



**Bligh Resources  
Limited**  
ABN 130 964 162

**ASX Release**  
30 January 2012

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**Directors/Officers**  
Robert Benussi  
Charles Guy  
Hanjing Xu  
Peiqi Zhang  
Liming Niu (Alternate Director  
for Mr Xu)

**Issued Capital:**  
Shares: 57,475,720  
Unlisted Opts: 16,000,000  
(Escrowed)

**ASX Symbol:** BGH

**Currently Exploring for:**

- Manganese
- Gold

**Current Projects:**

- Kumarina
- Bootu Creek Two
- Grenfell
- Manilla
- Leonora

# Bligh advances exploration program following successful ASX listing

**Quarterly Report**  
**Period ended 31 December 2011**

## **Corporate Highlights**

- **Completes Listing on Australian Securities Exchange raising \$3.5 million**
- **Strong Board in Place to drive future growth**
- **Strong cash position of \$4.8 million and continued focus on managing overhead costs**
- **Negotiations have commenced on project Joint Ventures and potential acquisitions**

## **Exploration Highlights**

### **Kumarina Project**

- **Site Avoidance Level Heritage survey completed**
- **Ethnographic Heritage report completed**
- **Project ready for reconnaissance air core program**
- **Both manganese and copper targets to be tested**

### **Manilla Project**

- **High grade rock chip assays received**
- **Completion of regional structural interpretation**

### **Bootu Creek Two Project**

- **Geological interpretation map complete**
- **Purchase of regional geophysical data sets**

### **Grenfell Project**

- **Geological reconnaissance completed**

### **Leonora Gold Project**

- **Historical data sets compiled**
- **Geological 1:50,000 mapping completed**
- **Four geological models for gold exploration generated**
- **10 zones for further exploration identified**

Manganese and gold exploration company **Bligh Resources Limited (“Bligh” or “Company”)** (**ASX: BGH**) has made significant progress with its exploration activities in its first quarter as a publicly listed company on the Australian Securities Exchange. All projects have been advanced and a maiden drilling program at Kumarina, Western Australia, will commence in the next few weeks. At Manilla in New South Wales, field work and a geophysical interpretation program have been completed. The next exploration program at the company’s Bootu Creek manganese exploration project in the Northern Territory is now being planned. China National Geological and Mining Corporation (“CNGM”) completed geological reconnaissance at the Grenfell Project in New South Wales, and the field work here has added to the geological knowledge and permitted the generation of new geological models with the potential for base and precious metals at depth.

At a corporate level, Bligh has made significant progress during the quarter. It completed its listing on the Australian Securities Exchange by successfully raising \$3.5 million. The company is now well funded with \$4.8 million of cash on hand. Managing overhead costs outside of exploration investment remains a top priority to ensure cash on hand is preserved. Bligh’s Board of Directors is also providing valuable input to the company’s growth strategy, with the group assessing possible Joint Venture and complementary project acquisition opportunities.

Following are more details on the exploration activities undertaken at each project:

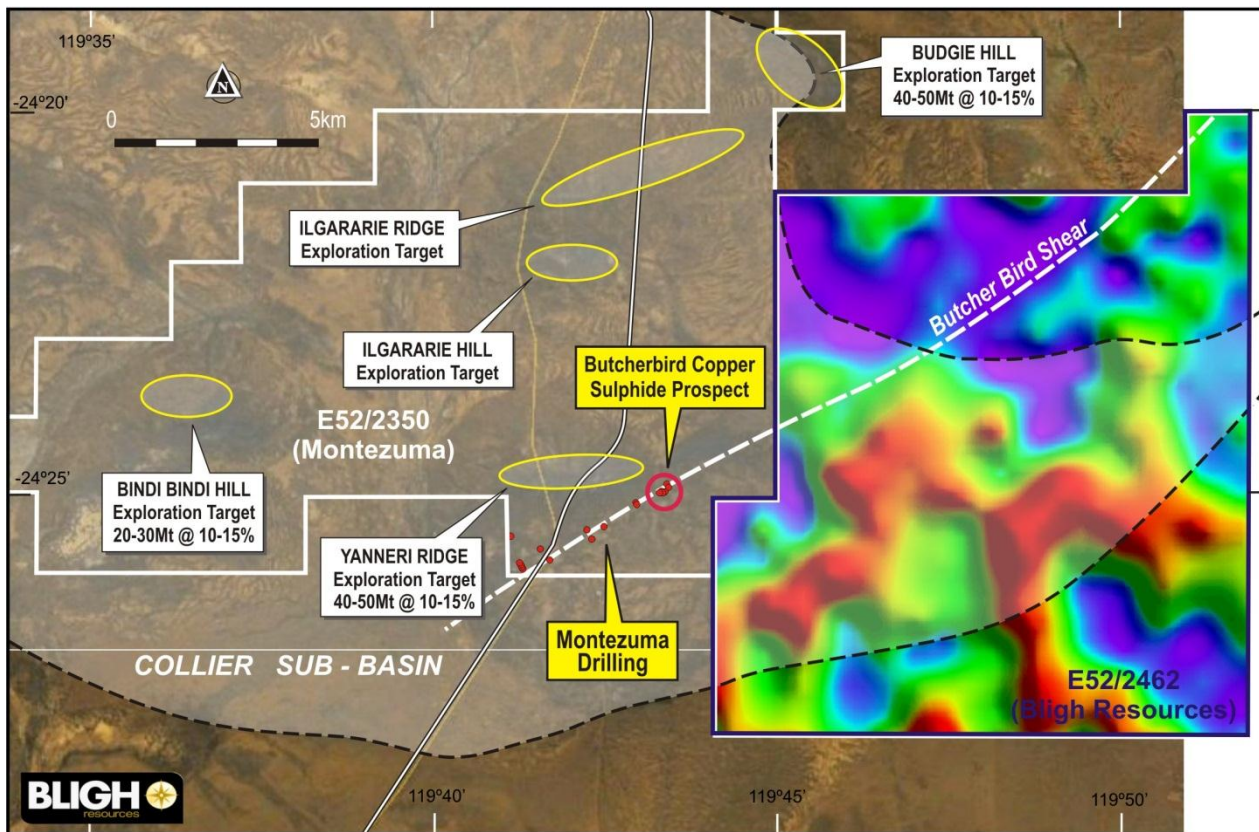
**-Kumarina Project, WA (E52/2462)**

In late 2011, Bligh completed a “Site Avoidance Level Heritage Assessment” and an “Ethnographic Heritage Report”. The surveys cleared the way for drilling at the Kumarina Project which is expected to commence shortly. An estimated 57.75 kilometres of track and drill lines were cleared with the Karlka Niyaparli team (Figure 1) and this project remains a priority target for the Company.



**Figure. 1 Karlka Niyaparli Native Heritage Team Kumarina (Tenement E52/2462)**

Geological interest at Kumarina has been enhanced by the discovery of primary copper mineralisation at the Butcher Bird Prospect on Montezuma’s ground immediately to the west of the Kumarina tenement (Figure 2). The Bligh reconnaissance aircore program will initially test the conductive units identified in the 30m depth slice image obtained from the GPX airborne survey (Figure 2). After this reconnaissance drill program is completed, Bligh will expand the exploration program to include examining the postulated extension of the Butcher Bird Shear for copper mineralisation.



**Kumarina Project - 30metre Conductivity Depth Slice Image**  
**Figure 2. Kumarina Project showing the interpreted Butcher Bird Shear.**

## **-Manilla Project, NSW (EL7586,EL7585 and EL7584)**

Bligh has completed field work and an extensive analysis of public geophysical data sets of its 787km<sup>2</sup> Manilla project in northern New South Wales. Data sets accessed, processed and imaged include aeromagnetics, radiometrics, digital terrain, national gravity, and satellite images (Landsat).

A project scale (1:100,000 scale) interpretation of the aeromagnetics and radiometrics imagery has been completed. This has been used to identify areas and features that could be prospective for manganese, tin, tungsten and copper. Bligh's Manilla project covers part of the New England Orogen and hosts some 30 manganese prospects.

Fieldwork undertaken indicates that the manganese mineralisation is associated with cherts and shales, interpreted as deep water sediments, together with volcanics. Bligh's technical team believes that the Manilla manganese mineralisation is similar to the Franciscan manganese deposits of California. The Franciscan manganese ore lenses are developed as the result of sea floor spreading and hydrothermal activity along mid-oceanic ridges; the manganese ore forms on the flanks of the ridges. Franciscan manganese deposits are characterized by a range in grade from **35-46% Mn** and low iron (Fe) content (Table 1). These deposits generally occur as clusters of between two and three and up to five deposits in localised areas.

Bligh is currently evaluating the most suitable geophysical methods to utilise to progress the Manilla Project.

**Table1. Manilla Sample Assays**

	ME-XRF12s	ME-CON02	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61	ME-ICP61
Sample	Mn	Mn	Fe	S	Cu	Ba	Al	Ag	Ni
Description	%	%	%	%	ppm	ppm	%	ppm	ppm
<b>MAN 01</b>	<b>&gt;30.2</b>	<b>45.4</b>	1.03	0.02	6	150	1.26	0.08	94
<b>MAN 02</b>	<b>&gt;30.2</b>	<b>35.5</b>	1.08	0.02	19	270	0.79	0.19	102
MAN 03	23.9		0.53	0.01	10	500	0.25	0.04	82
<b>MAN 04</b>	<b>&gt;30.2</b>	<b>46.5</b>	0.24	0.18	4	1530	0.46	0.14	104
<b>MAN 05</b>	<b>&gt;30.2</b>	<b>34.7</b>	1.14	0.29	7	1610	0.37	0.29	109
<b>MAN 06</b>	<b>&gt;30.2</b>	<b>35.2</b>	3.15	0.05	18	780	2.08	0.1	117
MAN 07	1.4		2.53	0.01	143	220	2.88	0.07	39
MAN 08	2.5		3.78	0.01	466	420	4.44	0.13	62
MAN 09	13.95		1.81	<0.01	26	310	0.35	0.15	29
MAN 10	10.8		1.99	<0.01	112	40	0.34	0.15	124
MAN 11	17.6		0.9	0.01	17	430	0.13	0.03	51
MAN 12	11.95		0.38	0.01	34	170	0.08	0.02	21
<b>MAN 13</b>	<b>&gt;30.2</b>	<b>37.4</b>	3.69	0.01	52	>10000	3.17	0.15	77
MAN 14	27		0.41	0.01	43	3570	0.19	0.26	61
MAN 15	15.65		0.68	0.01	16	2350	0.17	0.05	38
MAN 16	25.8		0.28	0.01	5	2730	0.16	0.02	92
<b>MAN 17</b>	<b>&gt;30.2</b>	<b>31.1</b>	1.37	<0.01	1	100	0.94	0.03	96
<b>MAN 18</b>	<b>&gt;30.2</b>	<b>30.8</b>	1.24	0.01	<1	1410	0.51	<0.02	57

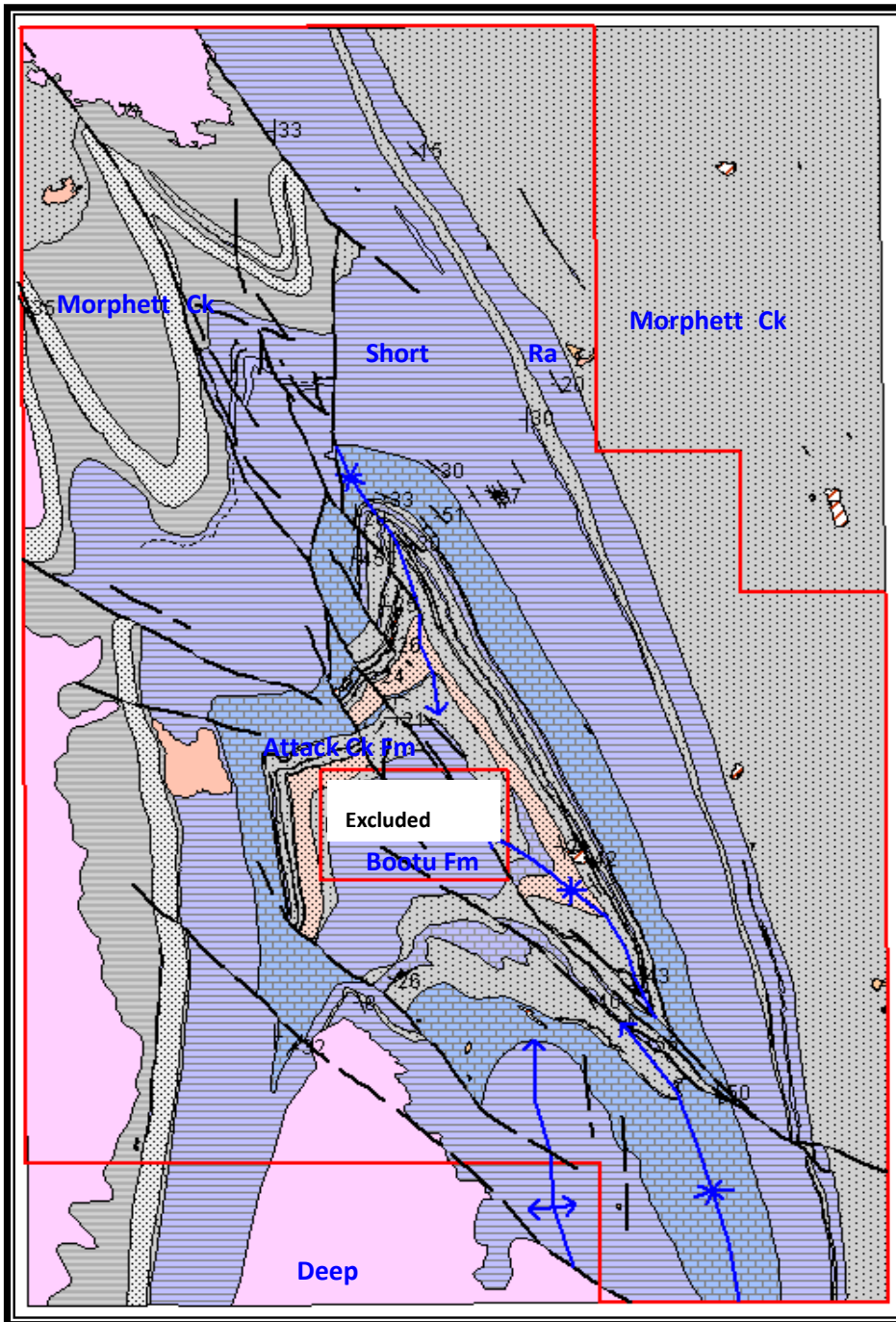
MAN 19	0.55		1.3	0.01	33	120	1.05	0.03	9
MAN 20	0.42		0.73	0.02	18	70	0.39	0.07	6

- ME-XRF Silicates by fusion XRF125
- ME-CON02 Various Elements in Cons
- ME-ICP61 33 element four acid ICP-AES
- Grab rock chip sample previously announced ASX 10 Jan 2012

**-Bootu Creek Two Project, NT (EL27654)**

Bligh’s Northern Territory manganese prospect, known as the Bootu Creek Two Project, lies 36km south of the world class Bootu Creek Manganese Mine in the central Northern Territory. Bligh has pegged 43 exploration blocks covering 136 square km of ground prospective for manganese with a small area excised from the centre of the lease.

Bligh has purchased the regional geophysical data sets covering the Bootu Creek Two project area and World View 2 satellite data and these will be used to assist the exploration program. A preliminary geological interpretation has been completed (Figure 3) but exploration is currently hampered by the wet season and field work will begin towards the middle of May.



**Figure 3 Bootu Creek Project Geological Interpretation Map**

## **-Grenfell Project, NSW (EL7492 & EL7556)**

Bligh commissioned the CHINA NATIONAL GEOLOGICAL & MINING CORPORATION (CNGMC) to carry out geological reconnaissance over the Grenfell Project area in NSW, Australia. The wholly owned Grenfell Project comprises EL7492 & EL7556, covering an area of 314km<sup>2</sup>, and located in central NSW. CNGMC is one of China's premier consulting groups with an association with the Chinese Government.

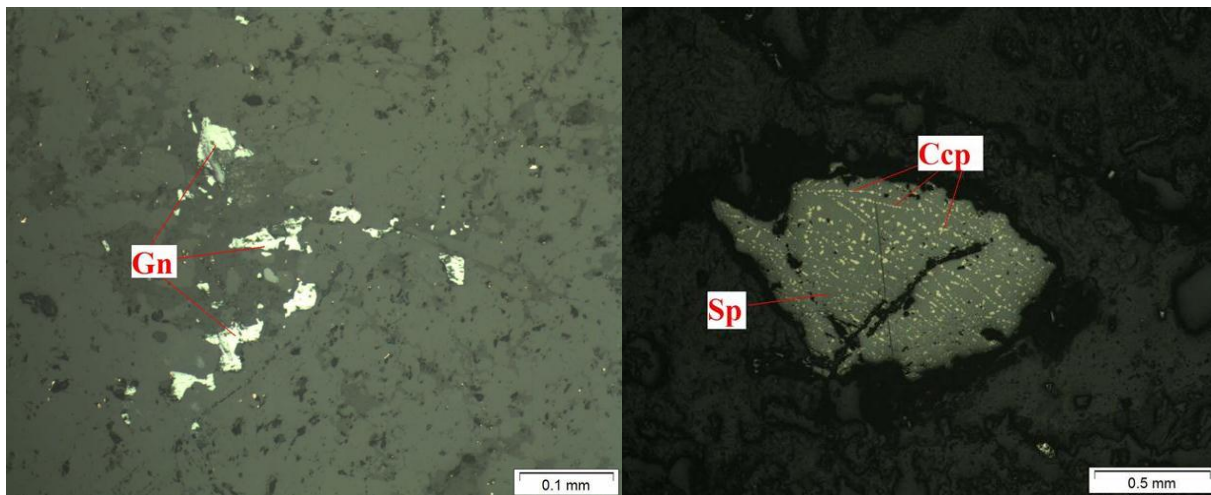
The CHINA NATIONAL GEOLOGICAL & MINING CORPORATION (CNGMC) completed a technical review and field work program over a 30 day period on the Grenfell Project. The program included 17 days of geological mapping, thin and polished section examination, structural analysis, trenching and reporting.

As part of this programme, three measured cross-sections were constructed, six costeans excavated and 24 samples collected for thin and polished section examination.

The CNGMC work identified 17 discrete chert zones (Table 2), varying in length from a few hundred metres to well over a kilometre with widths between 6 and 86 metres, averaging 20-35 metres (Table 2). The high grade manganese oxide ores mined in the past are spatially associated with these siliceous zones which are considered to be fault related rather than primary.

Significantly, polished section work identified relict sulphide mineralisation in some samples of manganese-rich material. Chalcopyrite, galena and sphalerite were identified (Figure 4).

The preliminary report and identification of primary sulphide mineralisation has added weight to the Grenfell exploration potential. Bligh will move forward by increasing the Grenfell exploration budgets with a geochemical sampling program and Inducted polarisation (IP) survey to detected conductive bodies, massive and disseminated sulphides at depth.



Xenomorphic-granular galena (Gn)

Xenomorphic-granular sphalerite (Sp) and included chalcopyrite (Ccp).

**Figure 4. Polished sections of Grenfell ores.**

**Table2. Statistics on parameters of mineralized chert zones – Grenfell Project**

Licence No.	Mineralized zone No.	Starting point		Ending point		Length m	Average width m	Strike °
		X	Y	X	Y			
E7556	1	6243489	601233	6243652	601237	163	8.5	0
	2	6243760	601272	6243993	601326	239	8.2	13
	3-01	6248129	603464	6248511	603722	461	14.4	34
	3-02	6248273	603526	6248386	603618	146	17.7	39
	3-03	6248530	603729	6248597	603774	81	11.4	34
	3-04	6248617	603789	6248670	603847	79	21.5	47
	4	6248872	603965	6249935	604486	1183	23.9	26
	5-01	6253305	604185	6253538	604316	268	39.0	29
	5-02	6253588	604278	6253850	604370	278	23.2	19
	5-03	6253861	604346	6253972	604329	113	19.3	351
	6-01	6253976	604209	6254283	604249	311	13.2	8
	6-02	6254347	604265	6254403	604291	63	6.0	28
	7-01	6254013	604413	6255093	604813	538	36.6	17
	7-02	6254469	604598	6255093	604813	660	30.9	19
	7-03	6254746	604729	6254863	604781	127	12.7	24
	7-04	6255072	604848	6255329	604895	261	26.5	10
	8	6255377	604664	6255589	604767	232	68.0	26
	9	6257816	605687	6258200	605893	436	12.1	28
	10-01	6258273	606377	6258453	606423	186	16.1	14
	10-02	6258458	606441	6258708	606447	250	16.2	1
	10-03	6258464	606458	6258936	606555	482	26.5	12
	11-01	6258585	606925	6258893	607006	318	28.3	15
	11-02	6258715	606831	6258951	606991	285	20.1	34
	11-03	6258942	606922	6259398	607013	465	35.3	11
	12-01	6259608	606621	6260044	606799	471	33.6	22
	12-02	6260081	606878	6260156	606957	110	28.5	47
	12-03	6260169	606951	6260319	607003	158	19.5	19
	12-04	6260317	607014	6260582	607113	283	34.3	20
E7492	13	6273919	610074	6274349	610114	432	86.6	5
	14	6275119	610119	6275579	610173	463	45.4	7
	15	6276912	610962	6277086	610944	176	33.3	354
	16	6278102	610991	6278583	611069	487	53.8	9
	17	6282690	614331	6283073	614470	407	67.9	20

**-Leonora Gold Project, WA - Mount Davis and Diorite King Prospects**

The Leonora Gold Project comprises the Diorite King and Mount Davis prospects; both areas are located 30 km north-northwest of Leonora and are predominantly within the Mount Clifford Greenstone Sequence of the eastern Goldfields.

BM Geological Services Pty Ltd (BMGS) was engaged by Bligh to compile historical data, undertake field mapping and identify potential areas for further exploration. Using data from known proximal gold deposits, in particular the Tarmoola gold deposit, BMGS identified four main geological models for gold mineralisation within the Leonora project area. These geological models are presented below:

1. Early, now shear parallel, quartz veining associated with normal movement on the Raeside Batholith margin (Tower Hill, Harbour Lights).
2. Thrusting associated with NNW-trending lithological competency contrasts (D3, Tarmoola and Mt Davis).
3. ENE-trending competent lithologies intersecting with cross cutting WNW lineaments possibly leading to plunging shoots (Diorite King).
4. Hidden intrusive apophyses hosted mineralisation (requires more detailed gravity or pseudo gravity algorithms applied to 400m line spaced aero magnetics).

Analysis of the historical data, mapping at 1:50,000 scale in conjunction with geological models generated 7 zones for further exploration at Diorite King and 3 zones at Mount Davis (Announced on ASX 18/01/12).



**Figure 5.** Non Executive Director Mr Hanjing Xu (right) and Bligh's substantial shareholder Mr Song owner of Jiaocheng Yiwang Ferroalloy., Co Ltd ringing the opening bell at the ASX on December 1<sup>st</sup> 2011.



**Figure 6. Gold Nugget**

1.7 gram nugget from 313479E, 6825266N MGA ZONE 51-Leonora Gold Project

**ENDS**

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**Released through Ben Jarvis, Six Degrees Investor Relations: 0413 150 448**

**Competent Person- Charles W Guy**

*The information in this announcement that relates to Exploration Results is based on information compiled by Mr Charles William Guy who is a Member of the Australian Institute of Geoscientists. Charles William Guy has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Charles William Guy consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears. Charles William Guy is a full time employee of Bligh Resources Limited in the position of Managing Director- Exploration.*