



## Bligh Resources Limited

ACN 130 964 162

ASX: **BGH**

### ASX Release

26 November 2014

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#### For the Latest News:

[www.blighresources.com.au](http://www.blighresources.com.au)

#### Directors:

Eric Zhang – (Non-Executive Director)  
Peiqi Zhang - (Non-Executive Director)  
Jinle Song - (Non-Executive Director)  
Eric Chan - (Non-Executive Director)  
Tianbao Wang – (Non-Executive Director)

Zhijie Li -(Alternate Director for Mr P Zhang)  
Bill Richie Yang -(Alternate Director for Mr J Song)

#### Company Secretary

Ian White

#### Issued Capital:

Shares: 75,125,720  
Unlisted Options: 16,300,000

#### Currently Exploring and Developing:

- Gold
- Manganese

#### Current Projects:

- Bundarra Gold Project
- Leonora Gold Project
- Bootu Creek Two Manganese
- Kumarina Manganese

## Bligh increases stake in SR Mining to 97.5% following loan repayment agreement

### *Bligh has now significantly reduced its financial commitments on its flagship Bundarra Gold Project in Western Australia*

Bligh Resources Limited (ASX: BGH) today announced that it has increased its holding in SR Mining Pty Ltd ("SRM") to 97.5% following the Company entering into a loan payout arrangement with AGEO and Aura Financial, the other lenders to SR Mining Pty Ltd ("SRM"). SRM holds 100% of the Bundarra Gold in Western Australia.

Under the terms of this loan repayment agreement, Bligh shall fund SRM, through either a parent and subsidiary company loan arrangement, or a new equity injection, on commercial terms, in order to fund the payout arrangements for all outstanding loans owing to lenders. As part of this settlement, the lenders, also being shareholders of SRM, will transfer all shares in SRM to Bligh – being 25.6%. A final settlement agreement is scheduled for completion on 2 December 2014, and the Term Sheet has been agreed and signed by all parties and includes the following key terms:

- Cash repayment of \$250,000 to AGEO and \$30,000 to Aura Financial on Settlement Date.
- A one-off cash payment of \$50,000 to AGEO and \$70,000 to Aura Financial on the earlier of either the next capital raising by the Company or SRM, or 365 days after the Settlement Date.
- One year after the Settlement Date, Bligh has the option to issue \$200,000 worth of BGH shares at a price equal to the 20 day VWAP up to the one year anniversary of the Settlement Date or, pay \$200,000 cash to AGEO as a final repayment.
- All parties release each other of all contractual obligations and any future claims relating once all obligations have been fulfilled.
- AGEO and Aura Financial to transfer all its equity holding in SRM, being 25.6%, to Bligh on Settlement Date.

On 17 December 2012, Bligh, AGEO and Aura Financial (together the "Lenders") entered into secured loan agreements with SR Mining Pty Ltd respectively for a total amount of \$1,600,000. The amount contributed from each party to SRM was Bligh Resources \$1,000,000; AGEO: \$500,000; and Aura Financial: \$100,000. In June 2014, \$100,000 was repaid to the Lenders and distributed in accordance to the above proportion. The current balance owing to the Lenders is \$1,500,000.

On 18 February 2014, other lenders of SRM transferred its \$400,000 subordinate loan balance to Bligh, AGEO and Aura respectively. This loan balance was ranked after the balance of the secured \$1.5 million facility

This agreement with the SR lenders follows Bligh settling SRM's royalty obligations on the Bundarra project with Terrain Minerals Limited. As reported to shareholders on 24 November 2014, Bligh will issue a \$200,000 convertible note to Terrain Minerals Limited rather than issue 4,000,000 Fully Paid Ordinary Shares and a corresponding Put Option. The convertible note will be non-interest bearing and convertible in whole or in part to Bligh Fully Paid Ordinary Shares at any time by Terrain Minerals Limited at 5 cents per share. The convertible note will expire 14 months after its issue at which time it will be redeemed. Terrain Minerals Limited may redeem the convertible note at any time after the one year anniversary of the issue of the convertible note.

Bligh's Board is pleased to confirm that it has now significantly reduced its annual financial obligations and liabilities associated with the Bundarra Gold Project. The Company has also further reduced its overhead cost base.

Bligh is also pleased to confirm it is assessing a number of precious metals project opportunities to strengthen its portfolio. The company is determined to generate returns for its shareholders and capitalise on the market opportunities currently presenting themselves, and the fund raising networks of its Board of Directors so Bligh is well capitalised for future growth.

**-ENDS-**

**For further information:**

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**Released through Ben Jarvis, Six Degrees Investor Relations: 02 9230 0661**