

## \$38.5M funding for Matilda Gold Project

### BOARD OF DIRECTORS

**Paul Murphy**  
(Non-Executive Chairman)  
**Bryan Dixon**  
(Managing Director)  
**Alan Thom**  
(Executive Director)  
**Greg Miles**  
(Non-Executive Director)

ASX CODE  
BLK

### CORPORATE INFORMATION

179M Ordinary Shares  
18.8M Unlisted Options

ABN: 18 119 887 606

### PRINCIPAL AND REGISTERED OFFICE

Blackham Resources Ltd  
L2, 38 Richardson Street  
West Perth WA 6005

### POSTAL ADDRESS

PO Box 1412  
West Perth WA 6872

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

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

P: +618 9322 6418  
F: +618 9322 6398

- **Matilda Gold Project fully funded into production**
- **A\$38.5M funding package with Orion Mine Finance, including:**
  - **Feasibility funding of A\$2.5M Private Placement;**
  - **A\$6M Initial Loan; and**
  - **a further A\$30M post-successful completion of a definitive feasibility study over Matilda Gold Project**
- **Blackham welcomes Orion nominee Peter Rozenauers to the Board as a non-executive director**
- **Blackham welcomes Orion Mine Finance onto the register and its financial commitment to the 4.7Moz Matilda Gold Project**
- **The funding agreement has been agreed after extensive technical and legal due diligence**

Blackham Resources Limited (“Blackham” or “the Company”) is pleased to announce it has agreed a A\$38.5 million Funding Package with Orion Mine Finance (“Orion”), with the aim of funding the Matilda Gold Project into production by Quarter 2, 2016.

The Funding Package consists of a A\$2.5 million equity private placement (the “Private Placement”), a A\$6.0 million non-amortising loan facility (the “Initial Loan”) and a A\$30 million project facility loan (“Project Loan”). Blackham has also entered into a gold offtake agreement with Orion (the “Offtake”). The Private Placement, Initial Loan, Project Loan and Offtake transactions are collectively referred to as the Funding Package.

### **Blackham’s Managing Director, Bryan Dixon commented;**

**“Blackham are extremely pleased to have agreed the funding package and we welcome Orion onto the Company’s register and their nominee director Peter Rozenauers to our Board. This funding package will be used to continue extending the Matilda mine life while completing the definitive feasibility study. The Orion financing gives Blackham a fully-funded solution to bring the Matilda Gold Project into production.”**

The Matilda Gold Project in the Northern Yilgarn of Western Australia has a resource of 4.7Moz all located within a 20km radius of Blackham’s 100% owned 1.3Mtpa plant, gas power station, borefields and 350 person accommodation village.

## About the Orion Mine Finance Group

The Orion Mine Finance Group is a mining-focused investment business with approximately USD \$1.8 billion of funds under management (as of December 31, 2014), specializing in providing flexible capital investment solutions to junior mining companies in the base and precious metals sector. Orion has demonstrated capability in debt, equity, convertibles, offtake, streaming, and royalty investments.

## A\$2.5 Million Private Placement

Orion has agreed to purchase Blackham shares ("Shares") through a private placement for gross proceeds of A\$2.5 million priced at the lower of \$0.13 per share and 10 day VWAP. Following the completion of the Private Placement, Orion, will own approximately 12.5% of the Company's Shares.

Blackham is also pleased to announce that Orion nominee, Peter Rozenauers, will be appointed to the Board of Directors on completion of the Private Placement. Prior to Orion, Mr. Rozenauers was a Senior Investment Manager for the Red Kite Group's Mine Finance business. Prior to that, Mr. Rozenauers was Managing Director and Head of Asian Commodities Distribution for Barclays Capital in Singapore, a leading commodity global investment bank. While at Barclays Capital he was engaged with pan-Asian corporate and institutional business development across the metals, bulk commodities, energy and agricultural sectors with a particular focus upon financing and commodity risk management.

Mr. Rozenauers has extensive experience in commodities, equities and FX having spent more than 13 years working in Singapore, London and New York. He was involved in the development of long dated gold loans and FX hedging to the Australian gold mining sector whilst at Macquarie Bank in the early 1990's and has worked as a private Equity Consultant. Mr. Rozenauers earned a BEng (Honors 1) in Mining from the University of NSW and a Masters in Applied Finance from the University of Technology Sydney.

## A\$6 Million Initial Loan

The Company is in the process of finalising the conditions precedent and expects to drawdown on the \$6 million Initial Loan within the next week. The proceeds from advances under the Loan, together with the net proceeds of the Private Placement, will be used to fund further drilling, a definitive feasibility study and for general working capital purposes through to project financing.

### **Initial Loan Terms:**

- Principal amount of A\$6 million by way of Non-Amortising Term Loan.
- The maturity date 31 December 2017.
- Interest is 9.5% per annum plus the greater of 3 month BBSW and 2%. Interest will accrue over the term of the Loan and will be capitalised quarterly.
- Early repayment of the Loan may occur at any time without charges (other than customary breakage costs).
- Orion has a first priority security interest in all of the material assets of the Company including the Matilda Gold Project. Such security will be released following full repayment of the Loan plus all accrued interest.
- Orion will receive 33,333,333 non-listed options to subscribe for Shares at an exercise price of \$0.18 per share and an expiry date of 31 December 2017 (Orion Options).

## Project Loan

The A\$30 million Project Loan is to be advanced subject to the successful completion of the Matilda Gold Project Definitive Feasibility Study to Orion's satisfaction and used to fund the refurbishment of the Wiluna Gold Plant and infrastructure, mine development and working capital.

### **Project Loan Terms:**

- Principal amount of A\$30 million by way of senior secured project financing facility.
- Conditional on Orion's satisfaction with the successful completion of the Definitive Feasibility Study and all remaining permits being received for the Matilda Gold Project.

- The maturity date 31 August 2018.
- Interest is 7.5% per annum plus the greater of 3 month BBSW and 2%. Interest will accrue over the term of the Loan and will be capitalised quarterly.
- Orion has a first priority security interest in all of the material assets of the Company including the Matilda Gold Project. Such security will be released following full repayment of the Loan plus all accrued interest.

## Gold Offtake

Blackham and Orion have entered into an Offtake Agreement. Under the Offtake, Blackham has agreed to sell and Orion has agreed to purchase gold expected to be produced at the Company's Matilda Gold Project. Blackham will sell 50% of the gold produced from Matilda until it has delivered 250,000oz of gold to Orion. The payment price for the gold will be determined in the context of the market at the time of delivery, subject to certain quotational periods.

## Regulatory

The Private Placement shares will be issued under the Company's existing capacity pursuant to ASX Listing Rule 7.1 and 7.1A.

The Orion Options will be subject to FIRB, Corporations Act s606 and related shareholder approvals as exercise of the Orion Options could take Orion as high as 25.1% of the outstanding Shares in the Company. If the Company is unsuccessful in gaining the necessary regulatory approvals for the Orion Options, then Orion will receive an additional gold production from the Matilda Gold Project capped at 50,000oz, being 10% of gold produced until the cap is reached.

For further information on Blackham please contact:

**Bryan Dixon**  
**Managing Director**  
**Blackham Resources Ltd**  
**+618 9322 6418**

**David Tasker / Tony Dawe**  
**Professional Public Relations**  
**+618 9388 0944**

## Gold Resources

The Matilda Gold Project now has 44Mt @ 3.3g/t for 4.7Moz of resource all within a 20 kilometres radius of Blackham's 100% owned Wiluna Gold Plant capable of 1.3Mtpa for over 100,000ozpa gold production. Measured and indicated resources now total 18Mt @ 3.7g/t for 2.1Moz.

Mining Centre	Measured			Indicated			Inferred			Total 100%		
	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au
Matilda Mine	0.1	2.4	9	4.7	2.0	300	8.2	1.7	450	13	1.8	760
Williamson Mine				2.7	1.7	150	3.6	1.7	200	6.3	1.7	350
Regent				0.7	2.7	61	3.1	2.1	210	3.9	2.2	270
Galaxy				0.2	3.3	25	0.3	2.6	26	0.6	2.9	51
Golden Age				0.2	8.6	40	0.3	6.8	80	0.5	7.4	120
Bulletin South OP				0.9	3.2	90	1.7	3.5	190	2.6	3.4	280
East Lode				1.0	5.2	170	2.3	4.7	340	3.3	4.8	510
West Lode Calvert				1.4	5.5	240	2.8	5.2	460	4.2	5.3	700
Henry 5 - Woodley - Bulletin Deeps				2.1	5.9	400	0.8	4.6	120	2.9	5.6	520
Burgundy - Calais				1.3	6.0	250	0.3	5.7	60	1.6	6.0	310
Happy Jack - Creek Shear				1.5	5.9	290	1.3	4.8	200	2.9	5.4	490
Other Wiluna Deposits				1.0	3.5	110	1.8	4.0	230	2.8	4.1	340
<b>Total</b>	<b>0.1</b>	<b>2.4</b>	<b>9</b>	<b>18</b>	<b>3.7</b>	<b>2,126</b>	<b>27</b>	<b>3.0</b>	<b>2,566</b>	<b>44</b>	<b>3.3</b>	<b>4,701</b>

Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location shape and continuity of the occurrence and on the available sampling results. The figures in Table 1 above are rounded to two significant figures to reflect the relative uncertainty of the estimate.

### **Competent Persons Statement**

*The information contained in the report that relates to Exploration Targets and Exploration Results at the Matilda Gold Project is based on information compiled or reviewed by Mr Cain Fogarty, who is a full-time employee of the Company. Mr Fogarty is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Fogarty has given consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.*

*The information contained in the report that relates to all other Mineral Resources is based on information compiled or reviewed by Mr Marcus Osiejak, who is a full-time employee of the Company. Mr Osiejak, is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Osiejak has given consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.*

*With regard to the Matilda Gold Project Mineral Resources, the Company is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and parameters underpinning Mineral Resource Estimates as reported in the market announcements dated 23rd of January 2014, 20th November 2014 and 9 February 2015 continue to apply and have not materially changed.*

### **Forward Looking Statements**

*This announcement includes certain statements that may be deemed 'forward-looking statements'. All statements that refer to any future production, resources or reserves, exploration results and events or production that Blackham Resources Ltd ('Blackham' or 'the Company') expects to occur are forward-looking statements. Although the Company believes that the expectations in those forward-looking statements are based upon reasonable assumptions, such statements are not a guarantee of future performance and actual results or developments may differ materially from the outcomes. This may be due to several factors, including market prices, exploration and exploitation success, and the continued availability of capital and financing, plus general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, and actual results or performance may differ materially from those projected in the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.*