



10 January 2011

MOKOPANE PROJECT DISPOSAL UPDATE

Blackthorn Resources Limited (ASX: BTR) (“the Company” or “Blackthorn Resources”) wishes to advise that to date it has not been able to secure settlement of the sale of the Company’s 74% interest in the Mokopane Project in South Africa from its Black Economic Empowerment (BEE) partner, Matimba Resources.

Blackthorn Resources announced on 29 July 2010 that it had accepted an offer from its BEE partner to purchase the Company’s 74% interest in the Mokopane Project for a total consideration of Rand 4 million.

Unfortunately, despite considerable efforts by Blackthorn Resources, the Company has not been able to get Matimba Resources to execute the necessary sale and purchase agreement to effect settlement of the transaction. It is the Company’s view that it is now extremely unlikely that Matimba Resources will be in a position to secure the necessary funding to complete settlement before the current Mokopane permit expires in April 2011.

The Company fully impaired the carrying value of its investment in the project in 2009.

Should you require further information please contact:

Scott Lowe
Managing Director
Ph: + 61 2 9357 9000

Ends