



blackmountain
resources limited

10 July 2012

Manager of Company Announcements
Australian Securities Exchange
Level 6, 20 Bridge Street
Sydney NSW 2000

By E-Lodgement

Exclusive Mill Access Secured for Conjecture

- **Opportunity for Exclusive Mill Access at Conjecture Project**
- **Additional Option to Acquire historic Weber Mine near Conjecture Project**
- **AIM Listing scheduled for late July 2012**

Black Mountain Resources Limited (ASX: BMZ) is pleased to advise that the Company has entered into an exclusive option for a long term (45 year) lease at the Lakeview Mill and to acquire the historic Weber Mine, both in northern Idaho.

The Lakeview Mill is ideally positioned for near term use by the Company's Conjecture Project which is only 3.5 kilometres away. Black Mountain recently commenced preliminary development activities at the Conjecture mine and subject to the condition of underground mine infrastructure, funding and exercise of the Option, milling of first ore is targeted to commence in Q4 2012.



Figure 1: Lakeview District, Idaho, USA

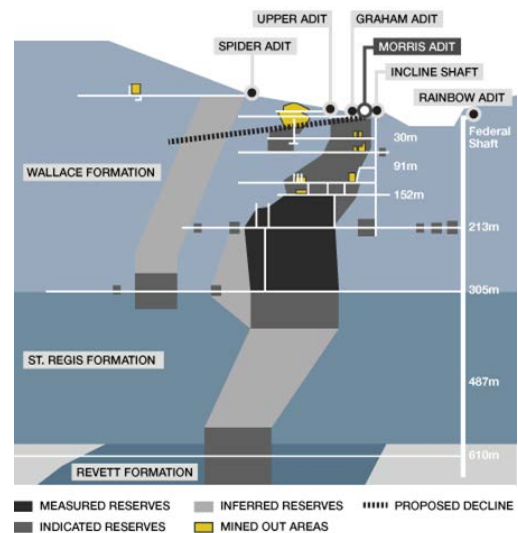


Figure 2: Conjecture Project – Cross section of historic workings

Black Mountain Resources Limited
ABN 55 147 106 974
Ground Floor, 1 Havelock Street, West Perth WA 6005
Telephone: +61 8 9488 5220 Facsimile: +61 8 9324 2400

The mill is permitted and has processed ore from the Lakeview District on a regular basis over the last 10 years. The mill has a current capacity of 300 tonnes per day with the ability to be upgraded further (current Conjecture mine planning is for 100 tonnes per day). The proposed lease is an initial 15 year lease renewable for a further 2 periods of 15 years. The use of the mill is key in developing both the short and long term production plans for Conjecture.

In addition the Company has the option to acquire the patented and unpatented mining claims forming the historic Weber Mine. The Weber Mine is approximately 2.5 kilometres from the Conjecture Project in the Lakeview District with similar geology. The Weber Mine is historically an open pit mine and will assist with mine logistics in developing Conjecture and waste ore disposal.



Figures 3 and 4: Lakeview Mill, Idaho, USA

The consideration for the option includes an option fee of US\$500,000 payable plus the issue of 11 million fully paid ordinary shares in the capital of BMZ in total, subject to shareholder approval upon exercise of the option. A period of 12 months voluntary escrow will apply to half of the consideration shares. In addition a toll treatment fee of US\$10 per ton of ore processed would apply. The Company will undertake further due diligence on both the Lakeview Mill and the Weber Mine during the option period.

AIM Listing

Following increased interest in Black Mountain and its suite of high grade silver projects, the Company intends to dual list on the AIM Market of the London Stock Exchange (AIM). The Pre-Admission Announcement in relation to the AIM listing has been lodged, with an expected listing date of 25 July 2012. XCAP Securities plc has been appointed as the UK broker and a research report is available on the Company's website. RFC Ambrian Ltd has been appointed as nominated adviser for the listing.

For and on behalf of the Board



Peter Landau
Executive Director

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