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PERKOA PROJECT: FIRST DEVELOPMENT ORE PRODUCED

KEY POINTS

- **Mineralised ore has been intersected by underground development workings at the Perkoa Project, Burkina Faso**
- **An estimated 500 tonnes of ore has been extracted**
- **The mine plan and extraction schedule is progressing well and target remains to commence production at Perkoa by H2 2012**

Blackthorn Resources Limited (ASX: BTR) (“the Company” or “Blackthorn Resources”) is pleased to advise that the first parcel of mineralised ore has been extracted from underground workings at the Perkoa Project in Burkina Faso, West Africa.

The ore zone was intersected by a development cross-cut which was driven from the main decline. It is estimated that 500 tonnes of mineralised material was extracted from the Level 1 CX South.

The Perkoa Project is currently being developed by a joint venture between Blackthorn Resources (39.9%) and Glencore International (50.1%), with the remaining interest being held by the Government of Burkina Faso. Since the inception of the joint venture in late 2010, the development and construction of the mine and processing facility has been managed and operated by JV partner Glencore.

Construction activities at Perkoa were scaled up significantly from early 2011 including mobilisation of additional personnel, plant and machinery. In addition, Glencore has proposed investment in various value enhancing initiatives for the project, including an increase in processing plant throughput, the ability to extract a separate silver-lead concentrate from the production stream, and the addition of open-cut mining to compliment the underground operation. The Company recently granted conditional approval for investment in these improvements subject to provision of further information by Glencore validating financial and technical assumptions.

Ongoing mine development has been progressing well since the restart of site activities in December 2010 and the subsequent arrival of the mechanised drilling jumbos. Current mining progress has advanced the main decline to 545m from the mine portal, with total

metres developed (including cross-cuts and other services drives) now in excess of 720 metres.

Other construction activities for the mine are progressing in-line with expectations. This includes the excavation for the ventilation shaft, clearing and construction of the tailings dam and other site buildings. The installation of buffer tanks and raw water pipeline from the nearby Seboun Dam has commenced and advanced 22 km. The installation of the valves with chambers as well as the pump station will commence early 2012.

Construction of the processing facility is also progressing well. Recently, thickener tanks, process water tank and the mill were lifted and installed, together with Larox filters and zinc flotation cells. Sandvik crushers have been delivered to site and are ready for installation.

A total of 580 employees and contractors are currently engaged on site. This number will increase to 850 in the coming months at the peak of the construction and mining activities.

Blackthorn Resources is continuing to review the information provided by Glencore to support the enhanced business case for the Perkoa Project. Ongoing test work and review of data is being carried out.

Managing Director Mr Scott Lowe said:

“The project is making good progress in accordance with expectations and the production of the first ore from the mine is another major milestone to be completed.

The Perkoa Project remains an important part of the Company’s portfolio and we are also very excited by the proposal to add value to the current project through the changes that Glencore has proposed relating to the extraction of silver and lead, increased throughput and open-cut mining.”

Should you require further information please contact:

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FIGURE 1 - 4 –Construction progress at the Perkoa Zinc Project in Burkina Faso, West Africa



Figure 5 - First Ore stockpile at the Perkoa Zinc Project in Burkina Faso, West Africa.

Ends