



blackmountain
resources limited

3 April 2012

Dear Option Holder

Entitlement Issue – Option Holders

Black Mountain Resources Limited (ASX: BMZ) is pleased to advise that it has announced a pro rata non-renounceable loyalty option entitlement issue to eligible shareholders of one (1) Loyalty Option for every two (2) Shares held at the record date at a subscription price of \$0.03 per Loyalty Option, to raise approximately \$979,688 before costs (**Entitlement Offer**). 708 Capital Pty Ltd has been appointed as Lead Manager to the Entitlement Offer.

In accordance with the terms of the options granted to you by Black Mountain Resources Limited, we advise that the record date for the Entitlement Offer is 16 April 2012 (**Record Date**). Accordingly, should you wish to participate in the Entitlement Offer you would be required to exercise your options so that the Company receives the notice of exercise and exercise monies prior to 5:00pm WST on the Record Date.

To exercise your options and thereby participate in the Entitlement Issue you will need to deliver to the Company the following:

1. A notice specifying the number of options to be exercised;
2. Your option certificate covering that number of options; and
3. Payment for the exercise price for those options.

Option Exercise Notices and cleared funds must be received by no later than 5:00pm WST on 16 April 2012 in order for your notice of exercise to be processed and your holding to be recorded as at the Record Date.

For further information please contact the Company Secretary, Ms Shannon Robinson, on +61 8 9488 5220 with any queries before the Record Date.

Yours faithfully

Peter Landau
Executive Director

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