

2 March 2020

ASX Announcement

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Sales Contract Agreed with Trafigura for Wiluna Gold Concentrate

Highlights

- First Wiluna gold concentrate offtake agreement secured
- Contract accounts for 30% of concentrate from production commencement for 3 years
- Advanced negotiations underway for remainder of Wiluna gold concentrate

Blackham Resources Limited (ASX: BLK) (“Blackham”, “Seller”), and Trafigura Pte. Ltd. (“Buyer”) have executed a sales contract for Trafigura to purchase Gold Concentrate from Blackham’s Stage 1 Expansion project (see ASX release dated 23rd December 2019).

The contract shall be effective from the start of Blackham’s gold concentrates production anticipated in Q3FY21, for a period of 3 years, and following that shall be renewed on an evergreen basis with 12 months’ notice exercisable by either party. The minimum quantity to be delivered under the contract is 52,500 t of Gold Concentrate. The terms that have been agreed are aligned with the financial model that Blackham has developed for the Stage 1 Expansion Project.

Trafigura’s global non-ferrous concentrate trading book, which is in excess of 10 M tonnes per annum, together with its global blending facilities which service a variety of markets render Trafigura an ideal partner for Blackham.

Blackham Executive Chairman Milan Jerkovic commented “Reaching agreement for the sale of a significant proportion of Stage 1 gold concentrate production is an important milestone for Blackham. Reaching that agreement with a global counterparty such as Trafigura provides certainty in the sale potential of the Wiluna gold concentrates. We look forward to developing a sustainable long-term operation based on the production of gold concentrates with partners that consider operational sustainability as a crucial element of conducting business.”

About Trafigura:

Founded in 1993, Trafigura is one of the largest physical commodities trading groups in the world. Trafigura sources, stores, transports and delivers a range of raw materials (including oil and refined products and metals and minerals) to clients around the world. The trading business is supported by industrial and financial assets, including 49.3 percent owned global oil products storage and distribution company Puma Energy; global terminals, warehousing and logistics operator Impala Terminals; Trafigura's Mining Group; and Galena Asset Management.

BOARD OF DIRECTORS

Milan Jerkovic – Executive Chairman
Neil Meadows- Operations Director
Greg Fitzgerald – Non-Executive Director
Tony James – Non-Executive Director

ASX CODE

BLK

CORPORATE INFORMATION

4,716M Ordinary Shares
674M Quoted Options
190M Unquoted Options

PRINCIPAL AND REGISTERED OFFICE

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The Company is owned by over 700 of its 8,000 employees who work in 80 offices in 41 countries around the world. Trafigura has achieved substantial growth over recent years, growing revenue from USD12 billion in 2003 to USD 171.5 billion in 2019. The Group has been connecting its customers to the global economy for more than two decades, growing prosperity by advancing trade.

Trafigura recently published its fifth Responsibility Report which accounts for the company's environmental, social and governance (ESG) performance. The Report presents a practical perspective on how Trafigura is working independently and in collaboration with its many suppliers and counterparts to manage its ESG impacts.

This announcement has been approved by the Board of Blackham Resources Limited

For further information on Blackham please contact:

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