



12 March 2009

MUMBWA JOINT VENTURE PROJECT UPDATE

- **Blackthorn Resources completes Phase 3 and interest in the Mumbwa JV increases from 50% to 70%**
- **Joint Venture partner BHP Billiton makes early election to progress next phase of drilling (Phase 3B) over the Mumbwa IOCG Project in Zambia**
- **BHP Billiton to pay Blackthorn Resources USD 1.1 million to acquire back a 10% interest in the Mumbwa JV**

Blackthorn Resources Ltd (ASX:BTR) is pleased to announce that BHP Billiton, its Joint Venture partner on the Mumbwa Iron Oxide Copper Gold (IOCG) project in Zambia, has formally elected to fully fund the next drilling phase – now referred to as Phase 3B.

This election is technically earlier than required under the terms and conditions of the “Amended and Restated Farm-in and Joint Venture Agreement”, as the assay results from the Phase 3 drilling campaign completed by Blackthorn Resources have not yet been delivered in full. Having made this election, BHP Billiton now has full responsibility for managing and funding all activities associated with the project during this next phase to further assess the extent of mineralisation.

Blackthorn Resources has officially earned an additional 20% interest in the project, to take its level of ownership to 70%. However, in a concurrent transaction, and in accordance with the amended JV agreement, BHP Billiton has elected to pay Blackthorn Resources USD 1.1 million to acquire back a 10% interest. Upon receipt of this payment, Blackthorn Resources will retain a 60% interest in the Mumbwa JV and BHP Billiton a 40% interest.

Blackthorn Resources and BHP Billiton have also reached agreement on a strategy and process for dealing with any overlapping tenements on the exploration lease.

Managing Director Scott Lowe said:

“We are very excited about this project. Much work remains to fully assess the potential at Mumbwa, and we are pleased that BHP Billiton has made this election - the next phase of exploration is in good hands. While the global financial crisis continues to impact on all aspects of the mining industry, exploration remains a critical part of the mining value chain for the industry’s long term future. Mumbwa has shown some very encouraging signs and we consider the project to be a strategic asset within Blackthorn Resources’ portfolio. We look forward to continuing to work closely with BHP Billiton as exploration work continues.”



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PRESS RELEASE