



## Bligh Resources Limited

ACN 130 964 162

ASX: **BGH**

## ASX Release

10 January 2014

Suite 804 Level 8,  
84 Pitt St Sydney  
New South Wales 2000  
Tel: +61 2 9233 4677  
Fax: +61 2 9239 0866

### Contacts:

Robert Benussi

### Email:

[info@blighresources.com.au](mailto:info@blighresources.com.au)

### For the Latest News:

[www.blighresources.com.au](http://www.blighresources.com.au)

### Directors:

Robert Benussi  
Peiqi Zhang - (Non-Executive Director)  
Jinle Song - (Non-Executive Director)  
Eric Chan - (Non-Executive Director)

Zhijie Li -(Alternate Director for Mr Zhang)  
Bill Richie Yang -(Alternate Director for Mr J Song)

### Company Secretary

Anna Sandham

### Issued Capital:

Shares: 60,125,720  
Unlisted Opts: 16,000,000  
(Escrowed)

### Currently Exploring and Developing:

- Gold
- Manganese

### Current Projects:

- Bundarra Gold Project
- Leonora Gold Project
- Kumarina Manganese
- Bootu Creek Two Manganese

## Quarterly Report for period ended 31 December 2013

### Exploration Highlights

- Maiden Ore Reserve of 1.63 million tonnes at 2.29 g/t Au for 120,006 oz of gold calculated for Bundarra Gold Project\*.
- Reserve calculation includes 439,772 t at 2.21 g/t Au Proved and 1.19 Mt at 2.32 g/t Probable.
- Rock Chip sampling at Diorite King Prospect, Leonora returns three samples with gold values over 100 ppb gold.
- Sale of Mt Davis tenements and relinquishment of 12 non-core tenements at Leonora Project after project elevation.

### Forward Work Plans

- Further field work at Diorite King Prospect planned, building on earlier rock chip results.
- Field work being planned for Bootu Creek and Kumarina projects, work to commence after wet /cyclone seasons.

**Gold and manganese exploration company, Bligh Resources Limited, (“Bligh” or “Company”) (ASX: BGH)** is pleased to report on activities undertaken in the quarter ended 31 December 2013 (“quarter”).

Bligh continued to focus on the Bundarra Project during the last quarter with an independent estimate of the Ore Reserves completed by Goldfield Mining Services (GMS) for the Celtic, Wonder, Bluebush and Great Western deposits at the Bundarra Gold Project (Table 1), giving an Ore Reserve of 1.63 million tonnes at 2.29 g/t Au for 120,006 oz of gold.

Results from rock chip sampling at the Leonora Project’s Diorite King Prospect produced promising results with three samples returning gold values over 100 ppb. During this visit, time was taken to access the tenement package which led to the sale and relinquishment of a number of Prospecting Licenses from the Project.

### Corporate Activity

In October, Bligh announced the appointment of Mr Bill Richie Yang as Alternate Director to Mr Jinle Song. Mr Yang replaced Mr Ding Hao Song who tendered his resignation. Mr Yang was one of the original co-founders of Bligh, and is an experienced company Director, working primarily in the junior resources sector.

Bligh also advised in October 2013 that it had received a refund of \$244,000 from the Australian Taxation Office relating to a claim made under the Federal Government’s research & Development (“R&D”) Tax Incentive Scheme. This claim related to a portion of the expenditure incurred through exploration activity at the Manilla tenements in New South Wales and the Bootu Creek II project in the Northern Territory.

Following the Annual General Meeting in November, Bligh also advised that members approved the appointment of HLB Mann Judd (NSW Partnership) as auditors of the Company.

***\*The Ore Reserve Estimate and Mineral Resource were prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.***

## Exploration Activity

### **BUNDARRA GOLD PROJECT - SR MINING (42.9% OWNED BLIGH RESOURCES)**

#### *Reserve Calculation*

A total of 1.63 Mt at 2.29 g/t Au of Ore Reserves were estimated at the Bundarra Project which have been categorised as Probable and/or Proved for each deposit (see Table 1: *Ore Reserve Estimate for Bundarra Gold Project as at 21st November 2013*). The Ore Reserve Statement is based on the MRE prepared by CSA Global Ltd in September 2013.

The resource and reserve statements are based on data supplied by SR Mining and a Whittle Optimisation Study completed by GMS. Information contained within the scoping study completed in May 2013 was also included in the statement.

GMS conducted four Whittle Open Pit Optimisation studies for the Bundarra Project covering the Celtic, Wonder, Great Western and Blue Bush deposits (note Wonder includes Wonder West and Wonder North and Celtic includes Celtic South). The optimisation was completed on an A\$1,400/oz gold price and a PC1250 & 777 fleet combination. The reserve is based on the SR Mining Proposed Mill of 250kt/annum. Resource confidence was analysed with RUNS INCLUDING inferred material as well as EXCLUDING Inferred material.

Two processing options were considered;

1. An SR Mining proposed 250kt / yr mill to be constructed on site adjacent to the Wonder deposit.
2. TOLL treatment arrangement.

The Whittle Optimisation Outputs are summarised in **Table 2**.

Modifying Factors used during optimisation studies and ore reserve estimate are summarized in **Table 3**.

**Table 1: Ore Reserve Estimate for Bundarra Gold Project as at 21st November 2013.**

PROJECT	Cut-Off Grade	PROVED RESERVE			PROBABLE RESERVE			TOTAL		
		Tonnes	g/t	oz	Tonnes	g/t	oz	Tonnes	g/t	oz
Celtic	0.80	-	-	-	104,225	2.36	7,897	104,225	2.36	7,897
Wonder	0.78	333,708	2.17	23,252	819,446	2.24	59,142	1,153,154	2.22	82,394
Great Western	0.75	106,063	2.35	8,003	157,911	3.05	15,480	263,974	2.77	23,483
Blue Bush	0.82	-	-	-	109,842	1.76	6,233	109,842	1.76	6,233
<b>TOTAL</b>		<b>439,772</b>	<b>2.21</b>	<b>31,255</b>	<b>1,191,424</b>	<b>2.32</b>	<b>88,751</b>	<b>1,631,196</b>	<b>2.29</b>	<b>120,006</b>

Note: - reserve estimates have been modified with dilution and mining recovery factors and depleted to account for previous mining. Rounding errors will affect these estimates. Reserve estimate is based on A\$1400/oz gold price, PC1250 & 777 cat truck fleet with proposed on site SR Mining mill (250kt/year) to be constructed at Wonder.

Table 2 Bundarra Project Whittle Optimisation Output

WHITTLE RUNS	OPTION DESCRIPTION	OVERALL SLOPE ANGLE (deg)	TOTAL MINING INVENTORY		TOTAL TONNES (kt)	TOTAL COST (Mil AUD\$)	INCOME (Mil AUD\$)	SURPLUS *Best Case *Worst Case (AUD\$)	OUTPUT METAL (Oz)	COST PER OUNCE (AUD\$/oz)	Global Strip Ratio (W:O)
			Tonnes (t)	Grade (g/t)							
RUN1 (Celtic sh21)	250kt_MILL_1400_EX 1200_777 (INCLUDING INF)	40	256,324	2.61	2,076	(9.93)	13.02	7,450,669	20,964	- 920	9.04
RUN2 (Celtic sh21)	250kt_MILL_1400_EX 1200_777 (EXCLUDING INF)	40	134,009	2.60	630	(6.93)	13.02	6,089,562	9,782	- 711	3.70
RUN3 (Celtic sh21)	TOLL_MILL_1400_EX1 200_777 (INCLUDING INF)	40	64,155	3.50	213	(5.11)	5.25	3,146,221	6,004	- 550	2.93
RUN4 (Celtic sh21)	TOLL_MILL_1400_EX1 200_777 (EXCLUDING INF)	40	60,755	3.73	193	(4.75)	7.61	2,567,015	6,533	- 550	2.50
RUN1 (Wonder sh21)	250kt_MILL_1400_EX 1200_777 (INCLUDING INF)	49	1,192,446	2.26	10,791	(66.06)	57.00	*21,742,174 *15,221,743	51,415	- 511	5.05
RUN2 (Wonder sh21)	250kt_MILL_1400_EX 1200_777 (EXCLUDING INF)	49	1,155,092	2.25	10,653	(64.59)	56.67	*21,779,629 *15,072,259	79,617	- 515	5.22
RUN3 (Wonder sh21)	TOLL_MILL_1400_EX1 200_777 (INCLUDING INF)	49	147,005	3.64	1,350	(16.52)	21.43	4,911,090	16,170	- 1,022	5.39
RUN4 (Wonder sh21)	TOLL_MILL_1400_EX1 200_777 (EXCLUDING INF)	49	142,560	3.64	1,302	(15.92)	20.50	4,879,330	15,662	- 1,016	5.13
RUN1 (Great Western sh21)	250kt_MILL_1400_EX 1200_777 (INCLUDING INF)	49	396,406	3.07	6,006	(37.50)	47.20	9,691,711	35,351	- 977	14.15
RUN2 (Great Western sh20)	250kt_MILL_1400_EX 1200_777 (EXCLUDING INF)	49	206,952	2.92	2,670	(15.34)	24.66	6,320,990	19,041	- 963	11.90
RUN3 (Great Western sh14)	TOLL_MILL_1400_EX1 200_777 (INCLUDING INF)	49	73,637	3.42	955	(10.25)	10.56	575,570	7,932	- 1,296	12.44
RUN4 (Great Western sh14)	TOLL_MILL_1400_EX1 200_777 (EXCLUDING INF)	49	72,215	3.45	956	(10.17)	10.74	566,247	7,541	- 1,297	12.65
RUN1 (Blue Bush sh20)	250kt_MILL_1400_EX 1200_777 (INCLUDING INF)	49	115,032	1.53	701	(6.23)	5.15	1,923,931	6,053	- 1,024	5.10
RUN2 (Blue Bush sh20)	250kt_MILL_1400_EX 1200_777 (EXCLUDING INF)	49	115,032	1.53	701	(6.23)	5.15	1,923,931	6,053	- 1,024	5.10
RUN3 (Blue Bush sh2)	TOLL_MILL_1400_EX1 200_777 (INCLUDING INF)	49	455	2.40	0.57	(0.04)	0.04	6,690	32	- 1,223	0.91
RUN4 (Blue Bush sh2)	TOLL_MILL_1400_EX1 200_777 (EXCLUDING INF)	49	455	2.40	0.57	(0.04)	0.04	6,690	32	- 1,223	0.91

Table 3 Modifying Factors used in Bundarra Gold Project Ore Reserve Estimate

Deposit	Modifying Factors					
	Gold Price A\$/oz	Cut-off Grade g/t Au	Mining Dilution %	Mining Recovery%	Mine Call Factor%	Average Metallurgical Recovery %
Wonder	1,400	0.78	110	95	100	90.7
Great Western	1,400	0.75	110	95	100	98
Blue Bush	1,400	0.82	110	95	100	90
Celtic	1,400	0.8	110	95	100	90.7

## **LEONORA PROJECT**

A mapping and sampling visit to the Diorite King Prospect was conducted over five days in mid-September. During this time, 25 rock chip samples were collected over areas of interest for multi-element geochemical analysis.

Three of the 25 samples returned Au values over 100 ppb (DKR011, DKR014 and DKR024) (Figure 1, 2 and 3). A further four samples returned Au values between 30 – 100 ppb (DKR012, DKR013 and DKR025). These seven samples (outcrop and dump) were collected around historical workings, within an area which has previously returned a number of anomalous soil samples (above 30 ppb Au) (Figure 3).

Geological and structural field observations at the Diorite King prospect indicate the presence of a NE-SW trending shear zone, along which several historical gold workings have been exploited. The recent sampling highlights the elevated gold nature of the historically mined rock.

The shear zone has a dominant NE-SW fabric, with evidence of cross cutting structures which elsewhere act to localise gold mineralisation and local pervasive sericite and chlorite alteration.

Several recently located gold nugget locations found by local prospectors will be incorporated into the current Leonora database and used to expand Bligh's knowledge of the spatial distribution of gold mineralisation.

Bligh is currently planning further sampling and mapping of the historical mines.



**Figure 1 Historical Working – Sample DKR011 collected at this location**



**Figure 2 Historical working – sample DKR014 collected in this area**

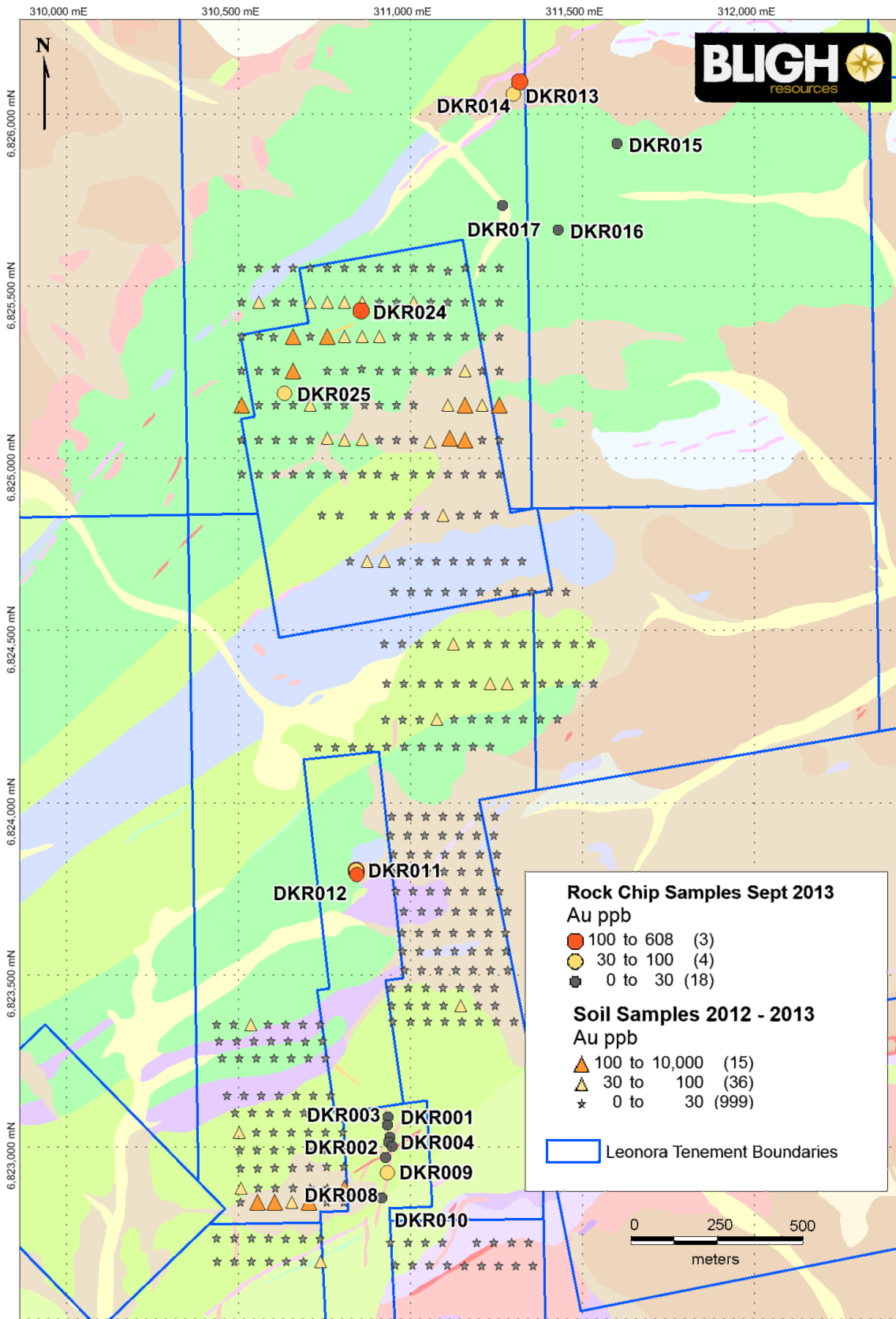


Figure 3 - Rock Chip Samples Collected Sept 2013



### **About Bligh Resource Limited**

Listed in 2011, Bligh (ASX: BGH) is an explorer focused on the near term gold production potential in the Leonora region in W.A and manganese exploration projects in both N.T and W.A.

Bligh holds a strategic 42.9% interest in SR Mining Pty Ltd, which owns the advanced Bundarra Gold Project in Western Australia as well as a 100% interest in the Leonora Gold Project. Bligh also has an 80%-100% interest in the Bootu Two Creek Manganese Project in the Northern Territory.

Bligh also has a 100% interest in the Kumarina Manganese projects in WA.

### **Further information:**

**Rob Benussi:** 0410 415 335 – CEO

Released through **Fergus Ross, Six Degrees Investor Relations:** 0420 980 448

### **Competent Person**

*The information in the report above that relates to Exploration Results is based on information compiled by Dr Pieter Moeskops, the principal of Agaiva Holdings Pty Ltd and a member of The Australasian Institute of Mining and Metallurgy. Dr Moeskops has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities which 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. Dr Moeskops consents to the inclusion in this report of matters based on his information in the form and context in which it appears.*

### **Competent Person-William Nene Bundarra Gold Project Mining Reserve Table 1**

*The information in this announcement that relates to Ore Reserves is based on information compiled by Mr William Nene, who is a full time employee of Goldfields Mining Services Ltd and a Member of The Australasian Institute of Mining and Metallurgy. William Nene has sufficient experience which is relevant to the styles of mineralisation and types of deposits which are covered in this report and to the activity which 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'. Mr William Nene consents to the inclusion of such information in this report in the form and context in which it appears.*

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

**BLIGH RESOURCES LIMITED**

ABN

**83 130 964 162**

Quarter ended ("current quarter")

**December 31<sup>st</sup> 2013**

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 Months) \$A'000
1.1 Receipts from product sales and related debtors JV proceeds- exploration & evaluation	-	-
	-	2
1.2 Payments for (a) exploration & evaluation	(121)	(208)
(b) development	-	-
(c) production	-	-
(d) administration	(144)	(310)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	20
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	14	7
-PAYG/GST		
-Research & Development Tax Incentive	207	207
<b>Net Operating Cash Flows</b>	<b>(37)</b>	<b>(284)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	26	26
(b) equity investments	-	52
(c) other fixed assets	-	-
1.10 Loans to other entities-SR Mining Pty Ltd	-	-
1.11 Loans repaid by other entities	-	62
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>26</b>	<b>140</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(11)	(144)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)- IPO related cost & Convertible Note Fee		(13)
	Proceeds from Interest -Loan to SR Mining Pty Ltd	59	59
	<b>Net financing cash flows</b>	<b>59</b>	<b>46</b>
	<b>Net increase (decrease) in cash held</b>	<b>48</b>	<b>(98)</b>
1.20	Cash at beginning of quarter/year to date	866	1012
1.21	Exchange rate adjustments to item 1.20	Nil	Nil
1.22	<b>Cash at end of quarter</b>	<b>914</b>	<b>914</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	--
1.24	Aggregate amount of loans to the parties included in item 1.10	938

1.25 Explanation necessary for an understanding of the transactions

Non-Executive Directors	\$ 34 k
Executive Directors	\$ 50 k

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.



### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	N/A
3.2 Credit standby arrangements <i>Convertible Note</i>	Nil	Nil

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
4.3 Production	n/a
4.4 Administration	140
<b>Total</b>	<b>190</b>

### Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	7	64
5.2 Deposits at call	819	705
5.3 Bank overdraft	n/a	n/a
5.4 Other (provide details) <i>Bank Guarantee-office</i>	11	11
<i>Security &amp; Environmental Bonds- NSW &amp; NT</i>	77	86
<b>Total: cash at end of quarter (item 1.22)</b>	<b>914</b>	<b>866</b>

+ See chapter 19 for defined terms.

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	P37/7803	Reduced	100%	0%
	P37/7804	Reduced	100%	0%
	P37/7820	Reduced	100%	0%
	P37/7821	Reduced	100%	0%
	P37/7824	Reduced	100%	0%
	P37/7825	Reduced	100%	0%
	P37/7826	Reduced	100%	0%
	P37/7827	Reduced	100%	0%
	P37/7797	Reduced	100%	0%
	P37/7798	Relinquished	100%	0%
	P37/7800	Relinquished	100%	0%
	P37/7830	Relinquished	100%	0%
	P37/7831	Relinquished	100%	0%
	P37/7832	Relinquished	100%	0%
	P37/7802	Relinquished	100%	0%
	P37/7801	Relinquished	100%	0%
	P37/7794	Relinquished	100%	0%
	P37/7795	Relinquished	100%	0%
	P37/7828	Relinquished	100%	0%
	P37/7796	Relinquished	100%	0%
P37/7799	Relinquished	100%	0%	
6.2 Interests in mining tenements acquired or increased				

### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	<b>60,125,720</b>	<b>60,125,720</b>	<b>n/a</b>	<b>n/a</b>

+ See chapter 19 for defined terms.

7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	<b>+Convertible debt securities</b> (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)	16,000,000	Nil	<i>Exercise price</i> \$0.25	<i>Expiry date</i> 23 <sup>th</sup> November 2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does \* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Anna Sandham  
(Company secretary)

Date: January 10 2014.

Print name: Anna Sandham

---

+ See chapter 19 for defined terms.

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.