ASX Announcement

11 February 2016

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ASX CODE
BLK

CORPORATE INFORMATION
202.5M Ordinary Shares
35.9M Unlisted Options
8.5M Performance Rights

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WILLIAMSON PROVIDES MORE BASED LOAD FEED

- **Williamson resource increased to 7.1Mt @ 1.6g/t for 360,000oz**
- **Indicated resources increased to 3.3Mt @ 1.6g/t for 171,000oz**
- **Williamson DFS metallurgical test work confirms strong recoveries**
- **95% Indicated resource in optimised pit**
- **Williamson DFS pit grows in size**
- **Large scale gravity programme almost complete**

Blackham Resources Ltd (ASX: **BLK**) ("Blackham") is pleased to announce the latest upgrade in resources at the Williamson Mining Centre which is part of Blackham's Matilda Gold Project. The resource update includes a revision of the geological interpretation and additional drilling undertaken in late 2015.

The new Williamson resource estimate (including the Williamson South Deposit) is **7.1Mt @ 1.6g/t Au for 360,000oz** of which **3.3Mt @ 1.62 g/t Au for 171,000oz** is now in the Indicated category. The increased confidence in the Williamson block model was the result of the inclusion of 5 Diamond and 41 Reverse Circulation (RC) holes that were drilled in late 2015.

The Williamson/Lake Way area is expected to be an important source of base load free milling ore to extend the mine life of the project. Williamson is a bulk-tonnage gold deposit with geological similarities to Thunderbox (Saracen Mineral Holdings) and Gruyere (Gold Road Resources) elsewhere in the Yilgarn region.

The Company has recently measured and analysed a low-grade stockpile containing 100,000t @ 1.4g/t for 4,500oz. This material is ready for haulage and early production of gold.

The Williamson Gold Mine is located 26km south of the Wiluna Gold Plant and is situated on an extension of the Wiluna Mine Sequence under the shallow alluvial cover of Lake Way. The Williamson deposit was mined by Agincourt Resources Limited between 2005 and 2006. A total of 663,871 tonnes at 1.98g/t for 42,353 ounces were extracted during this time. Extensions of mineralisation were identified up to 200m below the surface however further exploration halted after the project changed ownership later in 2007.

Table 1: Williamson resources reported at a 0.6g/t bottom cut above the 1290RL and 2.0g/t below the 1290RL.

	Indicated			Inferred			Total		
	Tonnes	Grade	Oz	Tonnes	Grade	Oz	Tonnes	Grade	Oz
Williamson	3,287,000	1.62	171,000	3,766,000	1.56	189,000	7,053,000	1.59	360,000

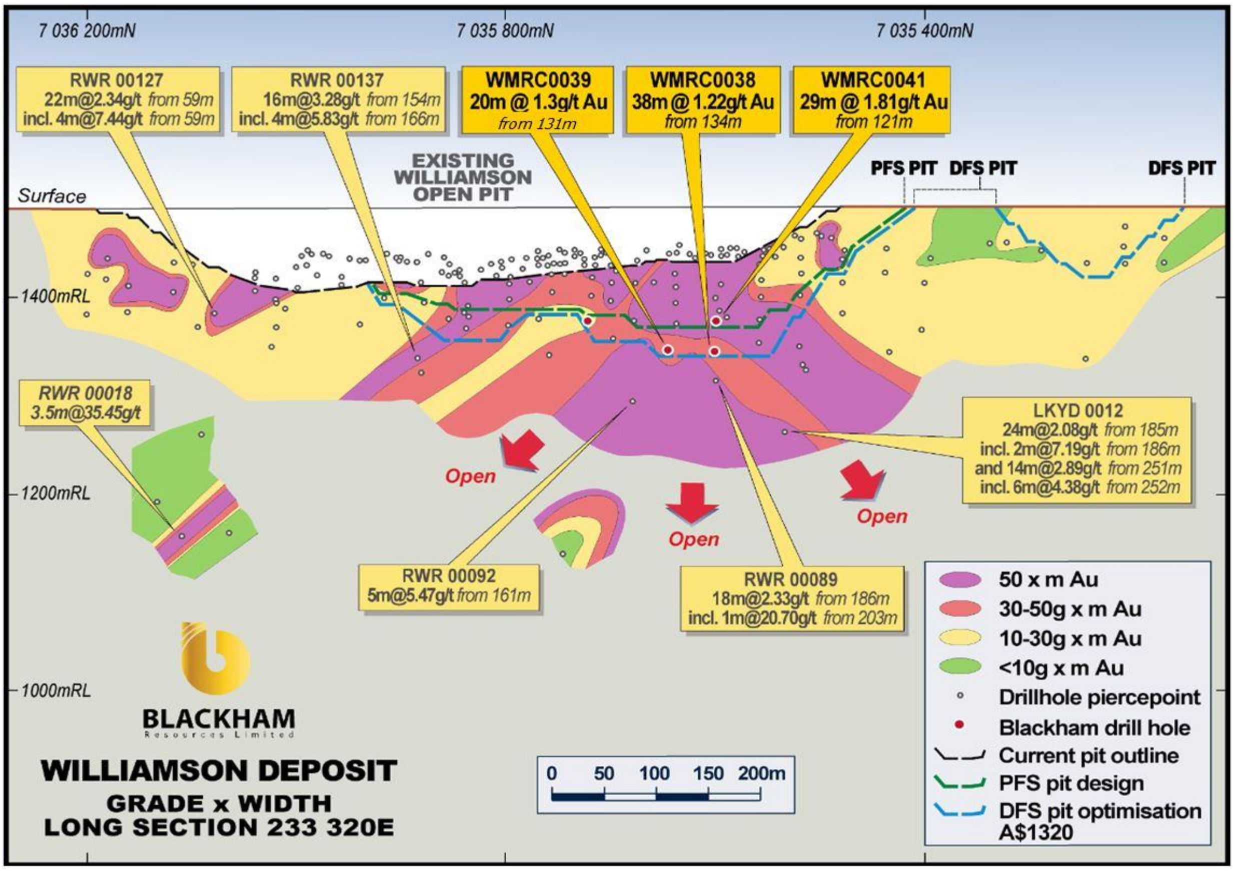

Figure 1: Schematic long-section of the Williamson Deposit and the likely increase in DFS pit size.

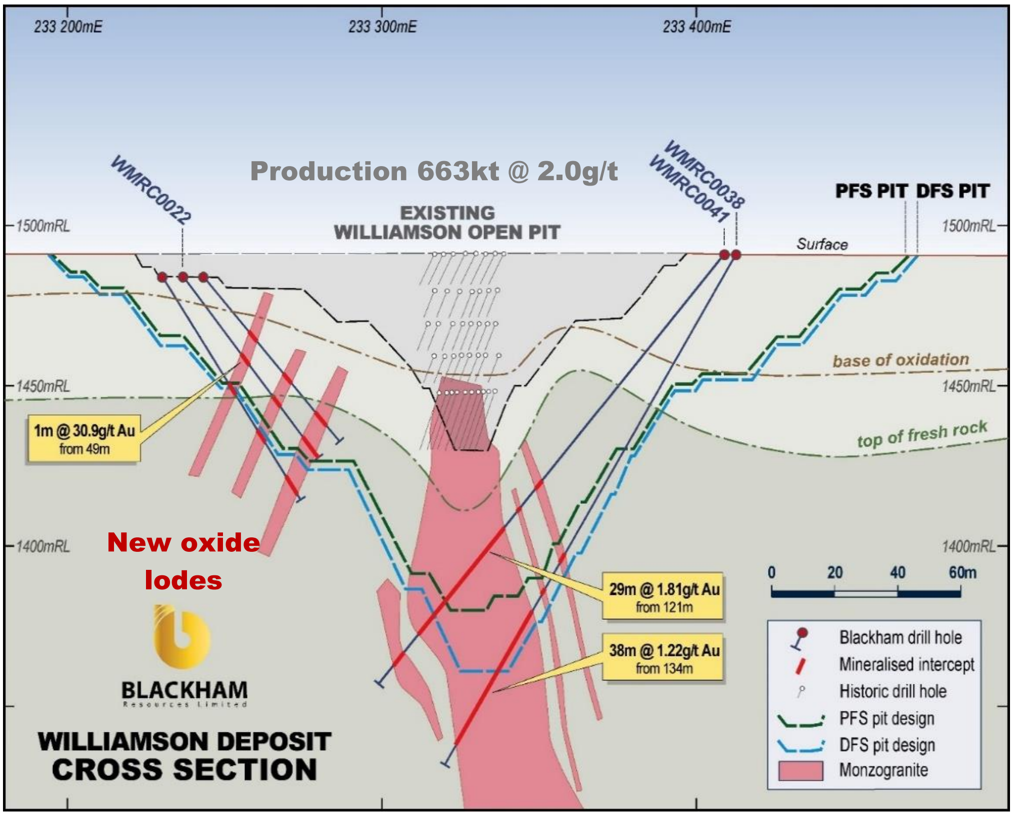

Figure 2: Schematic cross-section of the Williamson Deposit and the DFS pit optimisation pulling deeper on the 40m wide ore zone as result of the new oxide lodes discovered in the western side of the pit.

DFS Metallurgy test work confirms strong metallurgical recoveries

Williamson ore metallurgical test work has confirmed that it is free milling and estimated recoveries of 95%. Oxide gravity results in the Williamson oxide has confirmed 65 to 71% gravity recoveries and total recoveries of 98.3 to 99.5% after 24 hours of leaching. Previous feasibility work at Williamson by the prior operator saw Williamson gravity recoveries of 31 to 65%. Blackham's processing flowsheet for the Wiluna Gold Plant will see the addition of a gravity circuit which should add significantly to the Williamson total process recovery.

A diamond core program of 5 holes was completed to provide metallurgical samples to support the current DFS metallurgical test work. Williamson pit was previously mined by Agincourt Resources over 15 months during 2005 and 2006 for 663,871t @ 1.98g/t Au and a significant body of data is therefore available for use in the recently completed PFS and current DFS. The Williamson ore was previously processed through the Wiluna Plant without the benefit of a gravity circuit which is expected to enhance total recovery.

Exploration programmes underway

Prior to Blackham's ownership, no systematic regional exploration had taken place on the Project since Agincourt sold the project in 2007. The majority of the Williamson region is considered to be under-explored, and Blackham is nearing completion of a detailed ground-based gravity and seismic reflection survey over the Lake Way area to locate additional Williamson-style Au deposits under the alluvial cover. BLK has a 100% interest in the tenure which encompasses the Williamson deposit.

The gravity survey will provide an additional layer of subsurface information to map geology, structure and regolith to assist with targeting gold mineralisation. The gravity technique will assist in detecting low-density Au-mineralised granitic bodies that are not detectable in magnetic surveys, along with deep paleochannel axes, greenstone units and structures. The passive seismic survey is expected to differentiate between prospective low-density granitoids and non-prospective low-density paleochannels. The gravity survey is nearing completion in approximately one week, and will be followed by data interpretation and identification of targets for subsequent drill testing.

Technical Information

Williamson mineralisation occurs as weakly disseminated sulphides within a broad anomalous envelope around the north striking/east dipping monzogranite. Higher grade sulphide and visible gold mineralisation is associated with the shearing on the contacts of the granite and also within the main west dipping shear that intersects the monzogranite. Mineralisation within the monzogranite body varies from broad low grade disseminated sulphides in the monzogranite to high grade veins formed within fractures (possibly conjugate) containing visible gold. Alteration ranges from weak carbonate chlorite alteration distal to the main structure to strong hematite carbonate silica pyrite alteration associated with high grade mineralisation.

Blackham's drill database which includes RAB, Aircore, RC and Diamond Drill holes. The database has been maintained by company employees and has been internally audited prior to estimation. The deposits have been largely defined by RC drilling with lesser Diamond holes and geologically logged to form the basis of the geological interpretation. The Company has audited QA/QC of previous drilling where available. Assaying has been conducted by numerous reputable laboratories by industry-standard fire assay.

The interpretation of the mineralisation was carried out using a methodical approach to ensure continuity of the geology and estimated mineral resource using Surpac software. All available geological data was used in the interpretation including mapping, drilling, oxidation surfaces and interpretations of high grade ore shoots.

Only Diamond and RC drilling samples were used in the final estimate however all available grade control data was used in the geological assessment.

The Williamson Resource Estimate was completed using ordinary kriging. The search ellipses were based on the ranges of continuity observed in the variograms along with considerations of the drillhole spacing and lode geometry.

The classification for this model was predominantly based on the estimation pass. With the first pass relating to an Indicated resource where the drill spacing was predominantly less than 20m by 20m and continuity was strong. This was generally confined to the main lodes extending beneath the existing open pit. The Inferred resource includes the down depth and across strike lode extension and is predominantly based on the second and third pass of the estimate where drilling is more sparse. The classification of the blocks was also visually checked and adjusted to remove any "spotted dog" effects. No measured resources were reported.

Williamson has been reported with a 0.6g/t bottom cut above the 1290RL and 2.0g/t below the 1290RL. Blackham believes this approximates appropriate cut-offs for open pit and underground mining.

Blackham's drilling and mining studies have been focussed on adding further confidence as well as extensions to the Matilda Gold Project resources totalling **45Mt @ 3.2g/t for 4.7Moz**. Williamson will provide further base load free-milling ore for the 1.3Mtpa Wiluna Gold Plant. The DFS is expected to be completed in February 2016.

Gold Resources

Matilda Gold Project Resource Summary												
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 Mine	0.2	2.1	13	7.4	1.8	426	5.3	1.7	285	12.9	1.8	**724**
Williamson Mine				3.3	1.6	170	3.8	1.6	190	7	1.6	**360**
Regent				0.7	2.7	61	3.1	2.1	210	3.9	2.2	**270**
Galaxy				0.4	3.0	38	0.4	2.2	28	0.8	2.6	**66**
Golden Age				0.4	4.5	62	0.7	3.5	88	1.1	4.4	**150**
Bulletin South OP				0.8	3.1	80	1.6	3.5	180	2.4	3.3	**260**
East Lode				1.0	5.2	170	2.3	4.7	340	3.3	4.8	**510**
West Lode				1.4	5.5	240	2.8	5.2	460	4.2	5.3	**700**
Henry 5 - Woodley - Bulletin Deeps				2.1	5.9	400	0.8	4.6	120	2.9	5.6	**520**
Burgundy - Calais				1.3	6.0	250	0.3	5.7	60	1.6	6.0	**310**
Happy Jack - Creek Shear				1.5	5.9	290	1.3	4.8	200	2.9	5.4	**490**
Other Wiluna Deposits				0.8	4.3	106	1.5	4.0	195	2.3	4.1	**301**
Total	**0.2**	**2.1**	**13**	**21**	**3.4**	**2,293**	**24**	**3.1**	**2,356**	**45**	**3.2**	**4,661**

Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location shape and continuity of the occurrence and on the available sampling results. The figures in the above table are rounded to two significant figures to reflect the relative uncertainty of the estimate.

The Matilda Gold Project now has **45Mt @ 3.2g/t for 4.7Moz** of resource all within a 20 kilometres radius of Blackham's 100% owned Wiluna Gold Plant capable of 1.3Mtpa for over 100,000ozpa gold production. The Matilda Gold Project includes four large geological systems within the Wiluna Goldfield including the Matilda, Quartz Reefs, Wiluna and Lake Way systems. Measured and indicated resources now total **21Mt @ 3.4g/t for 2.3Moz**.

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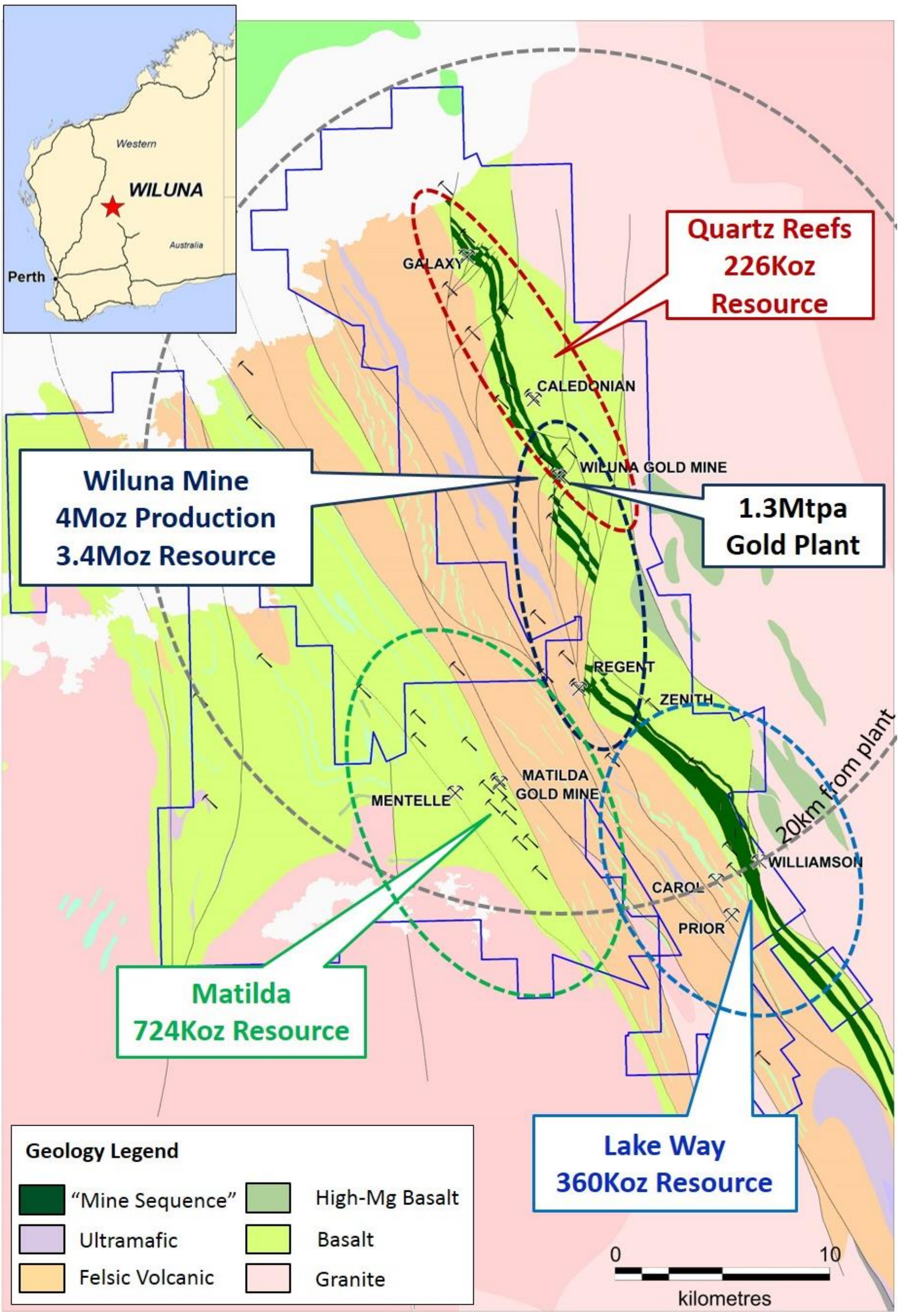

Competent Persons Statement

The information contained in the report that relates to Exploration Targets and Exploration Results at the Matilda Gold Project is based on information compiled or reviewed by Mr Cain Fogarty, who is a full-time employee of the Company. Mr Fogarty is a Member of the Australian Institute of Geoscientists 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 Gold Project Mineral Resources, 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 Mineral Resource Estimates as reported in the market announcements dated 30 February 2016 continue to apply and have not materially changed.

Forward Looking Statements

This announcement 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.

APPENDIX A - JORC CODE, 2012 EDITION – TABLE 1

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Williamson data represents a portion of a large drilling database compiled since the 1980's by various project owners. Historically (pre-Blackham Resources), drill samples were taken at predominantly 1m intervals in RC holes, or as 2m or 4m composites in AC holes. Historical core sampling is at various intervals so it appears that sampling was based on geological observations at intervals determined by the logging geologist. Blackham Resources has used i) reverse circulation drilling to obtain 1m samples from which ~3kg samples were collected using a cone splitter connected to the rig, and ii) both PQ core with ¼ core sampling and HQ3 core with ½ core sampling. • Blackham's sampling procedures are in line with standard industry practice to ensure sample representivity. Core samples are routinely taken from the right-hand-side of the cut line. For Blackham's RC drilling, the drill rig (and cone splitter) is always jacked up so that it is level with the earth to ensure even splitting of the sample. It is assumed that previous owners of the project had procedures in place in line with standard industry practice to ensure sample representivity. • At the laboratory, samples >3kg were 50:50 riffle split to become <3kg. The <3kg splits were crushed to <2mm in a Boyd crusher and pulverized via LM5 to 90% passing 75µm to produce a 50g charge for fire assay. Historical assays were obtained using either aqua regia digest or fire assay, with AAS readings. • Blackham Resources analysed samples using SGS laboratories in Perth. Analytical method was Fire Assay with a 50g charge and AAS finish. Historically, Great Central Mines gold analyses were obtained using industry standard methods; split samples were pulverized in an LM5 bowl to produce a 50g charge for assay by Fire Assay or Aqua Regia with AAS finish at the Wiluna Mine site laboratory.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or*	• Blackham data reported herein is RC 5 5/8" and DD PQ and HQ3 diameter holes. Downhole surveys are taken every ~5 or 10m using a gyro tool. Historical drilling data contained in this report includes RC, AC and DD core samples. RC sampling utilized face-sampling hammer of 4.5" to 5.5" diameter, RAB sampling

	standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	utilized open-hole blade or hammer sampling, and DD sampling utilized NQ2 half core samples. It is unknown if core was orientated, though it is not material to this report. All Blackham RC drilling used a face-sampling bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• For Blackham RC drilling, chip sample recovery is visually estimated by volume for each 1m bulk sample bag, and recorded digitally in the sample database. For DD drilling, recovery is measured by the drillers and Blackham geotechnicians and recorded into the digital database. Recoveries were typically 100% except for the non-mineralised upper 3 or 4m. For historical drilling, recovery data for drill holes contained in this report has not been located or assessed, owing to incomplete data records. Database compilation is ongoing. • RC drilling, sample recovery is maximized by pulling back the drill hammer and blowing the entire sample through the rod string at the end of each metre. Where composite samples are taken, the sample spear is inserted diagonally through the sample bag from top to bottom to ensure a full cross-section of the sample is collected. To minimize contamination and ensure an even split, the cone splitter is cleaned with compressed air at the end of each rod, and the cyclone is cleaned every 50m and at the end of hole, and more often when wet samples are encountered. Historical practices are not known, though it is assumed similar industry-standard procedures were adopted by each operator. For historical drilling with dry samples it is unknown what methods were used to ensure sample recovery, though it is assumed that industry-standard protocols were used to maximize the representative nature of the samples, including dust-suppression and rod pull-back after each drilled interval. For wet samples, it is noted these were collected in polyweave bags to allow excess water to escape; this is standard practice though can lead to biased loss of sample material into the suspended fine sample fraction. For DD drilling, sample recovery is maximised by the use of short drill runs (typically 1.5m) and triple tube splits for HQ3 drilling. • For Blackham drilling, no such relationship was evaluated as sample recoveries were generally excellent.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant*	• Drill samples have been logged for geology, alteration, mineralisation, weathering, and other features to a level of detail considered appropriate for geological and resource modelling. • Logging of geology and colour for example are interpretative and qualitative, whereas logging of mineral percentages is quantitative. • All holes were logged in full.

	intersections logged.	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• RC sampling with cone splitting, and either ¼ or ½ cut core. • Sampling is RC. Mention is made in historical reports of 1m and 2m or 4m composites for Agincourt drilling. For Blackham drilling, 1m samples were split using a cone splitter. Most samples were dry; the moisture content data was logged and digitally captured. Where it proved impossible to maintain dry samples, at most three consecutive wet samples were obtained before drilling was abandoned, as per procedure. • RC sampling with riffle or cone splitting and spear compositing is considered standard industry practice. • Boyd <2mm crushing and splitting is considered to be standard industry practice; each sample particle has an equal chance of entering the split chute. At the laboratory, >3kg samples are split so they can fit into a LM5 pulveriser bowl. At the laboratory, >3kg samples are split 50:50 using a riffle splitter so they can fit into a LM5 pulveriser bowl. • Field duplicates were collected approximately every 40m down hole for Blackham holes. Analysis of results indicated good correlation between primary and duplicate samples. RC duplicates are taken using the secondary sample chute on the cone splitter. Core duplicates are taken at the laboratory after coarse crushing using the Boyd crusher / splitter. It is not clear how the historical field duplicates were taken for RC drilling. • Sample sizes are considered appropriate for these rock types and style of mineralisation, and are in line with standard industry practice.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Fire assay is a total digestion method. The lower detection limits of 0.01ppm is considered fit for purpose. For Blackham drilling, SGS completed the analyses using industry best-practice protocols. SGS is globally-recognized and highly-regarded in the industry. Historical assaying was undertaken at Amdel, SGS, and KalAssay laboratories, and by the on-site Agincourt laboratory. The predominant assay method was by Fire Assay with AAS finish. The lower detection limit of 0.01ppm Au used is considered fit for purpose. • No geophysical tools were required as the assays directly measure gold mineralisation. For Blackham drilling, down-hole survey tools were checked for calibration at the start of the drilling program and every two weeks. • Comprehensive programs of QAQC have been adopted since the 1980's. For Blackham drilling certified reference material, blanks and duplicates were submitted at approximately 1:40. Check samples are routinely submitted to an umpire lab at 1:20 ratio. Analysis of results confirms the accuracy and precision of the assay data. It is understood that previous explorers great Central Mines, Normandy and Agincourt employed QAQC sampling, though digital capture of the data is ongoing, and historical QAQC data have not been assessed. Results show good correlation between original and repeat analyses with very few

		samples plotting outside acceptable ranges (+/- 20%).
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Blackham's significant intercepts have been verified by several company personnel, including the database manager and exploration manager. • Twinned holes are not reported herein, as twinning is not considered routinely necessary. However, historical drilling has been designed at different orientations, to help correctly model the mineralisation orientation. • Data is stored in Datashed SQL database. Internal Datashed validations and validations upon importing into Micromine were completed, as were checks on data location, logging and assay data completeness and down-hole survey information. QAQC and data validation protocols are contained within Blackham's manual "BLK Assay QAQC Protocol 2015.doc". Historical procedures are not documented. • Assay results were not adjusted.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Blackham's drill collars are routinely surveyed using a DGPS with centimetre accuracy. All historical drill holes at Matilda appear to have been accurately surveyed. • MGA Zone 51 South. • Height data (Australian height datum) is collected with DGPS and converted to local relative level using a factor. Prior to DGPS surveys, relative levels are estimated based on data for nearby historical holes.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Blackham's exploration holes are generally drilled 20m apart on east-west sections, on sections spaced 20m apart north-south. • Using Blackham's drilling and historical drilling, a spacing of approximately 20m (on section) by 20m (along strike) is considered adequate to establish grade and geological continuity. Areas of broader drill spacing have also been modelled but with lower confidence. • Samples have not been composited because discrete assay intervals are considered appropriate for this report.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures*	• Drill holes were generally orientated towards the west to intersect predominantly steeply east-dipping mineralisation. For the western footwall mineralisation and Western Shear zone, holes were oriented towards the east to intersect the west-dipping mineralisation. Thus true thickness is approximately 2/3 of drilled thickness. • Such a sampling bias is not considered to be a factor as the RC technique utilizes the entire 1m sample.

	is considered to have introduced a sampling bias, this should be assessed and reported if material.	
Sample security	• *The measures taken to ensure sample security.*	• Drill samples are delivered to Toll Ipec freight yard in Wiluna by Blackham personnel, where they are stored in a gated locked yard (after hours) until transported by truck to the laboratory in Perth. In Perth the samples are likewise held in a secure compound.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No such audits or reviews have been undertaken as they are not considered routinely required; review will be conducted by external resource consultants when resource estimates are updated.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The drilling is located wholly within M53/797. The tenement is owned 100% by Kimba Resources Ltd, a wholly owned subsidiary of Blackham Resources Ltd. The tenement sits within the Tarlpa Native Title area, and no exploration heritage agreement is in place with the Native Title holders. • The tenement is in good standing and no impediments exist.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration activities have been conducted at the Williamson deposit since the mid-1980s. This work has included auger and RAB exploration drilling, regional geophysical surveys and extensive AC, RC and DD drilling for exploration, resource definition and grade control purposes. Subsequently, extensive resource definition drilling including AC, RC and DD drilling by Agincourt led to definition of a significant resource base in the late 1990s.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The gold deposit is categorized as an orogenic gold deposits, with similarities to many other gold deposits in the Yilgarn region. The deposits are hosted within the Wiluna Domain of the Wiluna greenstone belt. Rocks in the Wiluna Domain have experienced greenschist-grade regional metamorphism. At the location of this drilling, the Wiluna Domain is comprised of 'Mines Sequence'

		dolerite and basalt, intruded by felsic and intermediate dykes and cross-cut by north-south structures.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• All Drill hole information is contained within the Access database used to define the resource.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Drill hole intercepts are reported as length-weighted averages, above a 1m @ 0.6g/t cut-off, or > 1.2 gram x metre cut off (to include narrow higher-grade zones) using a maximum 2m contiguous internal dilution. • High-grade internal zones are reported at a 5g/t envelope, e.g. MADD0018 contains 14.45m @ 6.74g/t from 162.55m including 4.4m @ 15.6g/t from 162.55m. • No metal equivalent grades are reported because only Au is of economic interest.
Relationship between	• *These relationships are particularly important in the reporting of Exploration Results.*	• Drill holes were generally orientated towards the west to intersect predominantly steeply east-dipping mineralisation. Thus true thickness is generally approximately 2/3 of drilled thickness.

mineralisation widths and intercept lengths	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See body of this report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• A full list of significant results from the current drilling program is included with the report. Full reporting of the historical drill hole database of over 40,000 holes is not feasible.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Other exploration tests are not the subject of this report.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible*	• Follow-up resource definition drilling is likely, as mineralisation is interpreted to remain open in various directions. • Diagrams are provided in the body of this report.

	extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

Criteria	JORC Code explanation	Commentary

Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*
	• *Data validation procedures* used.
		• All data has been uploaded using Datashed which incorporates a series of internal checks.
		• The Wiluna dataset has been validated in Datashed and Surpac using internal validation macros and checks. Holes have been checked and corrected where necessary for:
		  ○ Intervals beyond EOH depth
		  ○ Overlapping intervals
		  ○ Missing intervals
		Holes with duplicate collar co-ordinates (i.e. same hole with different names)
		  ○ Missing dip / azimuth
		  ○ Holes missing assays
		  ○ Holes missing geology

Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit has been undertaken and no concerns or issues were discovered.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.*	• The interpretation of the mineralisation was carried out using a methodical approach to ensure continuity of the geology and estimated mineral resource using Surpac software. The confidence in the geology and the associated mineralisation is high. • All available geological data was used in the interpretation including mapping, drilling, oxidation surfaces and interpretations of high grade ore shoots. Only diamond and reverse circulation drilling samples were used in the final estimate however all available grade control data was used in the geological assessment.

	• *The factors affecting continuity both of grade and geology.*	• No alternate interpretations have been completed. The current interpretation follows similar methodology to that used historically. • Drill logging has been used to constrain the 3D wireframes. • Mineralisation occurs as weakly disseminated sulphides within a broad anomalous envelope around the north striking/east dipping monzogranite. Higher grade sulphide and visible gold mineralisation is associated with the shearing on the contacts of the granite and also within the main west dipping shear that intersects the monzogranite. Mineralisation within the monzogranite body varies from broad low grade disseminated sulphides in the monzogranite to high grade veins formed within fractures (possibly conjugate) containing visible gold. Alteration ranges from weak carbonate chlorite alteration distal to the main structure to strong hematite carbonate silica pyrite alteration associated with high grade mineralisation.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• Strike length = ~ 2000 m • Width (total of combined parallel lodes) = ~ 200 m • Depth (from surface) = 400 m
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*	• The sample domains were flagged into an Access database from a validated wireframe. • A composites string-file was then created in Surpac with a 1.0 m composite length and a minimum percentage of sample to include at 30%. • Only Reverse Circulation (RC) and Diamond Drilling were used in the estimate. • Resource estimation for the Williamson mineralisation was completed using Ordinary Kriging for Gold (Au). Blockmodel field coding was used to constrain the estimate. • Soft boundaries were utilised between the oxidation surfaces. • Only samples contained within each individual ore wireframe were used for the estimate of that lode. • A number of previous resource estimates and studies have been undertaken and were reviewed to assist in the development of this resource estimate. • The modelled wireframes were used to create a blockmodel with a user block size of 10mE by 5mN by 5mRL. The model used variable sub-blocking to 2.5mE by 1.25mN by 1.25mRL. The Block size corresponds to around half of the nominal drillhole spacing for all the main lodes. • The parent block size was selected on the basis of being approximately 50% of the closest drill hole spacing in the deposit (excluding the grade control 5m by 5m grid data).

	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*
	• *Any assumptions behind modelling of selective mining units.*
	• *Any assumptions about correlation between variables.*
	• *Description of how the geological interpretation was used to control the resource estimates.*
	• *Discussion of basis for using or not using grade cutting or capping.*
	• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*
		• The search ellipses used were based on the ranges of continuity observed in the variograms along with considerations of the drillhole spacing and lode geometry. The search ellipse was rotated to best reflect the lode geometry and the geology as seen in the drilling and as described in the logging. This geometry was checked to ensure that it was also supported by the variogram analysis.
		• Ordinary kriging parameters were also checked against those used in previous resource estimates and variography studies. No significant differences were discovered.
		• A first pass search radius of 20m, a second pass radius of 40m,a third pass radius of80m and a final fourth pass radius of 300m were used with a minimum number of samples of ten, six, four and two respectively. Each pass incorporated a different set of sample selection criteria to ensure blocks were filled with an appropriate level of statistical confidence.
		• No assumptions are made regarding selective mining units.
		• No assumptions are made regarding correlation between variables.
		• Wireframes were used as hard boundaries to constrain the interpolation.
		• Topcuts were determined from statistical analysis. A number of factors were taken into consideration when determining the top-cuts including:
		    ○ The disintegration point of the data on the probability plots;
		    ○ Having a coefficient of variance (CV) under 2.0; and
		    ○ Reviewing the model (block) grades against the composites.
		• The estimate was validated using a number of techniques including but not limited to:
		    ○ A visual comparison of block grade estimates and the drill hole data;
		    ○ A comparison of the composite and estimated block grades;
		    ○ A comparison of the estimated block grades for ordinary kriged models using different cut-off grades for the composites.
		    ○ A comparison of the estimated block grades against the composite grades along Northings and RL (SWATH Plots).

Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages are estimated on a dry basis. No moisture values were reviewed.

Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Williamson has been reported with a 0.6g/t bottom cut above the 1290RL and 2.0g/t below the 1290RL. Blackham believes this approximates appropriate cut-offs for open pit and underground mining.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Agincourt mined the Williamson pit from August 2005 to September 2006 producing a total of 663,871 tonnes at 1.98g/t for 42,353 ounces. BLK believes that a significant portion of the Williamson Deposit defined Mineral Resource has reasonable prospects for eventual economic extraction by medium-scale open pit mining methods, taking into account current mining costs and metal prices and allowing for potential economic variations.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Initial oxide gravity results in the Williamson oxide has confirmed 65 to 71% gravity recoveries and total recoveries of 98.3 to 99.5% after 24 hours of leaching. Previous feasibility work at Williamson by the prior operator saw Williamson gravity recoveries of 31 to 65%. Blackham's processing flowsheet for the Wiluna Gold Plant will see the addition of a gravity circuit which should add significantly to the Williamson total process recovery. • A diamond core program of 5 holes has been completed to provide metallurgical and geotechnical samples to support the current DFS metallurgical test work. Williamson pit was previously mined by Agincourt Resources over 15 months during 2005 and 2006 for 660,000t @ 2.0g/t Au and a significant body of data is therefore available for use in the recently completed PFS and current DFS. The Williamson ore was previously processed through the Wiluna Plant without the benefit of a gravity circuit which is expected to enhance total recovery.
Environmen-tal factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage*	• A full pit feasibility study is yet to be completed. • It is assumed that environmental practices concerning waste rock and process residual material will meet accepted industry standards, similarly to other operating mines in the district.

	the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Bulk densities were assigned as 2.20 t/m3 for alluvial, 1.80 t/m3 for oxide, 2.00 t/m3 for transitional 2.60 t/m3 for saprock and 2.80 t/m3 fresh. • Bulk density values for alluvial cover, oxide, transitional and fresh material were adopted from those used by Agincourt Resources in their 2006 model. The values are in line with other similar deposits elsewhere in the Yilgarn region.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• A range of criteria were considered when addressing the suitability of the classification boundaries to the resource estimate. ○ Geological continuity and volume models; ○ Drill spacing and available mining information; ○ Modelling technique ○ Estimation properties including search strategy, number of informing composites, average distance of composites from blocks, number of drillholes used and kriging quality parameters. ○ The classification for this model was predominantly based on the estimation pass. With the first pass relating to an indicated resource and the second pass being inferred. ○ The classification of the blocks was also visually checked and adjusted to remove any "spotted dog" effects. No measured resources were calculated.

		• Historical documents (including annual reports) provide detailed information on drilling and mining at the various prospects. A large proportion of the digital input data has been transcribed from historical written logs and validation checks have confirmed the accuracy of this transcription. The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The continuity of geology is well understood and existing pits and historical mining reports provide substantial information on mineralisation controls and lode geometry. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• This resource was completed by RESEval in conjunction with BLK staff. Internal audits have been completed by BLK which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code. • The Mineral Resource statement relates to global estimates of tonnes and grade.