



24 October 2014

The Manager, Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

NOTICE OF ANNUAL GENERAL MEETING/PROXY FORM

Please find attached a copy of the Notice of Annual General Meeting/Proxy Form which is to be dispatched to Blackthorn Resources shareholders today.

The Annual General Meeting is to be held at the offices of Computershare Investor Services Pty Limited, Level 4, 60 Carrington Street, Sydney at 11:00am (Sydney time) on Thursday, 27 November 2014.

Should you require further information please contact:

Chris Brown
Company Secretary
Ph: + 61 2 9357 9000



**BLACKTHORN
RESOURCES**

NOTICE OF ANNUAL GENERAL MEETING and EXPLANATORY MEMORANDUM

Blackthorn Resources Limited
ABN 63 009 193 980

Date of Meeting
Thursday, 27 November 2014

Time of Meeting
11:00am (Sydney time)

Place of Meeting
Computershare Investor Services Pty Limited
Level 4, 60 Carrington St
Sydney, NSW 2000

A PROXY FORM IS ENCLOSED.

Please read the Notice of Meeting and Explanatory Memorandum carefully.

**IF YOU ARE UNABLE TO ATTEND THE MEETING PLEASE COMPLETE AND RETURN
THE ENCLOSED PROXY FORM IN ACCORDANCE WITH THE SPECIFIED INSTRUCTIONS.**

CHAIRMAN'S LETTER

Dear Shareholders,

On behalf of the Board of Blackthorn Resources Limited, it gives me great pleasure to invite you to the 2014 Annual General Meeting of Shareholders.

The Annual General Meeting is to be held at the offices of Computershare Investor Services Pty Limited, Level 4, 60 Carrington Street, Sydney NSW 2000 on Thursday, 27 November 2014, commencing at 11:00am (Sydney time).

Please find enclosed the following documents in relation to the Annual General Meeting:

- a) Notice of Annual General Meeting together with Explanatory Memorandum; and
- b) Proxy Form for the Annual General Meeting together with instructions.

A copy of the Company's 2014 Annual Report is enclosed for those Shareholders who have elected to receive a copy. A copy of the Annual Report is also available on the Company's website www.blackthornresources.com.au.

If you decide to attend the Annual General Meeting, please bring the enclosed Proxy Form with you to facilitate your registration.

If you are not able to attend the Annual General Meeting in person, you are urged to complete and lodge the enclosed Proxy Form as soon as possible and, in any event, by no later than 11:00am (Sydney time) on Tuesday, 25 November 2014. Instructions on how to vote by proxy are set out on the Proxy Form.

Your Directors hope that you will be able to find the time to attend the Meeting.

Yours sincerely,



Mike Oppenheimer
Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2014 Annual General Meeting (“**AGM**”) of the Company will be held on Thursday, 27 November 2014, commencing at 11:00am (Sydney time) at the offices of Computershare Investor Services Pty Limited, Level 4, 60 Carrington Street, Sydney NSW 2000.

The attached Explanatory Memorandum should be read in conjunction with this Notice of Meeting. Capitalised terms used in this Notice of Meeting and the Explanatory Memorandum have the meanings set out in the Glossary.

ORDINARY BUSINESS

ITEM 1 – FINANCIAL REPORT

To receive and consider the consolidated financial report of the Company, together with the reports of the Directors and Auditor, for the year ended 30 June 2014.

Note:

There is no requirement for Shareholders to approve these reports.

ITEM 2 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following as an ordinary resolution:

“That the Remuneration Report for the year ended 30 June 2014, as contained in the Directors’ Report, be adopted.”

Note:

The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement:

*In accordance with the Corporations Act, the Company will disregard any votes cast (in any capacity) by or on behalf of a member of the key management personnel (“**KMP**”) whose remuneration is included in the Remuneration Report, or a Closely Related Party of any KMP, in relation to the proposed resolution in Item 2.*

However, the Company need not disregard a vote if:

- it is cast by a person referred to above as proxy for a person who is entitled to vote on the resolution, in accordance with a direction on the Proxy Form specifying how the proxy is to vote on the resolution; or*
- it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, where the Proxy Form does not specify the way the Chairman of the Meeting is to vote and which expressly authorises the Chairman of the Meeting to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of members of the KMP (including the Chairman of the Meeting).*

ITEM 3 – RE-ELECTION OF DIRECTOR: MR. ROGER HIGGINS

To consider and, if thought fit, to pass the following as an ordinary resolution:

“That Mr. Roger Higgins, who retires from office in accordance with clause 45 of the Constitution and being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

ITEM 4 – RE-ELECTION OF DIRECTOR: MR. PETER KALKANDIS

To consider and, if thought fit, to pass the following as an ordinary resolution:

“That Mr. Peter Kalkandis, who retires from office in accordance with clause 46 of the Constitution and being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

SPECIAL BUSINESS

ITEM 5 – APPROVAL OF 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass the following as a special resolution:

“That for the purpose of Listing Rule 7.1A and for all other purposes, approval be given to the issue by the Company of up to 10% of the issued share capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms as set out in the Explanatory Memorandum.”

Voting Exclusion Statement:

In accordance with the Listing Rules, the Company will disregard any votes cast by or on behalf of a person who may participate in the 10% Placement Facility and any associate of such a person, who may obtain a benefit, except a benefit solely in the capacity of a holder of Shares, in relation to the proposed resolution in Item 5.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

EXPLANATORY MEMORANDUM

An Explanatory Memorandum to Shareholders follows this Notice of Meeting.



Chris Brown
Company Secretary

Sydney, 24 October 2014

Entitlement to Vote

Pursuant to the Corporations Regulations 2001, the Company has determined that for the purpose of the Annual General Meeting, Shares will be taken to be held by persons who are registered holders at 7:00pm (Sydney time) on Tuesday, 25 November 2014. Accordingly, share transfers registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the Meeting.

How to Vote

You may vote by attending the Meeting in person, by proxy or by authorised representative.

Voting in Person

Shareholders wishing to vote in person (other than under a power of attorney), should attend the Meeting on the date and at the place set out above. The Meeting will commence at 11:00am (Sydney time) on Thursday, 27 November 2014.

Voting by Attorney

If a Shareholder proposes that an attorney is to attend and vote at the Meeting the instrument conferring the power of attorney or a certified copy of it must be produced to the Share Registry by no later than 11:00am (Sydney time) on Tuesday, 25 November 2014 in the same way as a proxy.

Voting by Corporate Representative

Corporate Shareholders who wish to appoint an individual to act as its representative to attend and vote at the Meeting in accordance with section 250D of the Corporations Act must provide that person with a properly executed 'Certificate of Appointment of Corporate Representative'.

Voting by Proxy

You are encouraged to attend the Meeting, but if you cannot attend, you are requested to complete and return the Proxy Form enclosed with this Notice of Meeting without delay to:

Computershare Investor Services Pty Limited GPO Box 242 Melbourne Victoria 3001, Australia	Facsimile: (within Australia) 1800 783 447 Facsimile: (outside Australia) + 61 3 9473 2555
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A person appointed as a proxy may be an individual or a body corporate.

Please note that:

1. A Shareholder entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to vote on that Shareholder's behalf.
2. Where more than one proxy is appointed, the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of those votes on a poll.
3. Appointment of a proxy by a Shareholder who is a corporation should be given in accordance with the Corporations Act or signed on its behalf by an authorised attorney.
4. If the proxy is executed under a Power of Attorney, the original instrument (or a certified copy of the original instrument) appointing the attorney must accompany the Proxy Form.
5. A proxy need not be a Shareholder of the Company and may be an individual or body corporate.
6. Any instrument of proxy in which the name of the appointee is not filled in shall be deemed to be given in favour of the Chairman of the Meeting.

7. If a Shareholder appoints a Director (other than the Chairman of the Meeting) or another member of KMP (or a Closely Related Party of any such person) as their own proxy and does not direct the proxy how to vote on Item 2 of business by marking the 'For', 'Against' or 'Abstain' box on the Proxy Form (Step 2), the proxy will not be able to exercise the Shareholder's proxy and vote on their behalf on the relevant resolution.
8. If a Shareholder appoints the Chairman of the Meeting as proxy, the Shareholder can direct the Chairman of the Meeting how to vote by either marking the 'For', 'Against' or 'Abstain' box on the Proxy Form (Step 2) for Item 2 of business, or by marking 'the Chairman of the Meeting' box on the Proxy Form (Step 1). If the Chairman of the Meeting is your proxy (or becomes your proxy by default), you expressly authorise the Chairman of the Meeting to exercise your proxy on the proposed resolution in Item 2 of business even though the resolution is connected directly or indirectly with the remuneration of a member of KMP and/or even if the Chairman of the Meeting has an interest in the outcome of this item of business.
9. To be effective the Proxy Form must be received by the Company not less than 48 hours before the time for holding the Meeting. Details of how and where to lodge the proxy are set out on the Proxy Form.
10. The Company encourages all Shareholders who submit proxies to direct their proxy how to vote on each resolution by marking the relevant boxes on the Proxy Form (Step 2) for each item of business.

Undirected Proxies

Subject to paragraph 8 above, on a poll, the Chairman of the Meeting intends to vote undirected proxies in favour of all resolutions.

Directed Proxies

Under amendments to the Corporations Act, there are now new rules relating to how a proxy must vote directed proxies. In summary:

- (a) a proxy need not vote on a show of hands but, if the proxy does vote, the proxy must vote as directed;
- (b) if a proxy is appointed by two or more Shareholders who specify different ways to vote on a resolution, the proxy must not vote on a show of hands;
- (c) if a proxy is the Chairman of the Meeting, the proxy must vote as directed on a poll;
- (d) if the proxy is not the Chairman of the Meeting, the proxy need not vote on a poll but, if the proxy does vote, the proxy must vote as directed; and
- (e) if the proxy is not the Chairman of the Meeting and does not attend the Meeting or does not vote on a resolution, but the proxy form specifies how to vote and a poll is demanded, then the Chairman of the Meeting is taken to have been appointed as a proxy and must vote as directed.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be transacted at the Annual General Meeting of Shareholders of the Company to be held at the offices of Computershare Investor Services Pty Limited, Level 4, 60 Carrington Street, Sydney NSW 2000 on Thursday, 27 November 2014, commencing at 11:00am (Sydney time).

The purpose of this Explanatory Memorandum is to provide Shareholders with all information known to the Company which is material to the business to be considered at the Meeting and to a decision on how to vote on the resolutions in the accompanying Notice of Meeting.

The Directors recommend Shareholders read the accompanying Notice of Meeting and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

ITEM 1 – FINANCIAL REPORT

The Company's 2014 Annual Report has been made available to Shareholders and is published on the Company's website www.blackthornresources.com.au.

In accordance with section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report of the Company must be laid before the Meeting for consideration. There is no requirement for Shareholders to approve these reports. However, the Chairman of the Meeting will allow a reasonable opportunity for Shareholders to ask questions or make comments about the reports.

Shareholders will also be given a reasonable opportunity to ask the Company's Auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the Company's accounting policies and the independence of the Auditor. In accordance with section 250PA of the Corporations Act, Shareholders may submit, to the Company's registered office, written questions to the Auditor with regard to the content of the Auditor's Report or the conduct of the audit of the annual financial report to be considered at the AGM. Such questions, which must be provided to the Company no later than five business days before the AGM, will be passed on to the Auditor for consideration and included in a question list which will be available at the start of the AGM.

ITEM 2 – ADOPTION OF REMUNERATION REPORT

The Remuneration Report of the Company for the year ended 30 June 2014 is set out in the Company's 2014 Annual Report, a copy of which is available on the Company's website www.blackthornresources.com.au.

The Remuneration Report sets out the Company's remuneration information in relation to non-executive Directors, the Chief Executive Officer and other specified executives, collectively termed key management personnel or KMP.

In accordance with the Corporations Act, the Company is required to put to the vote a resolution that the Remuneration Report contained within the Directors' Report in the Company's 2014 Annual Report, be adopted. However, Shareholders should note that this resolution is an 'advisory only' resolution and does not bind the Directors or the Company. The Directors will however take the outcome of the vote into consideration when reviewing remuneration practices and policies.

In considering the Remuneration Report, the Chairman of the Meeting will give Shareholders a reasonable opportunity to ask questions about or make comments on the Remuneration Report.

Under the Corporations Act the Company is required to disregard any votes cast on this item of business by any member of KMP of the Company and their Closely Related Parties, except as directed by any proxies.

KMP are people having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes Directors.

Closely Related Parties include certain family members and dependents of KMP and companies they control.

Noting that each Director has a personal interest in their own remuneration the subject of this resolution, the Board does not consider it is appropriate to make a recommendation to Shareholders in relation to voting on this resolution.

ITEM 3 – RE-ELECTION OF DIRECTOR: MR. ROGER HIGGINS

Clause 45 of the Constitution provides that the Directors may appoint a person as a Director to fill a casual vacancy or as an addition to the Board. Any Director so appointed will hold office until the next annual general meeting of the Company, at which the Director shall be eligible for re-election.

Listing Rule 14.4 provides that a director appointed to fill a casual vacancy or as an additional director to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Mr. Higgins was appointed as a non-executive Director on 1 January 2014 pursuant to clause 45.1 of the Constitution and, being eligible, seeks re-election in accordance with clause 45 of the Constitution.

Mr. Higgins has over 40 years' experience in the international mining industry, covering business and mine management, strategy and business development, project management, engineering and technical services, as well as management of logistics, environment and government/community relations. Mr. Higgins' most recent position was senior Vice President, Copper with Teck Resources. Prior to this role he has worked in various senior management roles with BHP Billiton Base Metals in Chile, Papua New Guinea, the United States and South Australia. Mr. Higgins is a director of ASX listed Metminco Ltd, as well as being a fellow of The Australasian Institute of Mining and Metallurgy and the Institution of Engineers, Australia.

Mr. Higgins is a member of the Audit and Risk Committee.

The Directors (other than Mr. Higgins) recommend the re-election of Mr. Higgins.

ITEM 4 – RE-ELECTION OF DIRECTOR: MR PETER KALKANDIS

Clause 46 of the Constitution provides that one third of the Directors shall retire from office at each annual general meeting and will be eligible for re-election. In addition, no Director (subject to the clause 63 exception for a Managing Director) shall hold office for more than three years without submitting themselves for re-election.

Listing Rule 14.4 restricts a director from holding office past the third annual general meeting following appointment without re-election. Furthermore, Listing Rule 14.5 provides that any entity which has directors must hold an election of directors each year.

Mr. Kalkandis was appointed a Director of the Company in May 2011 as the nominee for Glencore Plc, the Company's largest shareholder, pursuant to the Placement Agreement entered into between the Company and Glencore on 22 March 2011. Under the Placement Agreement Glencore may nominate to the Board a nominee director whilst it holds 9.99% or more of the issued Shares in the Company. At the date of this Notice of Meeting Glencore holds 14.19% of the issued capital of the Company. Mr. Kalkandis, being eligible, seeks re-election in accordance with clause 46 of the Constitution.

Mr. Kalkandis is a full-time employee of Glencore Australia Pty Limited, a subsidiary of Glencore Plc and is Head of Glencore's Base Metals Desk in Australia.

Mr. Kalkandis is a member of the Remuneration Committee.

The Directors (other than Mr. Kalkandis) recommend the re-election of Mr. Kalkandis.

ITEM 5 – APPROVAL OF 10% PLACEMENT FACILITY

Listing Rule 7.1A permits an eligible entity which has obtained the approval of its shareholders by special resolution to issue up to 10% of the entity's issued ordinary share capital through placements over a 12 month period following approval at an annual general meeting ("**10% Placement Facility**"). This 10% Placement Facility is in addition to the 15% placement capacity allowed under Listing Rule 7.1.

For the purposes of Listing Rule 7.1A an eligible entity is an entity which, at the time of the annual general meeting for which shareholder approval for the 10% Placement Facility is sought:

- (a) has a market capitalisation of \$300 million or less; and

(b) is not included in the S&P/ASX 300 index.

The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The number of Equity Securities that may be issued under the 10% Placement Facility within the 12 month period is determined in accordance with a formula prescribed in Listing Rule 7.1A.2.

Description of Listing Rule 7.1A

Shareholder Approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

The Company previously obtained shareholder approval under ASX Listing Rule 7.1A at its 2013 Annual General Meeting.

10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid for:

- (a) a 12 month period from the date of the annual general meeting at which approval is obtained; or
- (b) the date shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking)

whichever occurs first.

Equity Securities

Under Listing Rule 7.1A.3 Equity Securities issued under the 10% Placement Facility must be in an existing class of Equity Securities already quoted. Listing Rule 7.1A cannot be used for placements of Equity Securities in a class that has not yet been quoted.

Equity Securities are defined in the Listing Rules.

At the date of this Notice of Meeting, the only quoted class of Equity Securities of the Company on issue are 164,285,950 fully paid ordinary Shares.

Calculation Formula

The number of Equity Securities which may be issued or agreed to be issued during the 10% Placement Period is calculated under Listing Rule 7.1A.2 in accordance with the following formula:

(A x D) - E

Where:

- A** is the number of fully paid ordinary shares on issue 12 months before the issue date or date of agreement to issue:
- plus the number of fully paid ordinary shares issued in the 12 months under an exception to Listing Rule 7.2;
 - plus the number of partly paid ordinary shares that became fully paid in the 12 months;
 - plus the number of fully paid ordinary shares issued in the 12 months with approval of shareholders under Listing Rules 7.1 and 7.4;
 - less the number of fully paid ordinary shares cancelled in the 12 months.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the issue date or date of agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 and 7.4.

Minimum Issue Price

The issue price of Equity Securities issued under the 10% Placement Facility must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days on which trades in the class were recorded immediately before:

- (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (b) if the Equity Securities are not issued within five trading days of the date referred to in (a) above, the date on which the Equity Securities are issued.

Specific Disclosures Required under Listing Rule 7.3A

In accordance with Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Facility (unless disclosed elsewhere in this Explanatory Memorandum):

- (a) the Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same class over the 15 trading days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within five trading days of the date referred to in (i) above, the date on which the Equity Securities are issued.
- (b) there is a risk that:
 - (i) the market price of the Company's Equity Securities in the same class may be significantly lower on the issue date of the Equity Securities than on the date of the Meeting to approve the 10% Placement Facility under Listing Rule 7.1A.
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities in the same class on the issue date.

Both these risks may have an effect on the amount of funds that are raised by an issue of Equity Securities under the 10% Placement Facility.

The following table provides examples of the potential voting dilution effect of existing Shareholders under various scenarios based on the current market price of Shares and the current number of ordinary shares on issue (variable "A") calculated in accordance with the formula in Listing Rule 7.1A.2. as at the date of this Notice of Meeting.

The table includes:

- (i) two examples where variable "A" (number of fully paid ordinary Shares on issue) has increased by 50% and 100%. However, it should be noted that the number of ordinary Shares on issue may increase as a result of the issue of ordinary Shares that do not require Shareholder approval (for example, a pro rata entitlement issue) or future specific placements made under Listing Rule 7.1 that are approved at a future meeting of Shareholders; and
- (ii) two examples where the issue price of ordinary Shares has decreased by 50% and increased by 50% against the current market price of Shares.

Variable "A" in Listing Rule 7.1A.2		\$0.13 50% decrease in Issue Price	\$0.26 Issue Price	\$0.39 50% increase in Issue Price
Current Variable "A" 164,285,950 Shares	10% Voting Dilution	16,428,595 Shares	16,428,595 Shares	16,428,595 Shares
	Funds Raised	\$2,135,717	\$4,271,435	\$6,407,152
50% increase in current Variable "A" 246,428,925 Shares	10% Voting Dilution	24,642,893 Shares	24,642,893 Shares	24,642,893 Shares
	Funds Raised	\$3,203,576	\$6,407,152	\$9,610,728
100% increase in current Variable "A" 328,571,900 Shares	10% Voting Dilution	32,857,190 Shares	32,857,190 Shares	32,857,190 Shares
	Funds Raised	\$4,271,435	\$8,542,869	\$12,814,304

The table has been prepared based on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available to be issued under the 10% Placement Facility.
 - (ii) No current unlisted options are exercised into Shares before the date of the issue of Equity Securities.
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, and no other issues of Equity Securities.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
 - (vii) The issue price of \$0.26, being the closing price of the Shares on ASX on 1 October 2014.
- (c) the Company will only issue Equity Securities under the 10% Placement Facility during the 10% Placement Period.

The approval under Resolution 5 for the issue of Equity Securities will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking) before the 12 month anniversary of the annual general meeting.

- (d) the Company may issue Equity Securities under the 10% Placement Facility for the following purposes:
- (i) non-cash consideration for the acquisition of new resources, tenements, prospects, other assets or investments. In these circumstances the Company will provide and release to the market a valuation of the non-cash consideration as required under Listing Rule 7.1A.3.
 - (ii) cash consideration for the acquisition of new assets or investments, exploration and development expenditure (including feasibility studies) on existing or acquired assets, and for general working capital requirements.
- (e) the Company will comply with the additional disclosure requirements under Listing Rule 3.10.5A at the time of issue of the Equity Securities under Listing Rule 7.1A.4. Listing Rule 3.10.5A requires disclosure of the following:

- (i) details of the dilution to existing holders of ordinary Shares caused by the issue;
 - (ii) where the Equity Securities are issued for cash consideration, a statement of the reasons why the Company issued the Equity Securities as a placement under the 10% Placement Facility and not (or in addition to) a pro rata issue or other type of issue in which existing ordinary shareholders would have been eligible to participate in;
 - (iii) details of any underwriting arrangements, including any fees payable to the underwriter; and
 - (iv) any fees or costs incurred in connection with the issue.
- (f) The Company's allocation policy in relation to issues made under the 10% Placement Facility will be dependent on prevailing market conditions at the time of any proposed issue. The identity of the allottees and the number of Equity Securities to be allotted to each allottee will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
- (i) the methods available to the Company to raise funds such as rights issues or other methods of issue in which existing shareholders can participate;
 - (ii) the effect of the issue of Equity Securities on the control of the Company;
the effect of any "Top-Up" agreements in place with existing substantial shareholders;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice received from corporate, financial and brokering advisers.
- (g) The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its 2013 Annual General Meeting.
- (i) The Company has issued 2,660,000 Equity Securities in the 12 months preceding the date of this Meeting, representing 1.6% of the total number of Equity Securities on issue at the commencement of that 12 month period.
 - (ii) Details of the Equity Securities issued during the 12 months preceding the date of this Meeting is as follows:

Date of issue:	26 March 2014
Number issued:	2,660,000
Class of Equity Security:	Unlisted employee options
Summary of terms:	Unlisted options convertible to ordinary Shares at exercise price of \$0.25 per option, exercisable between 19 March 2017 and 31 May 2017, if the BTR Share price is at least \$0.75 (based 30 day VWAP) on 19 March 2017
Names of persons who received securities or basis on which those persons were determined:	Various employees pursuant to the Company's Employee Option Plan approved by Shareholders on 31 August 2012.
Price issued:	Nil
Discount to market price:	N/A
Total cash consideration received:	Nil
Use of cash consideration spent (if any):	N/A
Intended use for remaining amount of cash consideration (if any):	N/A

- (h) A voting exclusion statement is included in the Notice of Meeting. At the date of this Notice of Meeting, the Company has not been approached by any existing Shareholder or class of existing Shareholder to participate in the issue of Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion statement in the Notice of Meeting.

This resolution is a special resolution.

The Directors recommend that Shareholders vote in favour of this resolution.

GLOSSARY

In this Notice of Meeting and Explanatory Memorandum unless otherwise stated:

Annual General Meeting or **AGM** means the annual general meeting of the Company to be convened by the Notice of Meeting;

Annual Report means the annual report of the Company for the financial year ended 30 June 2014;

ASX means the ASX Limited ACN 008 624 691;

Auditor refers to the Company's auditor, KPMG;

Board means the board of Directors of the Company;

Closely Related Party of a member of the Key Management Personnel has the same meaning as given in the Corporations Act, being:

- (i) A spouse or child of the member;
- (ii) A child of the member's spouse;
- (iii) A dependent of the member or of the member's spouse;
- (iv) Anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- (v) A company the member controls; or
- (vi) A person prescribed by the *Corporations Regulations 2001 (Cth)*;

Company means Blackthorn Resources Limited ACN 009 193 980;

Constitution means the constitution of the Company;

Corporations Act means the *Corporations Act 2001 (Cth)*;

Director means a director of the Company, including a non-executive director;

Equity Securities has the same meaning as in the Listing Rules;

Explanatory Memorandum means this explanatory memorandum that accompanied and forms part of the Notice of Meeting;

Key Management Personnel or **KMP** has the same meaning as in the accounting standards (the term broadly includes those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director, whether executive or otherwise, of the Company);

Listing Rules means the official listing rules of ASX;

Meeting means the Annual General Meeting convened by the Notice of Meeting;

Notice of Meeting means the notice of Annual General Meeting dated 24 October 2014 to which this Explanatory Memorandum is attached;

Placement Period means the period of time that Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid for, being the period prescribed under Listing Rule 7.1A.1.

10% Placement Facility means the placement facility referred to in the resolution contained in Item 5 of the Notice of Meeting.

Proxy Form refers to the proxy appointment form that accompanied the Notice of Meeting;

Remuneration Report means the section in the Directors' Report contained in the Annual Report of the Company titled 'Remuneration Report';

Share means a fully paid ordinary share in the capital of the Company;

Shareholder means a holder of a Share; and

VWAP means volume weighted average price.



BLACKTHORN
RESOURCES

www.blackthornresources.com.au



BLACKTHORN
RESOURCES

Blackthorn Resources Limited
ABN 63 009 193 980

Lodge your vote:

Online:
www.investorvote.com.au

By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000



┌ 000001 000 BTR
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 11:00am (Sydney time) on Tuesday, 25 November 2014

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Blackthorn Resources Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Blackthorn Resources Limited to be held at the offices of Computershare Investor Services Pty Limited, Level 4, 60 Carrington Street, Sydney NSW 2000 on Thursday, 27 November 2014 at 11:00am (Sydney time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 2 (except where I/we have indicated a different voting intention below) even though Item 2 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Item 2 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

	For	Against	Abstain
Item 2 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3 Re-election of Director - Mr Roger Higgins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4 Re-election of Director - Mr Peter Kalkandis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SPECIAL BUSINESS

Item 5 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____

B T R

9 9 9 9 9 9 A

Computershare