



Bligh Resources Limited

ACN 130 964 162

ASX: **BGH**

ASX Release

22 July 2016

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For the Latest News:

www.blighresources.com.au

Directors:

Bill Richie Yang - Executive Director
Jinle Song - Non-Executive Director
Tianbao Wang - Non-Executive Director
Jerome G Vitale - Non Executive,
Managing Director and CEO elect

Company Secretary

Ian White

Issued Capital:

Shares:	94,366,760
Unlisted Options:	23,650,000
Performance Shares:	2,500,000
Convertible Notes:	\$350,000

Currently Exploring and Developing:

- Gold

Current Projects:

- Bundarra Gold Project
- Leonora Gold Project

EXPERIENCED MINING EXECUTIVE GINO VITALE TO JOIN BЛИGH AS MD

Underwritten \$1.7m capital raising to fund growth opportunities

Key Points

- Experienced mining executive Gino Vitale to become Managing Director and Chief Executive of Bligh Resources
- Bligh to raise up to \$1.7m in Underwritten Placement and Share Purchase Plan at 2.5c a share

Bligh Resources Limited (ASX: BGH) is pleased to announce the appointment of experienced gold industry executive Gino Vitale as a non-executive director (with immediate effect) and Managing Director and Chief Executive-elect.

Mr Vitale will become Managing Director and Chief Executive upon completion of the second tranche of the \$1.7 million share placement being announced today. This second tranche will be subject to a shareholder vote in September.

Mr Vitale will seek to accelerate exploration opportunities close to the Company's Bundarra Gold Project near Leonora in WA and to identify regional and complementary growth opportunities for the Company.

To fund this strategy and meet joint venture payments at Bundarra as the project progresses toward development, Bligh has appointed Somers & Partners Pty Ltd to underwrite the capital raising of up to \$1.7m.

The raising will comprise a two-tranche placement of approximately 57.9 million fully paid ordinary shares in Bligh to sophisticated and professional investors to raise \$1.45 million and a Share Purchase Plan (SPP) to be offered to eligible shareholders at the record date to raise a further \$250,000. Both issues will be at 2.5 cents per share, which is in line with Bligh's 30-day volume-weighted average price (VWAP).

The first tranche of the Placement comprises 7.9 million Shares to raise approximately \$200,000, will be issued under the Company's existing capacity under ASX Listing Rule 7.1 and 7.1A and is expected to settle on Monday, 25 July 2016.

The second tranche of 50 million Shares is subject to shareholder approval, with a general meeting of shareholders to be held in early September 2016. The Shares under the SPP will be offered to registered shareholders as at the close of business on 21 July 2016. Further details will be disclosed in the SPP offer booklet to be issued shortly.

The underwriting of the second tranche and the SPP is on customary terms to an agreement of this nature and is subject to the following conditions precedent:

- Shareholder approval for the second tranche of the Placement, SPP (if there is a shortfall) and the issue of broker options to Somers; and
- appointment of one nominee acceptable to the underwriter to the Board of Directors of Bligh and the resignation of two of the existing three Directors (other than Messrs Vitale and Yang).

Bligh Issued Capital

	Shares	Options
Presently on issue	94,366,760	23,650,000
First tranche of Placement	7,900,000	
Position at completion of first tranche of Placement	102,266,760	23,650,000
Share Purchase Plan	10,000,000	
Second tranche of Placement ⁽¹⁾	50,000,000	
Advisor Options ^{(1) (2)}		10,000,000
At completion of Acquisition and Capital Raisings	162,266,760	33,650,000

(1) Subject to shareholder approval

(2) Advisor options payable at completion of second tranche of Placement

(3) The Company also has \$350,000 of convertible notes on issue with conversion rights priced at market VWAP for ordinary shares in 20 trading days preceding date of formal notice of conversion

Appointment of Mr Vitale

Mr Vitale has joined the Bligh Board initially as a non-executive capacity, effective upon completion of the first tranche of the Placement. At completion of at the second tranche of the Placement, Mr Vitale will assume the role of Managing Director and CEO of the Company. Details of his compensation arrangements and terms of appointment in this capacity are being finalised and will be announced in due course.

Mr Vitale is an experienced mining company executive with wide ranging experience in project development and finance. His achievements in the gold sector include the acquisition, construction an operation of the McKinnons Gold project in Cobar NSW (a 50,000 oz pa low cost open cut operation), execution of numerous gold project financing transactions as a project finance specialist with Standard Chartered Bank group and senior executive responsibilities with the Normandy Mining group prior to its acquisition by Newmont Mining Corporation.

Mr Vitale's other appointments have included senior roles with a copper production and exploration company, a privately held mining reagents business and as principal of a specialist mining corporate advisory consultancy and corporate turnaround situations. He has extensive experience and conducting resource project evaluation and feasibility studies in numerous commodities as head of multi-disciplinary technical teams and has acted as lead advisor to Chinese SOE's and private sector investment houses in relation to non-ferrous metals project opportunities in Australia and internationally.

Company Strategy

Following completion of the Capital Raising, the Company's focus will be to complete regional review of the Leonora area where Bundarra is located with a view to expanding its gold portfolio either directly or through joint venture. The Company also plans to build its in-house technical and management team and expects to make further announcements in this regard in the coming weeks.

Background on the Bundarra Joint Venture

On 28 October 2015, the Company's wholly owned subsidiary SR Mining entered into a 50/50 Joint Venture Agreement for its Bundarra Project with CG. CG agreed to complete a feasibility study for the project within 18 months and to sole fund the construction of a Carbon-in-Pulp Gold Recovery Plant to be leased back to the JV partners. Further details are included in the Company's ASX announcement made on 28 October 2015.

Since signing the JV Agreement, CG has complied with its preliminary obligations including cash payments to the Company of \$475,000 and direct project expenditure for technical studies at Bundarra as part of its commitment under the JV agreement. Further to the Company's announcement of 27 May 2016, the parties remain in discussion in respect of ways in which their respective interests in the project can be maximised.

Bill Richie Yang
Executive Director

For further information, visit www.blighresources.com.au or contact:

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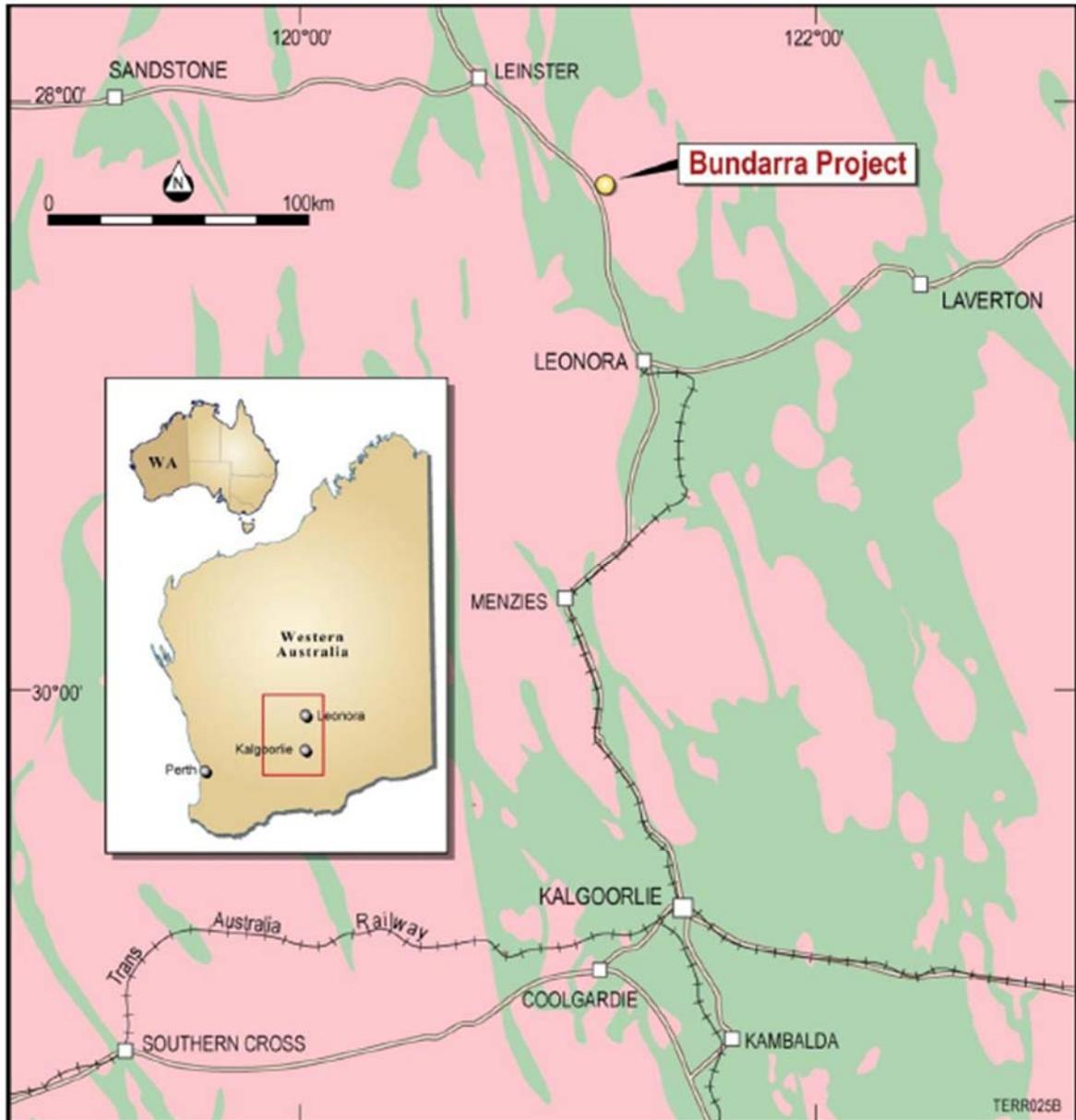
or

Gino Vitale
Non-Executive Director (Managing Director and CEO elect)
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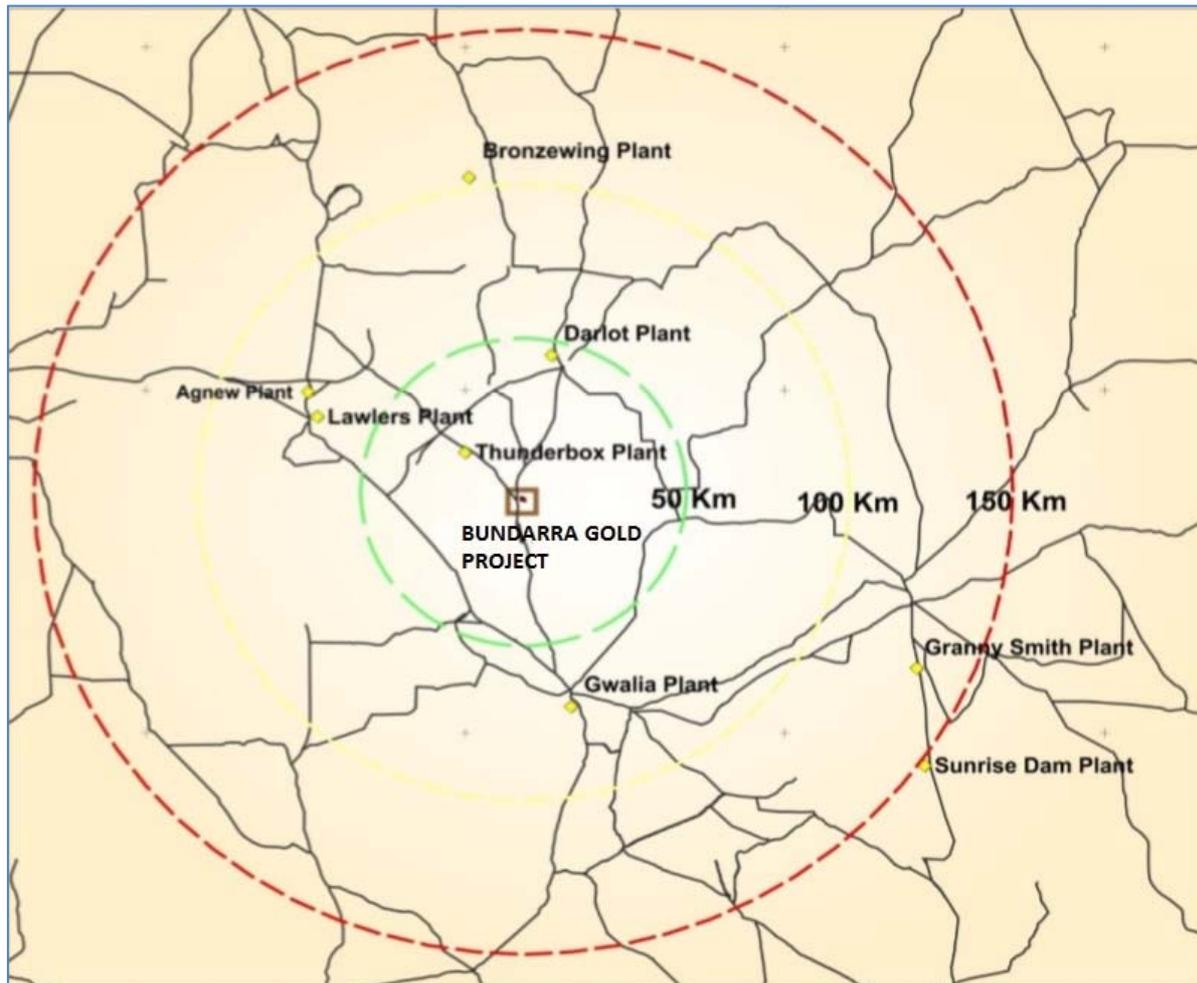
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About the Bundarra Gold Project

The Bundarra Gold Project (Contained Gold earning 50%) lies within the Norseman-Wiluna greenstone belt of the Archean Yilgarn Craton, approximately 60km north of Leonora in the Eastern Goldfields region of Western Australia. The Company has previously reported Mineral Resources (JORC 2004) across three deposits and a new exploration zone (Celtic, Wonder North, Wonder West and Bluebush). Details of the resource estimate are contained in the Company's announcement dated 23 March 2015.



Bundarra project location



Bundarra – regional gold operations and processing centres

The project tenement schedule consists of five mining leases, six prospecting licences and two miscellaneous licences for groundwater exploration and future haulage route covering an area of 60.5km². To date, more than 3,000 holes have been drilled with accumulated drill depth of more than 150,000 metres. In 2013, Bligh engaged CSA Global to carry out a Scoping Study for a toll milling solution based on the premise that nearby processing plants have known spare capacity. The study returned very attractive cashflow forecasts, however should the results of future exploration or aggregation with nearby deposits justify a stand-alone processing plant the Company has not discounted possible on-site treatment solutions.