



10 October 2011

## **MUMBWA PROJECT: Phase 5 Drilling Progress Report**

### **KEY POINTS**

- **Two drilling rigs are progressing on planned Phase 5 targets being drilled at the Kitumba deposit on the Mumbwa Project, Zambia.**
- **The first drill hole, S36-023 has been completed at 481.28m and the drill rig is preparing to mobilise and commence drilling regional 'scout' holes. The second hole, S36-024 is at approximately 320m drilled depth.**
- **Drilling progress has been slower than planned and is attributed to poor ground conditions, water supply issues and loss of water circulation down the hole.**
- **The first batches of samples collected have been despatched to the AH Knight laboratory in Kitwe, Zambia. An ongoing sampling program will continue throughout the Phase 5 drilling program.**
- **Assay results from the first hole are expected by late October 2011. Results will be reported to market as received.**
- **A third drilling rig from Drillcorp Africa Pty Ltd has been arranged for mobilisation to the Mumbwa Project to supplement drilling progress ahead of the annual wet season. The additional drill rig is expected to arrive at site on 14 October 2011.**

Blackthorn Resources Limited (ASX: BTR) (“the Company” or “Blackthorn Resources”) is pleased to provide a progress report for Phase 5 drilling activities being undertaken at the Mumbwa Project in Zambia.

The Company commenced the Phase 5 drilling program in August 2011 comprising 16 planned cored holes for approximately 8,900 meters. The drill program has been designed to provide ‘infill’ and ‘step-out’ holes over the existing Kitumba inferred mineral resource area to better define the mineral resource estimated to date, as well as ‘scout’ drilling untested regional anomalies situated approximately 6km from the Kitumba deposit.

### Phase 5 – Drilling Progress

Two drilling rigs from Drillcorp Africa Pty Ltd (Drillcorp) are on site drilling the first ‘infill’ target holes of the Phase 5 program as shown in Table 1. The first hole, S36-023 has been completed at 481.28m down hole depth, and the drill rig is preparing to mobilise and commence drilling regional ‘scout’ targets situated approximately 6km to the northwest from Kitumba. The second hole, S36-024 is continuing at Kitumba and has reached ~320m from the proposed 800m target depth.

**TABLE 1 – Phase 5 Planned drill targets and drill hole parameters**

#	Target ID	Drill Hole ID	Actual EOH Depth (m)	Planned Depth (m)	Planned Dip °	Planned Azimuth °	Planned UTM Easting (m)	Planned UTM Northing (m)	Planned RL (m)	
Infill	1	P5_001	S36-023	481.28	500	-70	270	479,310	8,373,955	1,440
	2	P5_002	S36-024	<i>In progress</i>	800	-90	000	479,240	8,373,750	1,430
	3	P5_003			500	-70	270	479,320	8,374,160	1,439
	4	P5_005			500	-70	270	479,380	8,373,748	1,486
	5	P5_007			500	-60	270	479,300	8,373,440	1,500
	6	P5_008			500	-60	270	479,420	8,374,160	1,451
	7	P5_009			500	-60	270	479,410	8,373,955	1,463
Step-out	8	P5_010		500	-80	090	478,940	8,373,750	1,430	
	9	P5_013		500	-60	325	479,756	8,375,172	1,410	
	10	P5_014		500	-60	325	479,947	8,375,383	1,335	
	11	KIT_01		600	-70	330	479,250	8,373,170	1,462	
	12	KIT_02		600	-70	160	478,783	8,373,698	1,406	
	13	KIT_03		500	-60	325	479,035	8,374,622	1,400	
Scout	14	KIT_04		400	-70	270	478,687	8,374,534	1,354	
	15	Target A-01	<i>Next Hole</i>		800	-70	270	474,394	8,377,510	1,318
	16	Target A-02		700	-70	045	474,731	8,378,340	1,294	
			<b>TOTAL</b>	<b>481.28</b>	<b>8,900</b>					

Encouraging rock types and visual indications of mineralisation have been intersected in both drill holes. Assay results from Phase 5 samples collected will be used to build on the existing mineral resource model to contribute to a better understanding of this large Iron Oxide Copper Gold (IOCG) system.

The rate of drilling progress has been slower than planned and has been attributed to poor ground conditions, water supply issues and loss of water return down the hole. The rock formations intersected have been described as porous, containing vugs and fractures which have constrained the recycling of drilling water in the hole.

A water management program has been implemented which includes the use of piping to reticulate bore water to the drill sites to provide a continuous supply of water to both drilling rigs. In addition, pumping stations and water holding tanks have been re-established to store water which can be used to supplement other tanks around the site. Several large 5,000l fibreglass holding tanks are also being used to store and recycle drilling fluids at the drill sites.

### **Third Drill Rig Ordered**

Having resolved the water supply issue the Company has ordered a third drilling rig from Drillcorp to supplement drilling progress. Mobilisation has commenced and the drill rig is expected to arrive at Mumbwa on the 14 October 2011. Drill sites have been prepared in advance to allow immediate start-up on the next planned target.

A systematic sampling program is being carried out on the drill core samples. A series of 560 samples have been dispatched from site to the AH Knight laboratory in Kitwe, Zambia for sample preparation and analysis of copper. Following preparation, a sample split is being sent to the AH Knight laboratory in Fairbanks, Alaska for gold analysis. The sampling program is continuing, and assay results are expected to be received recurrently until a suite of assays for a complete hole is available for reporting. It is anticipated copper results for the first drill hole will be received by late October 2011.

Managing Director, Mr Scott Lowe said

*“We are very pleased with the progress being made in Phase 5 despite some initial delays in the provision and recycling of water for drilling. Now that these issues are being overcome, the Company is looking forward to scaling up drilling rates with the addition of another rig, and receiving assays results for the drilling.”*

*While the focus of the Phase 5 program has been largely designed around the Kitumba mineral resource area, the Company is also very eager to conduct scout drilling on regional targets identified through the recent reprocessing of the exploration data-set. There is good potential to learn and discover more from the Mumbwa Project, and the selected IOCG drill targets are within 6km from Kitumba and considered to be prospective.”*

**ATTRIBUTION**

The information in this report which relates to Exploration Results at the Mumbwa Project in Zambia is based on information compiled by Mr Michael J Robertson, MSc, Pr.Sci.Nat., MSAIMM, who is a member of The South African Institute of Mining and Metallurgy, which is a Recognised Overseas Professional Organisation ('ROPO'). Mr Robertson has 22 years' experience in mineral exploration and is a full-time employee of The MSA Group. Mr Robertson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Robertson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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