



5 August 2009

MUMBWA JV PROJECT – PROGRESS REPORT

KEY POINTS:

- In excess of 8,000m of cored drilling has been completed from the Phase 3B program in Zambia, including holes drilled at the Kitumba Anomaly to test the outer extent of mineralisation and the start of drill testing at the 19km long Mushingashi Anomaly.
- Three drilling rigs are currently operating at the Mushingashi Anomaly. Two diamond core drill rigs and a third reverse circulation drill rig, are being used to test targets along this extensive density anomaly.
- A further 6,400m of cored drilling is planned from an additional 8 targets at Mushingashi. These holes are located according to a re-interpretation of earlier exploration data, and are designed to target possible IOCG style mineralisation for Copper, Gold and Uranium.
- The MSA Group has been commissioned by Blackthorn Resources to provide a JORC code compliant mineral resource estimate for the Kitumba Anomaly based on data collected from previous drilling programs.
- Results received from drill hole ZMMUM-001 drilled at the northwestern extremity of Kitumba revealed copper and gold mineralisation as follows:
 - 11m at 0.43 % Cu between 175m and 186m
 - 4m at 0.52 % Cu between 242m and 246m
 - 1m at 4.11 % Cu between 326m and 327m, including
 - 1m at 1.03 g/t Au between 326m and 327m *
 - 4m at 0.57 % Cu between 342m and 346m
 - 2m at 0.56 % Cu between 366m and 368m
 - 2m at 0.72 % Cu between 450m and 452m
 - 4m at 0.61 % Cu between 501m and 505m
 - 2m at 1.39 % Cu between 546m and 548m, including
 - 2m at 0.99 g/t Au between 546m and 548m *
 - 1m at 1.53 % Cu between 596m and 597m
 - 16m at 0.37 % Cu between 678m and 694m, including
 - 7m at 0.30 g/t Au between 685m and 692m *
- Results received from drill hole ZMMUM-002 drilled at the northern extremity of Kitumba revealed copper mineralisation as follows:
 - 2m at 0.38 % Cu between 456m and 458m
 - 2m at 0.39 % Cu between 512m and 514m

* Denotes co-incident copper and gold mineralisation.



Blackthorn Resources Limited (ASX: BTR) (“the Company” or “Blackthorn Resources”) wishes to provide a progress report for exploration activities being undertaken by joint venture partner BHP Billiton on the Mumbwa JV Project in Zambia.

BHP Billiton is currently managing and funding the Phase 3B drilling program, which is targeting Iron Oxide Copper-Gold (“IOCG”) style of mineralisation from the Kitumba and Mushingashi anomalous areas.

Mineralisation previously identified at Kitumba covers an area of approximately 1000m X 500m and is situated adjacent to a massive hematite replacement breccia. The current Phase 3B drilling includes a much wider spaced drill pattern over Kitumba, to test the outer extremities of mineralisation and also test other geophysical targets, which are associated with favourably orientated structural lineaments.

The Mushingashi Anomaly is located approximately 5km north-northwest from Kitumba and is described as a north-south trending ‘density anomaly’ which extends for a 19km strike length. Mushingashi covers a large area which has not been thoroughly drill tested, as much of the area, particularly towards the north, is covered by overlying Karoo sediments which can be in excess of 200m thick at some locations.

Phase 3B – Progress Report

Drilling

Drilling activities are progressing on site with 3 drilling rigs now in operation. Fourteen cored holes have been completed with an additional 3 holes currently in progress. Two diamond core drill rigs are operating double shifts, while a reverse circulation (“RC”) drill rig is being used to pre-collar holes. The Phase 3B program has completed in excess of 8,000m, comprising 11 holes drilled over the Kitumba Anomaly, where Blackthorn Resources had concentrated the previous drilling phase and 3 holes over the Mushingashi Anomaly, where exploration efforts are now focused.

In addition to holes currently being drilled on the Mushingashi Anomaly, a further 6,400m of drilling is planned from another 8 drill targets (see TABLE 1 and FIGURE 1). These targets are based on re-interpretation by BHP Billiton of the initial Falcon™ exploration data and analysis of other data. The drill pattern is designed to target potential Copper (“Cu”), Gold (“Au”) and Uranium (“U”) associated with IOCG style of mineralisation.

At Mushingashi, the drilling progress was experiencing some difficulty in penetrating the overlying Karoo sediments and several holes have been abandoned before achieving target depth. These abandoned holes, ZMMUM-006 (formerly MUS-001) and ZMMUM-009, are being re-drilled. In order to overcome these drilling difficulties, an RC pre-collar is being drilled to a depth of approximately 80-90m, which is then followed by cored drilling methods.

TABLE 1 – Status of drilling at Mushingashi, including planned 6,400m from 8 targets.

DRILLHOLE / TARGET IDENTIFICATION	EASTING (mE)	NORTHING (mN)	PLANNED DEPTH (m)	AZIMUTH degrees	INCLINATION degrees	STATUS
ZMMUM0006A	472691	8382160	1,000	090	-60	<i>In Progress</i>
ZMMUM0007	474291	8382154	750.4	270	-60	<i>Completed</i>
ZMMUM0008	474352	8380949	600	000	-90	<i>In Progress</i>
ZMMUM0009A	474839	8377599	400	045	-60	<i>In Progress</i>
MUS05	475215	8381330	800	122	-50	<i>Planned</i>
MUS06	471950	8391550	800	090	-60	<i>Planned</i>
MUS07	471975	8390270	800	090	-60	<i>Planned</i>
MUS08	471990	8388800	800	135	-60	<i>Planned</i>
MUS09	472080	8387240	800	090	-60	<i>Planned</i>
MUS10	472490	8385720	800	090	-60	<i>Planned</i>
MUS11	473630	8384860	800	270	-60	<i>Planned</i>
MUS12	472990	8383370	800	135	-60	<i>Planned</i>

Kitumba - Mineral Resource Estimate

Blackthorn Resources has engaged the MSA Group to commence a 2004 JORC code compliant mineral resource estimate, which is confined to the Kitumba area of the Mumbwa JV property. The resource estimate study will be based on copper and gold mineralisation identified by previous drilling programs and relevant Phase 3B holes, involving up to 25 drill holes.

The Company cannot predict the outcome of this study, however Blackthorn Resources is encouraged by results from the previous Phase 3 drilling program and is advised there is likely to be sufficient data to determine an initial resource estimate. Work has already commenced on this study, which will also incorporate findings from the current Phase 3B drilling program, and the Company is expecting to receive a report before the end of the calendar year. Findings of this study will be communicated once the final report is made available.

Phase 3B Results – Kitumba Anomaly (Drillholes ZMMUM-001 and ZMMUM-002)

ZMMUM-001

Assay results were received from cored drillhole ZMMUM-001, which was drilled at Kitumba to test the north-western extent of mineralisation on the northern side of the northeast-southwest trending Kankuma Fault.

Hole ZMMUM-001 was drill testing for an extension of mineralisation at depth on the western side of the north-south trending Mumbwa Fault zone, adjacent to previous holes S36-006 and S36-022 (see FIGURE 2 and 3), where interpretation of SolidEarth™ data identified a gravity high associated with a deeper magnetic anomaly.

Encouraging intersections were identified from hole ZMMUM-001, which broadly correlate with mineralisation from adjacent holes (S36-006 and S36-022) towards the east. However, further interpretation is required to substantiate this. Drilled thickness intercepts from drill hole ZMMUM-001 above the 0.25% Cu and 0.25 g/t Au cut-off include:

ZMMUM-001

- 14m at 0.28 g/t Au between 40m and 54m *
- 2m at 0.28 % Cu between 88m and 90m
- 4m at 0.28 % Cu between 94m and 98m
- 2m at 0.31 % Cu between 114m and 116m
- 2m at 0.35 % Cu between 118m and 120m
- 1m at 0.35 g/t Au between 159m and 160m *
- 3m at 0.44 % Cu between 160m and 163m
- 1m at 0.37 g/t Au between 165m and 166m *
- 2m at 0.35 % Cu between 170m and 172m
- 2m at 0.28 g/t Au between 172m and 174m *
- 11m at 0.43 % Cu between 175m and 186m
- 2m at 0.39 % Cu between 196m and 198m
- 2m at 0.43 % Cu between 222m and 224m
- 4m at 0.52 % Cu between 242m and 246m
- 1m at 0.30 % Cu between 250m and 251m
- 1m at 4.11 % Cu between 326m and 327m, including
 - 1m at 1.03 g/t Au between 326m and 327m *
- 4m at 0.57 % Cu between 342m and 346m, including
 - 2m at 0.32 g/t Au between 344m and 346m *
- 2m at 0.56 % Cu between 366m and 368m
- 2m at 0.72 % Cu between 450m and 452m
- 1m at 0.25 % Cu between 497m and 498m
- 4m at 0.61 % Cu between 501m and 505m
- 1m at 0.26 g/t Au between 505m and 506m *
- 1m at 0.29 g/t Au between 509m and 510m *
- 2m at 1.39 % Cu between 546m and 548m, including
 - 2m at 0.99 g/t Au between 546m and 548m *
- 1m at 0.47 % Cu between 587m and 588m
- 1m at 1.53 % Cu between 596m and 597m
- 2m at 0.29 % Cu between 610m and 612m
- 2m at 0.27 g/t Au between 660m and 662m
- 16m at 0.37 % Cu between 678m and 694m, including
 - 7m at 0.30 g/t Au between 685m and 692m *

* Denotes gold mineralisation

ZMMUM-001 was core drilled at an angle of 60 degrees towards the east (090 degrees) and was terminated at a drilled depth of 1,004.5 metres. A total of 448 samples of drill core and quality control samples were submitted for sample preparation and multi-acid digestion and multi-element analysis by ICP-MS and ICP-AES techniques. Samples were prepared by the SGS laboratory in Ndola, Zambia and sent to the SGS laboratory in Johannesburg, South Africa for analysis.

ZMMUM-002

Assay results were received from cored drillhole ZMMUM-002, which was drilled to delineate the northern extremities of the mineralised area identified at Kitumba. Hole ZMMUM-002 was targeting a SolidEarth™ gravity high associated with a deeper magnetic anomaly located north of the northeast-southwest trending Kankuma Fault (see FIGURE 2).

No significant intersections of Cu or Au mineralisation were identified in this hole. Drilled thickness intercepts above the 0.25% Cu cut-off include:

ZMMUM-002

- 2m at 0.38 % Cu between 456m and 458m
- 2m at 0.39 % Cu between 512m and 514m

ZMMUM-002 was core drilled at an angle of 60 degrees towards the west (270 degrees) and was terminated at a drilled depth of 572.8 metres. A total of 293 samples of drill core and quality control samples were submitted for sample preparation and multi-acid digestion and multi-element analysis by ICP-MS and ICP-AES techniques. Samples were prepared by the SGS laboratory in Ndola, Zambia and sent to the SGS laboratory in Johannesburg, South Africa for analysis.

Note:

Gold and copper assays were performed in accordance by ISO 9001 and ISO/IEC 17025 accredited SGS South Africa (Pty) Ltd laboratory in Johannesburg, South Africa. Samples were analysed by multi-acid digest followed by multi-element inductively coupled atomic emission spectrometry (ICP-AES) and inductively coupled mass spectrometry (ICP-MS) for multi-elements and by fire assay with atomic absorption spectrometry finish for gold. Where acid digestion analysis exceeded the upper detection limit (>10,000 ppm copper), the sample was re-assayed using sodium peroxide fusion techniques followed by ICP-AES.

**ATTRIBUTION**

The information in this report which relates to Exploration Results at the Mumbwa JV Project has been reviewed and approved for release by Mr Michael J Robertson, MSc, Pr.Sci.Nat., MSAIMM who has 20 years experience in mineral exploration, and who is a full-time employee of the MSA Group, and has sufficient experience in relation to the style of mineralisation and type of deposit under consideration 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 has consented to inclusion of this information in the form and context in which it appears.

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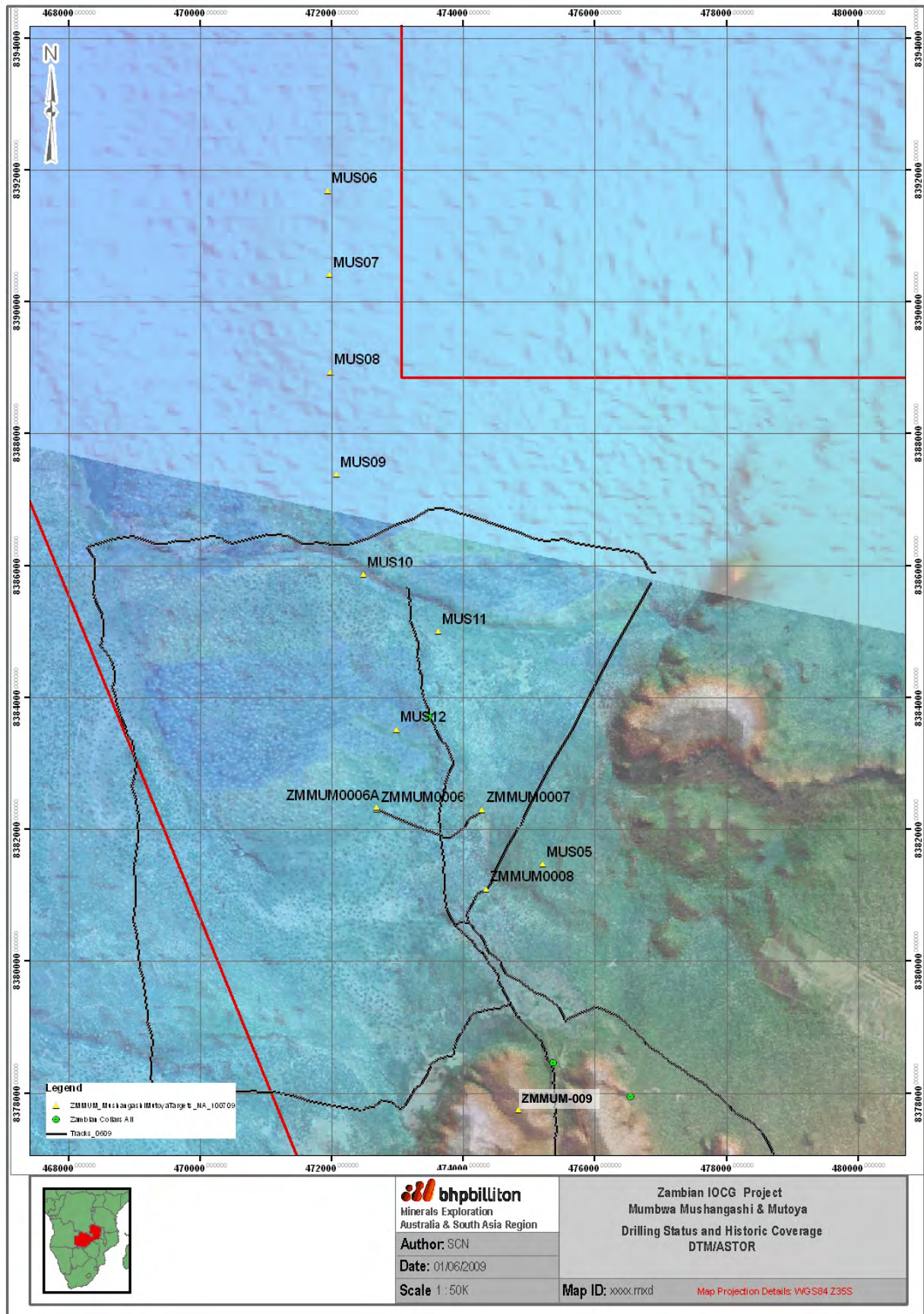


FIGURE 1 – Drillhole Location Plan for Mushingashi Anomaly illustrating current and planned Phase 3B drillholes.



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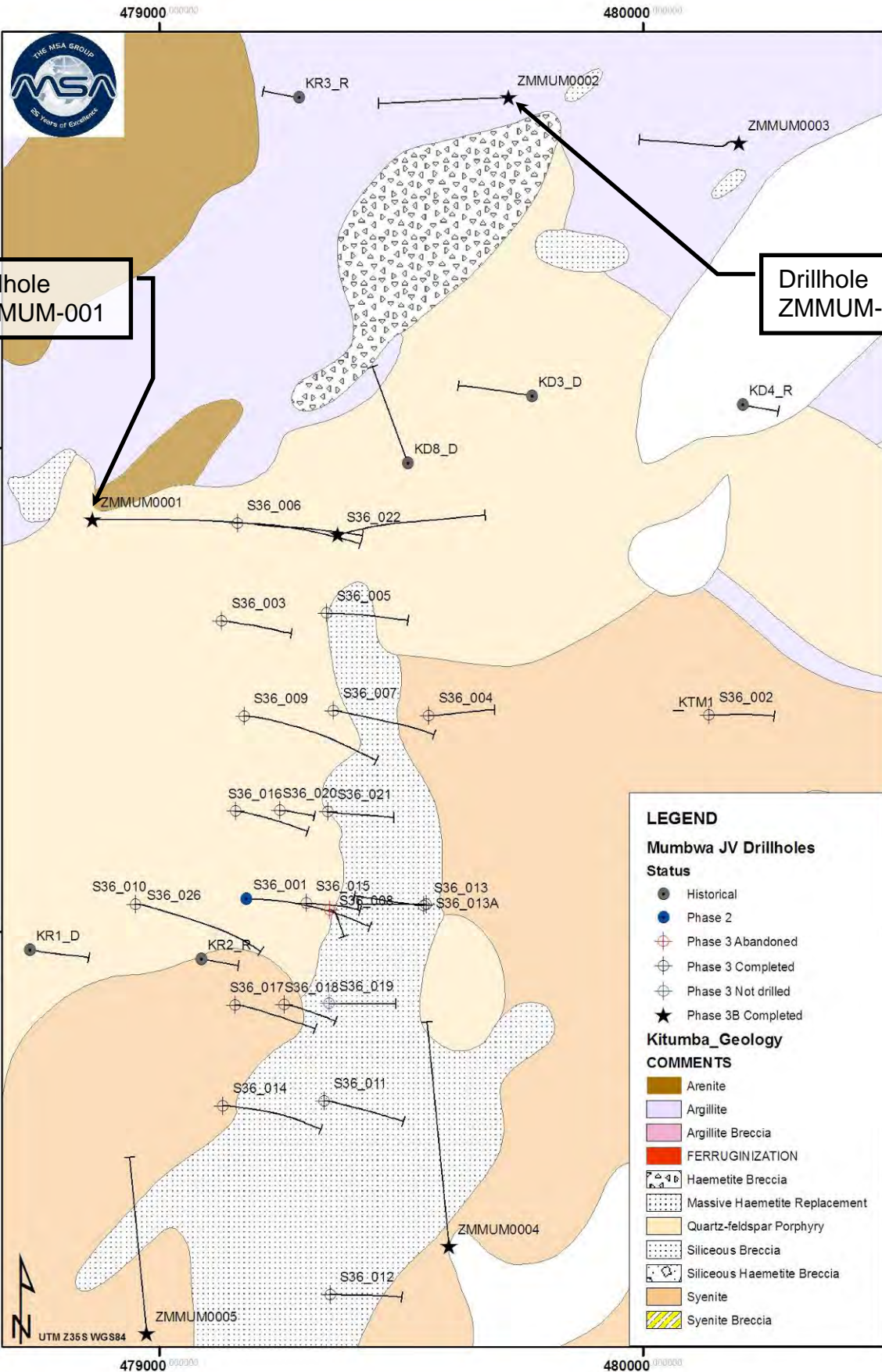


FIGURE 2 – Drillhole Location Plan for the Kitumba Anomaly showing the location of Phase 3B drillholes including ZMMUM-001 and ZMMUM-002.

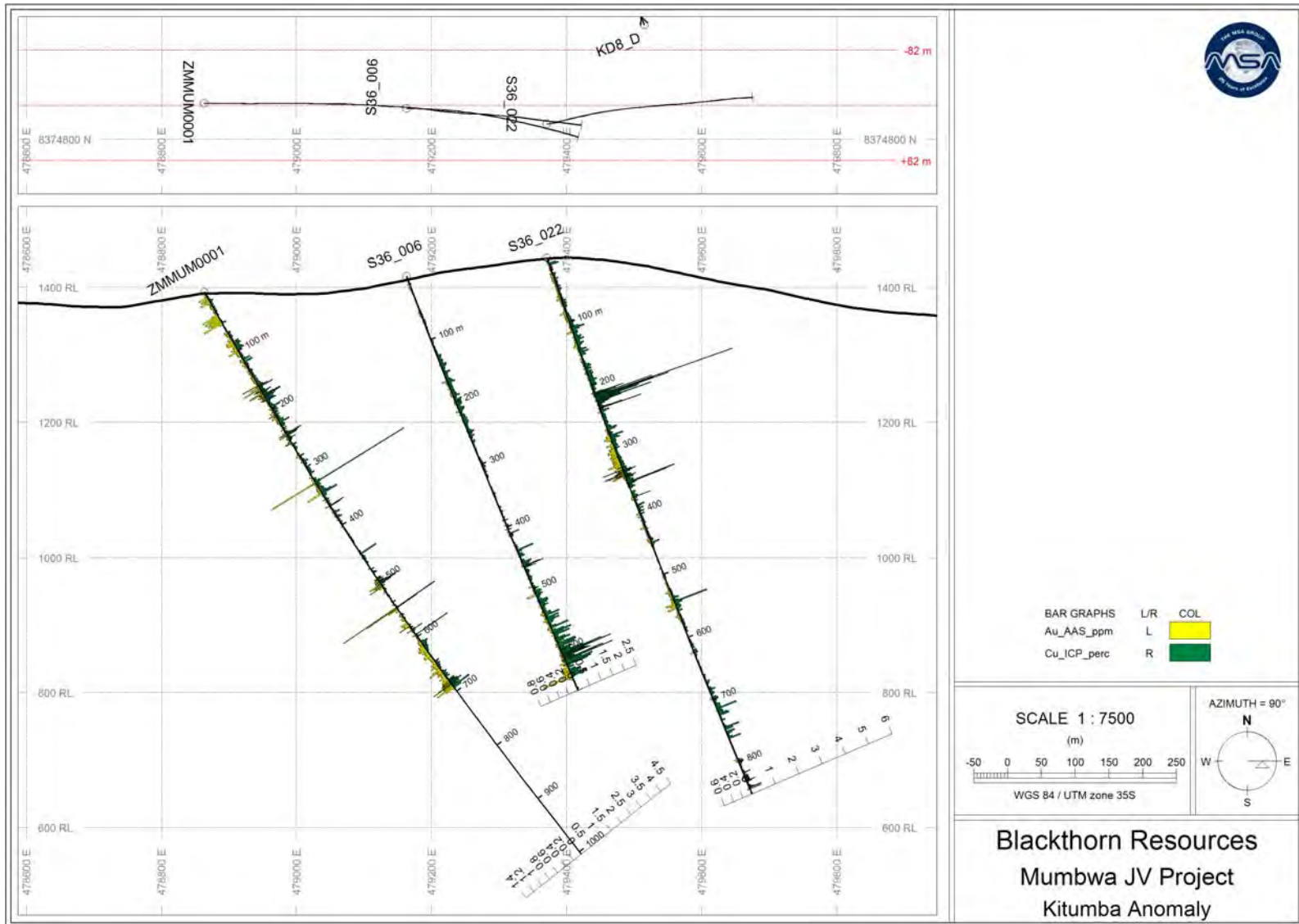


FIGURE 3 – East-West section for the Kitumba Anomaly showing the drill trace for holes ZMMUM-001, S36-006 and S36-022.
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