



28 June 2013

Announcement of Proposed Acquisition of Land and Mineral Limited

Key points:

- **Bligh Mining Limited** has secured the right to acquire a company that holds a number of base metals (copper), phosphate and gold exploration projects in New South Wales and the Northern Territory and is in advanced negotiations for an agreement to farm into a Zambian Copper project;
- The acquisition is the first step in the Company's transition into the resources sector; and
- The Company will seek shareholder approval for the acquisition and to rename the Land and Mineral Limited to reflect its planned focus as a diversified explorer.

Bligh Mining Limited (ASX: BLH) (the **Company**) is pleased to advise that it has executed a binding Heads of Agreement for the acquisition of Land & Mineral Limited (**Land & Mineral**).

Land & Mineral was established with a primary focus on the exploration and development of base metals (copper), phosphate and gold exploration projects in New South Wales and the Northern Territory and is currently finalising an agreement to farm into a Zambian Copper project.

The acquisition of Land & Mineral would involve a significant change to the nature and scale of the Company's activities. As a consequence, the Company will be seeking shareholder approval to proceed with the acquisition. If shareholder approval is obtained, the Company will re-comply with Chapters 1 and 2 of the ASX Listing Rules.

An overview of Land & Mineral, its projects and the proposed process for seeking shareholder approval and re-complying with Chapters 1 and 2 of the ASX Listing Rules is set out below.

1. Land & Mineral and the Projects

Land & Mineral is a Melbourne based exploration company with a diverse portfolio of exploration projects in New South Wales and the Northern Territory at various stages of development.

In New South Wales Land & Mineral has two licenses called Mt Hope and Tresylva. Mt Hope is targeting high grade "Cobar style" mineralisation and Tresylva is a base metal and platinum exploration target. Tritton style copper / base metal mineralisation is the target model.

In the Northern Territory Land & Mineral has a portfolio of early stage exploration projects in the Victoria River district and also within the Wiso Basin. The target commodities are both Phosphate and Potash. Numerous inland evaporate salt lakes are present within the Wiso group of tenements Land & Mineral plans to undertake test work (subject to relevant approvals being granted) to ascertain if Potash brines are present.

Land & Mineral is also in advanced negotiations for an agreement to farm into a Zambian copper project located in the Mumbwe district of Zambia.

2. The Acquisition

The Company has entered into a binding Heads of Agreement with Land & Mineral. Pursuant to the terms of the Heads of Agreement, the parties have agreed to negotiate and enter into a formal share sale agreement whereby the Company has the right to acquire 100% of the issued capital of Land & Mineral.

The proposed acquisition is subject to the following conditions precedent being satisfied:

- a) satisfactory completion of due diligence by both parties;
- b) the Company obtaining all requisite and regulatory approvals required under the ASX Listing Rules and the Corporations Act to:
 - (i) a change in the nature and scale of its activities;
 - (ii) the appointment of three directors nominated by Land & Mineral;
 - (iii) the issue of the 36,915,005 consideration shares to Land and Mineral's shareholders;
 - (iv) the issue of up to 15 million fully paid ordinary shares at an issue price of \$0.10 each under a private placement to be conducted by Bligh;
 - (v) the issue of up to 15 million fully paid ordinary shares (with a one for two free attaching option having an exercise price of \$0.20 each) at an issue price of \$0.20 per share to the public via a prospectus; and
 - (vi) a change of the Company's name.

In consideration for the acquisition, the Company will issue 36,915,005 fully paid ordinary shares (having a deemed issue price of approximately \$3.7 million) to the shareholders of Land & Mineral.

3. Change to the Nature and Scale of Activities

ASX Listing Rule 11.1 provides that if an entity proposes to make a significant change, either directly or indirectly, to the nature and/or scale of its activities, it must provide full details to ASX as soon as practicable.

Listing Rule 11.1.2 provides that, if the ASX requires, the entity must get shareholder approval and comply with the ASX's requirements in respect of the notice of meeting. Listing Rule 11.1.3 provides that, if the ASX so requires, the entity must meet the requirements of Chapters 1 and 2 as if the entity were applying for admission to the Official List.

The Company anticipates that the ASX may exercise its discretion to require security holder approval under Listing Rule 11.1.2 and the Company to re-comply with Chapters 1 and 2.

4. Board and Management Changes

It is proposed that if the acquisition is completed, Messrs Sevag Chalabain and Andrew Nutt will step down as directors of the Company and will be replaced with three directors nominated by Land & Mineral who will provide the requisite skills and experience to pursue the Company's new direction. Mr Tony Crimmins will continue as a Director of the Company for a period following the acquisition to ensure a smooth transition.

Further details are intended to be provided to shareholders in the Notice of Meeting for the General Meeting.

5. General Meeting of Shareholders

The Company will convene a general meeting of shareholders to approve (amongst other things):

- a) a change in the nature and scale of its activities;
- b) the appointment of three directors nominated by Land & Mineral;
- c) the issue of the 36,915,005 consideration shares to Land and Mineral's shareholders;
- d) the issue of up to 15 million fully paid ordinary shares at an issue price of \$0.10 each under a private placement to be conducted by Bligh;
- e) the issue of up to 15 million fully paid ordinary shares (with a one for two free attaching option having an exercise price of \$0.20 each) at an issue price of \$0.20 per share to the public via a prospectus; and
- f) a change of the Company's name.

6. Proposed Capital Structure

The following table sets out an example of the Company's capital structure upon completion of the acquisition. Further details regarding the confirmed capital structure will be detailed within the Notice of General Meeting that is sent to shareholders:

	Shares	Options
Securities currently on issue	8,933,876	Nil
Securities to be issued as consideration for the acquisition	36,915,005	Nil
Securities to be issued by private placement	15,000,000	Nil
Securities to be issued to the public	15,000,000	7,500,000
Total securities following the acquisition	75,848,881	7,500,000

7. Indicative Timetable

Notice of Meeting despatched	1st August 2013
Date for return of proxies	30th August 2013
General Meeting	10th September 2013
Completion of Acquisition	30th September 2013
Prospectus Despatched	15th October 2013
Offer under Prospectus Closes	15th November 2013
Anticipated allotment of shares	21st November 2013
Holding Statements Dispatched	26th November 2013
Reinstatement to Quotation	1st December 2013

The above dates are indicative only and are subject to change without notice.

8. Information to Shareholders

The Company's shareholders will receive a Notice of General Meeting in due course. The notice will contain further details regarding Land & Mineral, its projects and the requisite resolutions seeking approval to the change in the nature and scale of the Company's activities.