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PERKOA PROJECT: PROGRESS REPORT ON DRILLING ACTIVITIES AND INVESTIGATIONS INTO VIABILITY OF IMPROVEMENTS TO PERKOA BUSINESS CASE

Blackthorn Resources Limited (ASX: BTR) ('the Company' or 'Blackthorn Resources') is pleased to provide the following progress report on drilling activities and investigations into potential business improvements at the Perkoa Project in Burkina Faso being managed by JV partner Glencore International plc.

The current diamond core drilling program is targeting along-strike extensions of mineralisation associated with the Perkoa zinc deposit. The focus of the program is to examine the potential for silver and lead mineralisation. The target area is situated along-strike to the existing underground ore reserve, within a zone which has not been previously tested extensively for associated zinc, silver and lead mineralisation.

Currently six drill holes have been completed for a total of 1,102 meters. There were some initial delays in drilling progress due to problems with equipment and difficult drilling conditions. Two early holes were abandoned. However, these holes have now been successfully re-drilled. A second drilling rig has been mobilised to site and double shifting has commenced to expedite drilling progress. An additional two drill holes have been approved and the program will now include 12 cored holes for approximately 2,170 meters.

Geological review and logging of drill core is progressing. Sampling of two holes have been completed and dispatched to the laboratory. Initial assay results are expected in August 2011 which is later than initially anticipated. However, with the arrival of the additional drilling rig and extra shifts, measures have now been taken to increase the sampling rate.

Investigations into the viability of changes to the Perkoa Project business case to include silver and lead production, a 40% increase in plant capacity to 1 Mtpa and the introduction of open-cut mining to supplement the underground production are continuing. Glencore has advised the Company that its draft report on the outcome of this assessment will be available during July 2011.



Managing Director, Mr Scott Lowe said: *“While there have been some initial delays, drilling at Perkoa is now progressing well and we are pleased that an additional drilling rig has been mobilised to site. We are looking forward to assessing the assay results when they are available and reviewing the outcome of Glencore’s investigations into the potential value enhancing changes to the scope of the Perkoa Project”.*

Should you require further information please contact:

Scott Lowe
Managing Director
Ph: + 61 2 9357 9000

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