



16 June 2010

PERKOA ZINC PROJECT – JV NEGOTIATIONS PROGRESS

KEY POINTS

- **Glencore and Blackthorn Resources continue to negotiate a Joint Venture (“JV”) for the Perkoa Zinc Project in Burkina Faso based on the Heads of Agreement signed in January 2010.**
- **Significant progress has been made, including agreement being reached regarding the specific terms for an Off-Take agreement for all available concentrates. This Off-Take agreement will only take effect once a JV is formed and Glencore procures or provides the necessary funding to complete project construction.**
- **The remaining JV documentation continues to be negotiated and it is expected that a number of key documents will be ready for submission to Glencore and the Blackthorn Resources’ Board for approval in coming weeks.**
- **Following execution of the full set of required documents, the establishment of a JV for the Perkoa Zinc Project will be subject to a number of conditions precedent, including shareholder approval via an EGM.**

Blackthorn Resources Limited (ASX: BTR) (the “Company” or “Blackthorn Resources”) is pleased to provide the following update on negotiations with Glencore International AG (“Glencore”) regarding the establishment of a JV for the completion of construction and operation of the Perkoa Zinc Mine Project in Burkina Faso, West Africa.

Background

On 12 January 2010, Blackthorn Resources announced that a Heads of Agreement had been signed with Glencore for a joint venture to develop and operate the Perkoa Zinc Mine Project.

Current status of proposed transaction

Significant progress has been made, including agreement being reached regarding the specific terms for an Off-Take agreement for all available concentrates. This Off-Take agreement will only take effect once a JV is formed and Glencore procures or provides the necessary funding to complete the project construction.



Next steps

The remaining JV documentation continues to be negotiated and it is expected that a number of key documents will be ready for submission to Glencore and the Blackthorn Resources' Board for approval in coming weeks.

The establishment of the JV will be subject to a number of conditions precedent, including shareholder approval. A Notice of Meeting for an EGM will be issued soon after definitive transaction documents are executed. This notice will schedule a meeting to seek shareholder approval.

Managing Director Scott Lowe said: "We acknowledge that this process has taken longer than expected. However, there are important reasons for taking this amount of time and good progress has been made. The parties continue to work closely and regularly on reaching agreement on important commercial and legal terms. This proposed transaction involves multiple entities and jurisdictions and it is critical that we get the detail right. We continue to have a positive working relationship with Glencore and the Company remains committed to finalising the documents to secure a deal that is in the best interests of Blackthorn Resources' shareholders"

Should you require further information please contact:

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Ends

PRESS RELEASE