dated 26 February 2020, including:
 - (i) construction of a sulphide processing plant and associated infrastructure and mine development;
 - (ii) a drilling programme to expand reserves and resources;
 - (iii) retirement of existing secured debt to refresh the balance sheet as a precursor to drawing down on a to be agreed project loan facility;
 - (iv) feasibility work associated with the Stage 2 expansion;
 - (v) ongoing regional and brownfields exploration program; and
 - (vi) improvement of working capital position.
- (g) A voting exclusion statement is included in the Notice.

2.4 Recommendation

The Board recommends that Shareholders vote in favour of Resolution 2.

3. Resolution 3 – Approval of the issue of Tranche 2 Placement Shares

3.1 Background

The Purpose of Resolution 3 is to seek approval for the issue and allotment of Shares under the Tranche 2 Placement.

3.2 General

The Company has agreed to issue 1,432,200,000 Shares under the Tranche 2 Placement.

The Tranche 2 Placement does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

Resolution 3 seeks the required shareholder approval to the Tranche 2 Placement under and for the purposes of Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to proceed with the Tranche 2 Placement and will raise \$14,322,000. In addition, the Tranche 2 Placement will be excluded from the calculation of the number of equity securities that the Company can issue without shareholder approval under Listing Rule 7.1.

If resolution 3 is not passed, the Company will not be able to proceed with the Tranche 2 Placement and will therefore not raise the intended funds.

3.3 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders:

- (a) The Shares will be issued to the Tranche 2 Investors (or their nominee). None of the Tranche 2 Investors are:
 - (i) a related party of the Company,
 - (ii) a member of the Company's key management personnel:
 - (iii) a substantial holder in the Company;
 - (iv) an adviser to the Company; or
 - (v) an associate of any of the above,that will be issued more than 1% of the Company's current issued capital.
- (b) The securities to be issued are Shares (being fully paid ordinary shares), totaling 1,432,200,000.
- (c) The Shares will be issued not later than 3 months from the date of the meeting.
- (d) The Shares will be granted for \$0.01 per Share.
- (e) There will be a total of \$14,322,000 raised under the Tranche 2 Placement, which will be used for:
 - (i) Pre-production mining activities; and
 - (ii) Provision of working capital.
- (f) A voting exclusion statement is set out in the Notice.

3.4 Recommendation

The Board recommends that Shareholders vote in favour of Resolution 3.

4. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Statement carefully before deciding how to vote on the Resolutions.

5. Glossary

\$ means Australian dollars.

AWST means Australian Western Standard Time, being the time in Perth, Western Australia.

Board means the board of Directors.

Chairman means the person appointed to chair 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 on 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 entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)* for the purposes of this definition.

Company means Blackham Resources Limited (ACN 119 887 606)

Corporations Act means the *Corporations Act 2001 (Cth)*.

Delphi means DELPHI Unternehmensberatung a corporation registered with the District Court of Mannheim and with registration number HRB 705381.

Director means a director of the Company.

Explanatory Statement means the explanatory statement attached to the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the ASX Listing Rules.

Meeting means the general meeting the subject of this Notice.

Non-executive Director means a non-executive Director of the Company.

Notice means this notice of meeting including the Explanatory Statement.

Resolution means a resolution contained in the Notice.

Section means a section contained in this Explanatory Statement.

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

Shareholder means a shareholder of the Company.

Sophisticated Investors means:

- (a) sophisticated investors as defined in section 708(8); and
- (b) professional investors as defined in section 708(11),

of the Corporations Act.

Tranche 1 Investors means sophisticated and professional investors under the Tranche 1 Placement.

Tranche 2 Investors means sophisticated and professional investors under the Tranche 2 Placement.

Tranche 1 Placement Shares means the 1,167,800,000 Shares issued under the Tranche 1 Placement.

Tranche 2 Placement Shares means the 1,432,200,000 Shares issued under the Tranche 2 Placement.

In this Notice, words importing the singular include the plural and vice versa.