

12 May 2015

**Attention: Bligh Resources Shareholders**

## **Reject bid to gain Board control of your company: vote **AGAINST** resolutions 1 to 6 at the upcoming shareholders meeting**

Dear Shareholder

As Directors and fellow shareholders in Bligh Resources, we are writing to seek your support for our campaign to prevent a small group of opportunists seizing control of Bligh's Board and risking destruction of the Company's growth strategy.

The group is pushing to oust four of Bligh's existing Directors and replace them with two others, Allan Ritchie and Ran Vaingold.

If their campaign succeeds, Mr Ritchie and Mr Vaingold will hold two of the three Board positions, delivering them total Board control of your Company.

The third Director will be Eric Chan. Mr Chan is a Director of Aura Capital Pty Ltd, a company of which Mr Vaingold is the Investment Manager.

Mr Chan is also a Director of Caveau Capital Investments Pty Ltd, the company which has requisitioned the meeting of shareholders to oust the four Bligh Directors and replace them with Mr Ritchie and Mr Vaingold.

This triumvirate of Mr Chan, Mr Ritchie and Mr Vaingold, will be totally in charge of your Company, its assets and its strategy. But they have offered shareholders no strategy whatsoever for managing Bligh, nor have they provided the slightest information about how they intend to generate growth for shareholders.

As Directors of Bligh who sat alongside Mr Chan at the Board table for 8 months, we note that at no time has Mr Chan ever expressed any concern, let alone opposition or an alternative plan, about the strategy being developed and implemented by the existing Board and management.

In fact, Mr Chan has voted in favour of every resolution passed by the Bligh Board since October last year until his sudden S249D Requisition Notice.

Given his record, we are stunned that Mr Chan is now playing a pivotal role in trying to oust four long term Directors with skills and experience totally aligned to the strategic objectives of the Company and have two new ones appointed.

As Directors who have been at the centre of Bligh's strategy to unlock the value of its significant resources and exploration potential, we believe the campaign to change the Board is a highly



opportunistic attempt to wrest control just as the Company is set to reap the benefits of the hard work put in over the past seven or so months.

Since October last year, when the previous CEO/Director departed the Company, Bligh has been successful in laying the foundations for growth. This includes settling, on attractive terms to Bligh, three outstanding debts owed by the Company.

Bligh is now preparing to start an extensive drilling program at its flagship Bundarra Gold project near Leonora, where Resources stand at 426,000oz<sup>1</sup> (see ASX release dated April 30, 2015).

The drilling program is part of Bligh's strategy to grow its total gold inventory, which will in turn underpin options to drive shareholder returns through project development and/or asset transactions.

The timing of the campaign to change the Board is nothing short opportunistic bid to snatch Board control now that the company poised to executed its resource development programme and develop its strategy for growth, as well as to undertake promotional activity.

Each of the existing four Directors being targeted by this campaign are highly experienced businessmen with extensive skills which will be invaluable to Bligh as it seeks to implement its growth strategy. Background information on each of the Directors is contained in the Explanatory Memorandum attached to this Notice of General Meeting.

We encourage you to read this and the other information contained in Bligh's recent ASX releases. We believe this will demonstrate clearly that Bligh has the right team.

In light of this, we strongly urge you to vote **AGAINST resolutions 1 to 6** to be put to the General Meeting.

If you can't attend the shareholders meeting on June 12, please fill in the proxy form attached to this Notice of Meeting and return as instructed.

By voting **AGAINST resolutions 1 to 6**, we believe you will be voting for a strong future for Bligh and all its shareholders.

From your directors

**Jinle Song**  
Director

**Peiqi Zhang**  
Director

**Eric Zhang**  
Director

**Tianbao Wang**  
Director

<sup>1</sup> Inferred 182,000oz, Indicated 218,000oz, Measured 26,000oz at an average grade of 2.0g/t Au. Bligh Resources confirms that it is not aware of any new information or data that materially affects this estimate and those material assumptions and technical parameters underpinning this estimate continue to apply and have not materially changed.





# GENERAL MEETING

Friday 12 June 2015 at 11:00 am (Sydney time)

At the offices of BDO East Coast Partnership, Level 11, No. 1 Margaret Street Sydney

---

**NOTICE IS HEREBY GIVEN** that a General Meeting of the Shareholders of Bligh Resources Limited (the "Company") will be held on Friday 12 June 2015 at 11:00 am (Sydney time) the offices of BDO East Coast Partnership, Level 11, No. 1 Margaret Street Sydney, New South Wales.

**This Notice of Meeting together with the Explanatory Statement and Letter From the Board of Directors should be read in their entirety. If shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisors prior to voting.**

**Should you wish to discuss any matter in this Notice of Meeting, please contact Mr Richie Yang on 0404 831 804**

The business to be considered at the meeting is set out below. This Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum, which contains information in relation to each of the following items of business. A Proxy Form also accompanies this Notice of Meeting.

## ORDINARY BUSINESS

**The following resolutions are proposed by shareholders representing over 5% of the issued shares of the company and are required to be put to members at this General Meeting under section 249D of the Corporations Act 2001 (Cth):**

### 1. Appointment of Mr Allan Ritchie as Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, pursuant to section 201G of the Corporations Act 2001 (Cth) Mr Allan Ritchie having consented to act, be and is hereby appointed as director of the Company (effective immediately on passing of this resolution)."*

The Directors (Mr Chan excluded) recommend that shareholders **vote against** this resolution.

### 2. Appointment of Mr Ran Vaingold as Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, pursuant to section 201G of the Corporations Act 2001 (Cth), Mr Ran Vaingold having consented to act, be and is hereby appointed as director of the Company (effective immediately on passing of this resolution)."*

The Directors (Mr Chan excluded) recommend that shareholders **vote against** this resolution.

### 3. Removal of Mr Jinle Song as Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, pursuant to section 203D of the Corporations Act 2001 (Cth), Mr Jinle Song is hereby removed as director of the Company (effective immediately on passing of this resolution)."*

The Directors (Mr Chan excluded and Mr Jinle Song abstaining) recommend that shareholders **vote against** this resolution.

### 4. Removal of Mr Peiqi Zhang as Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, pursuant to section 203D of the Corporations Act 2001 (Cth), Mr Peiqi Zhang is hereby removed as director of the Company (effective immediately on passing of this resolution)."*

The Directors (Mr Chan excluded and Mr Peiqi Zhang abstaining) recommend that shareholders **vote against** this resolution.

## 5. Removal of Mr Eric Zhang as Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, pursuant to section 203D of the Corporations Act 2001 (Cth), Mr Eric Zhang is hereby removed as director of the Company (effective immediately on passing of this resolution)."*

The Directors (Mr Chan excluded and Mr Eric Zhang abstaining) recommend that shareholders **vote against** this resolution.

## 6. Removal of Mr Tianbao Wang as Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, pursuant to section 203D of the Corporations Act 2001 (Cth), Mr Tianbao Wang is hereby removed as director of the Company (effective immediately on passing of this resolution)."*

The Directors (Mr Chan excluded and Mr Wang abstaining) recommend that shareholders **vote against** this resolution.

## The following resolution is proposed by the Directors:

## 7. New Issue of Shares

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 10,520,231 shares at an issue price of \$0.0173 to Best Wealth Winner Limited (HK) on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting".*

The Directors (Mr Chan dissenting) recommend that shareholders **vote in favour** of this resolution.

## VOTING EXCLUSION STATEMENT

### Item 7

Under ASX Listing Rule 14.11, the Company will disregard any votes cast on the resolution proposed at Item 7 by Best Wealth Winner Limited (HK). However, the Company need not disregard any vote by any such persons on the resolution proposed at Item 7 if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by any of them who is chairing the meeting 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.

## VOTING ENTITLEMENT

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001*, the Board has determined that, for the purposes of the General Meeting, shares will be taken to be held by the persons who are registered holders at close of business (7pm Sydney time) on 10 June 2015. Only those persons will be entitled to vote at the General Meeting on 12 June 2015.

## ADMISSION TO MEETING

Corporate representatives are required to provide appropriate evidence of appointment as a representative in accordance with the constitution of the represented company at least 48 hours before the commencement of the General Meeting. To be effective this evidence of appointment must be received by the Company's share registry (Link Market Services) **no later than 48 hours before the commencement of the General Meeting, that is no later than 11:00 am Sydney time on 10 June 2015.**

Any evidence of appointment received after that time may not be valid for the scheduled meeting. Attorneys are requested to bring the original or certified copy of the power of attorney pursuant to which they were appointed.

Proof of identity will also be required for corporate representatives and attorneys.

## PROXIES

- Votes at the General Meeting may be given personally or by proxy, attorney or representative;
- Each Shareholder has a right to appoint one or two proxies;
- A proxy need not be a Shareholder of the Company;
- Documents executed by Shareholders that are companies must be done under common seal or otherwise in accordance with the represented company's constitution and the Corporations Act.;
- Where a Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise;
- If a Shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes;
- If a proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on a show of hands; and
- A proxy must be signed by the Shareholder or his or her power of attorney who has not received any notice of revocation of the authority. Proxies given by companies must be signed in accordance with the represented company's constitution and the Corporations Act.

To be effective, proxy forms must be received by the Company's share registry (Link Market Services) **no later than 48 hours before the commencement of the General Meeting, that is no later than 11:00 am Sydney time on 10 June 2015**. Any proxy form received after that time will not be valid for the scheduled meeting

### Hand Delivery

Bligh Resources Limited  
Link Market Services Limited  
1A Homebush Bay Drive  
RHODES NSW 2138

Or:

Level 12  
680 George Street  
SYDNEY NSW 2000

### By Mail

Bligh Resources Limited  
Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235

### By Facsimile

From Australia: (02) 9287 0309  
From overseas: +61 2 9287 0309

## BY ORDER OF THE BOARD



**Ian K White**  
Company Secretary

11 May 2015

## Explanatory Memorandum

These Explanatory Notes set out information in connection with the business to be considered at the General Meeting to be held on 12 June 2015.

### ORDINARY BUSINESS

#### Item 1 to Item 6 - Background

On 13 April 2015 the Company received a request to convene a meeting of shareholders pursuant to section 249D of the Corporations Act ("Requisition Notice") from the following shareholders (together the "Requisitioning Shareholders").

Shareholder	% of Total	Holding
Caveau Capital Investments Pty Ltd	0.33%	245,693
Mr Simon Tritton	6.55%	4,950,000
	6.88%	5,195,693

The Requisitioning Shareholders requested that the Directors convene a General Meeting to consider each of the resolutions shown at Items 1 to 6 in this Notice of Meeting. As a consequence, the Directors have convened this General Meeting to consider those resolutions together with one other resolution proposed by the Directors and included Item 7.

Section 249P of the Corporations Act provides that the Requisitioning Shareholders may submit a Members' Statement for circulation to Shareholders regarding the resolutions shown at Items 1 to 6, or any other matters that may be properly considered at the General Meeting.

As at the date of despatch of this Notice of Meeting, no Members' Statement has been received from the Requisitioning Shareholders.

Attached to this Notice of Meeting is a letter to shareholders from the Board of Directors outlining the Company's reaction to the receipt of the section 249D Notice and other matters relevant to the resolutions to be considered at this meeting.

#### Item 1 – Appointment of Mr Allan Ritchie as Director

As at the date of despatch of this Notice of Meeting to shareholders, the Requisitioning Shareholders had not provided a Members Statement.

The Company none the less understands that Mr Ritchie is an investment banking professional with over 25 years' experience in organisation and structuring experience in investment banking. He is currently the Director of Strategy and Acquisition at ACMC, a China based supplier of ductile iron pipes.

The Chair will vote all undirected proxies against this resolution.

**Directors (Mr Chan excluded) recommend that shareholders vote AGAINST resolution 1.**

#### Item 2 – Appointment of Ran Vaingold as Director

As at the date of despatch of this Notice of Meeting to shareholders, the Requisitioning Shareholders had not provided a Members Statement.

The Company none the less understands that Mr Vaingold is presently the Investment Manager with Aura Capital Pty Ltd. In this role Mr Vaingold is charged with managing the M&A process.

Mr Eric Chan, who is a Director of the Company, is co-founder and a Director of Aura Capital Pty Ltd.

The Chair will vote all undirected proxies against this resolution.

**Directors (Mr Chan excluded) recommend that shareholders vote AGAINST resolution 2.**

#### Item 3 - Removal of Mr Jinle Song as Director

Mr Jinle Song was appointed as a Non-Executive Director of the Company on 3 August 2012.

Mr Jinle Song has been the Chairman of Shanxi Jiaocheng Yiwang Ferroalloy Co. Ltd ("Yiwang") since 2004 and has been a Director of Yiwang since 1992. Mr Jinle Song has also worked for Shanxi Electric Power Exploration & Design Institute from 1978 to 1992.

Yiwang is a specialist producer of manganese alloys. Under Mr Jinle Song's leadership, Yiwang has become a technological leader in the manufacturing of ferroalloys. In 2007, Yiwang developed a new process of refining manganese metal and low carbon ferro manganese. The process has been appraised by the Chinese Society for Metals and China Iron & Steel Association and Yiwang received the National Metallurgical Science and Technology Award for technological advancement.

Mr Jinle Song is a substantial shareholder of the Company.

The Chair will vote all undirected proxies against this resolution.

**Directors (Mr Chan excluded and Mr Song abstaining) recommend that shareholders vote AGAINST resolution 3.**

#### Item 4 - Removal of Mr Peiqi Zhang as Director

Mr Peiqi Zhang was appointed as a Non-Executive Director of the Company on 2 May 2011.

Mr Peiqi Zhang has more than 30 years' experience and knowledge in the Chinese mining industry. Mr Zhang is the Chairman and founder of China Shanxi Guxian Jin Yu Coking Co., Ltd, Chairman of Inner Mongolia Jiyuan Iron and Steel Company, a senior member of Shanxi Province Federation of Industry and the Standing Committee, and a senior member of the CPPCC Standing Committee of Linfen City.

China Shanxi Guxian Jin Yu Coking Co., Ltd mining enterprise has annual sales income of more than one billion yuan, fixed assets of 500 million yuan, employs 650 workers and has an annual production of 800,000 tons of coal. He is also a fellow of world academy of productivity science, and the Vice President of Glory Institution, a well-known charity organisation in China. Mr Zhang is one of the prominent leaders in the mining industry of Shanxi Province.

The Chair will vote all undirected proxies against this resolution.

**Directors (Mr Chan excluded and Mr Peiqi Zhang abstaining) recommend that shareholders vote AGAINST resolution 4.**



### **Item 5 - Removal of Mr Eric Zhang as Director**

Mr Eric Zhang was appointed as a Non-Executive Director of the Company on 28 August 2014.

Mr Eric Zhang holds a Doctor of Philosophy degree from Macquarie University, a Master of Science by Research degree from Macquarie University and a Master of Engineering degree from the University of Technology, Sydney. He is CEO and Director of Tasman Funds Management Pty Ltd. He is also a Director of China Construction International Corporation (Australia) Pty Ltd.

In 2013 Dr Zhang was appointed CEO and Director of PIA Investors Private Fund Pty Ltd.

The Chair will vote all undirected proxies against this resolution.

**Directors (Mr Chan excluded and Mr Eric Zhang abstaining) recommend that shareholders vote AGAINST resolution 5.**

### **Item 6 - Removal of Mr Tianbao Wang as Director**

Mr Tianbo Wang was appointed as a Non-Executive Director of the Company on 28 August 2014.

Mr Wang holds a Bachelor's degree (Advertising) from Nanjing Forestry University as well as an EMBA from Tsinghua University, China. Mr Wang has been in the import and export business since 2001 and from July 2005 until the present served as General Manager and then Chairman of Jiangsu High Hope Electric Company Ltd., a subsidiary of Jiangsu High Hope International Group.

Since April 2008 Mr Wang has been a Director of Jiangsu International Company Ltd. More recently, Mr Wang has been Chairman, CEO and President of NASDAQ listed Lihua International Inc. (NASDAQ:LIWA) since 2004.

The Chair will vote all undirected proxies against this resolution.

**Directors (Mr Chan excluded and Mr Wang abstaining) recommend that shareholders vote AGAINST resolution 6.**

### **Item 7 – New Issue of Shares**

On 1 May 2015, the Company announced that it had received commitments from professional and sophisticated investors in Australia and overseas to raise \$300,000 by way of a two-tranche placement of 17,341,000 ordinary shares at \$0.0173 per share.

The placement is being managed by Perth based Quattro Capital Group Pty Ltd.

The placement is to be undertaken in two tranches:

- Tranche 1 – comprising 6,820,809 shares, raising \$118,000 (which was within Bligh's 15% L.R. 7.1 placement capacity). These shares were issued on 11 May 2015 as follows:
  - Mr Yuan Cheng – 3,468,208
  - Mr Yun Sun - 3,352,601
- Tranche 2 – comprising 10,520,231 shares, raising \$182,000 will be issued subject to shareholder approval of the resolution at Item 7.

An application for Tranche 2 shares was received via Quattro Capital Group Pty Ltd from Best Wealth Winner Limited (HK); a Hong Kong based wealth management company.

The resolution at Item 7 seeks shareholder approval for the issue of 10,520,231 Tranche 2 shares referred to above to Best Wealth Winner Limited (HK).

If approved, the Company will issue the 10,520,231 ordinary shares immediately and in any case no later than 12 September 2015, to raise \$182,000. This number of shares represents 11.3% of the issued capital of the Company.

The issue price will be \$0.0173 which has been set at a 20% discount to the 20 day VWAP calculated up to the last trading day prior to the trading halt announced on 29 April 2015.

Funds raised will be used to fund the upcoming drilling program at the Company's Bundarra Gold Project, details of which were announced on 1 May 2015 and for the repayment of SR Mining Pty Ltd.'s loans owing to AGEO Holdings Pty Ltd and Aura Capital Pty Ltd.

Details of the circumstances giving rise to these loans and their settlement were announced to the market from 18 November 2014 to 4 December 2014.

A 6% commission is to be paid to Quattro on completion of the capital raising and subject to shareholder's approval at a later general meeting; 1.5 million options will be issued to Quattro with a two year expiration date and an exercise price of 1.5 times the share issue price, which is \$0.026 per share.

The Chair will vote all undirected proxies in favour of this resolution.

**Directors (Mr Chan dissenting) recommend that shareholders vote FOR resolution 7**