

ASX Release
11 December 2017

BLACK ROCK MINING COMMENCES DEFINITIVE FEASIBILITY STUDY WITH START OF INITIAL PLANT VARIABILITY DRILLING

HIGHLIGHTS

- Drilling recommenced at Mahenge Graphite Project
 - The drilling program forms part of the Definitive Feasibility Study & metallurgical drill program
 - The drill program is designed to define plant performance and product variability from the Ulanzi pit
 - Aimed to improve confidence of consistently producing product to customer specification
 - Program will include bulk sampling of 500 tonnes for pilot plant testing in CY2018
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Tanzanian graphite developer Black Rock Mining (ASX:BKT) ("Black Rock or the "Company") is pleased to announce that it has recommenced the Definitive Feasibility Study (DFS) for its 100%-owned Mahenge Graphite Project by drilling a metallurgical sample program. The drilling will commence immediately, with the completion of the planned metallurgical drilling and bulk sampling program at Ulanzi by January 2018.

Black Rock Mining's Executive Director and CEO John de Vries commented:

"We are commencing the drilling and bulk sampling now as we want to ensure we complete it before the onset of the wet season. We are increasingly confident that we will see legislative clarification from the Tanzanian Government in the not too distant future, and are positioning the company to progress the Mahenge project to deliver a Definitive Feasibility Study in the second half of CY 2018.

"In commencing drilling we are voting with our feet and being proactive. We think Mahenge is the best undeveloped graphite project in the world, and we remain committed to developing it."

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About Black Rock Mining

Black Rock Mining Limited is an Australian-based company listed on the Australian Securities Exchange. The Company owns graphite tenure in the Mahenge region of Tanzania.

The Company announced a JORC compliant Mineral Resource Estimate of 211.9m tonnes at 7.8% TGC for 16.6m tonnes of contained Graphite, making this one of the largest JORC compliant flake graphite Mineral Resource Estimates globally. Over 50% of the Mineral Resource is in the Measured and Indicated categories. In April 2017, Black Rock announced results of a Preliminary Feasibility Study (PFS) and followed this up with an optimised PFS on 8 August 2017 for its Mahenge Graphite Project which confirmed its potential as a long-life, low capex, high margin operation.

The optimised PFS estimated a post-tax, unlevered, internal rate of return ("IRR") for the Project of 45.1%; and a net present value (NPV) using a discount rate of 10% (NPV10) of US\$905m. Black Rock confirms, the key assumptions used in the PFS have not materially changed and that the material assumptions continue to apply per the Optimised PFS announcement released to the ASX on 8 August 2017. Black Rock confirms that it's optimised PFS has allowed for the proposed Tanzanian legislative changes relating to 16% free carry position of the Tanzanian Government and the royalty fee increasing to 4.3%. Subject to clarification on Tanzanian legislative changes, Black Rock is moving towards commencing a Definitive Feasibility Study (DFS). With a successful DFS and associated financing, construction could commence in 2018 with first production in late 2019.

For further information on the company's development pathway, please refer to the company's website at the following link: <http://www.blackrockmining.com.au> and the corporate video presentation at <http://www.blackrockmining.com.au/#video>.

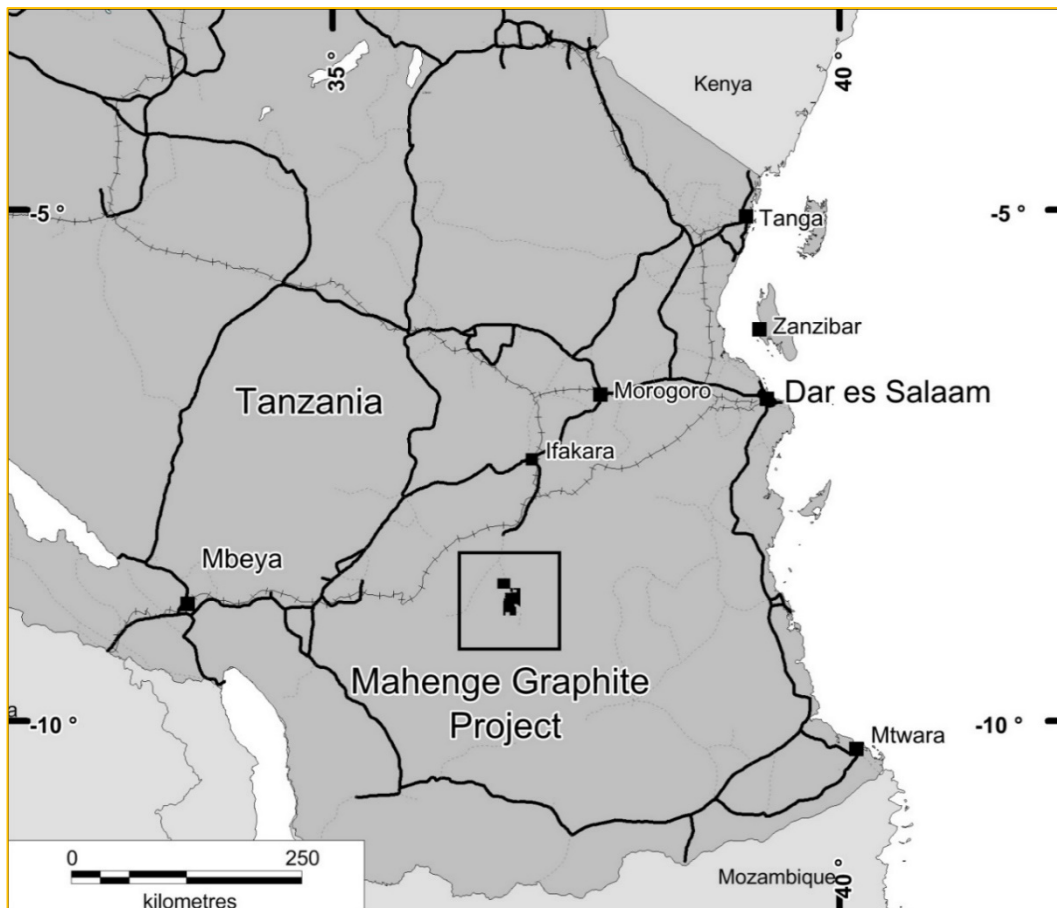


Figure 1: Location of Black Rock's Mahenge Graphite Project within Tanzania