

Black Rock Successfully Completes Battery Cell Testing with POSCO

HIGHLIGHTS

- POSCO of Korea has confirmed Mahenge graphite concentrate meets battery grade requirements as Lithium-Ion Battery anode pre-cursor
- The battery cell testing result has been achieved through:
 - Laboratory/small scale production of Spherical Purified Graphite (SPG) from Mahenge graphite to POSCO anode pre-cursor specification
 - Extended battery performance testing demonstrating that anode made from Mahenge graphite meets POSCO reference standards
- Options for commercial qualification of a large-scale sample are being investigated
- POSCO and Black Rock continue to progress Legal and Commercial Due Diligence

Tanzanian graphite developer Black Rock Mining Limited (ASX:BKT) (Black Rock or the Company) is pleased to announce that it has been advised by its Development MOU Partner, POSCO of Korea (POSCO), that a representative sample of Mahenge graphite concentrate processed to SPG, and subsequently processed and coated using POSCO proprietary methods to anode grade lithium-ion battery feedstock, has successfully met the requirement as being suitable for lithium-ion battery anode feedstock.

Black Rock and POSCO are considering options for a larger scale commercial qualification process to validate concentrate performance in industrial facilities suitable for the contemplated contracted outsourcing of SPG manufacturing and purification. Funding for concentrate supply would be from any inbound investment POSCO may elect to make.

Black Rock and POSCO continue to pursue completion of the Legal and Commercial Due Diligence process while considering a range of potential investment options.

Commenting on the milestone, Black Rock Managing Director and CEO, John de Vries said:

"To be able to announce successful battery cell testing of Mahenge graphite concentrate for POSCO's anode business is a major milestone. There is no bigger vote of confidence for the development of the Mahenge Graphite Project. There is still a lot of work to be done around a scaled-up trial to fully understand how Mahenge performs at commercial throughput rates in modern industrial processing facilities. We continue to be increasingly confident that our strategy of collaborating with existing anode producers and outsourcing of SPG and refining to competent and cost competitive intermediaries is the right pathway for commercial development. Ultimately, we are miners not manufacturers, and collaborating with partners who have existing channels to market is a simpler and faster approach to going it alone.

In delivering this milestone, I would like to thank the many people who have supported the Company in getting us to where we are today. This includes our shareholders, directors, employees, and our contractors and consultants."

This ASX release was authorised on behalf of the Black Rock Board by:

John de Vries, Managing Director & CEO

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About Black Rock

Black Rock Mining Limited is an Australian based company listed on the Australian Securities Exchange (ASX:BKT). The Company has a 100% interest in the Mahenge Graphite Project (**Project**) located in Tanzania. The Project has a JORC compliant Mineral Resource Estimate of 212m tonnes at 7.8% TGC. It also has Ore Reserves of 70m tonnes at 8.5% TGC. The Ore Reserves support a mine life of up to 350k tonnes of graphite per annum for a reserve life of 16 years. Since the release of the Mineral Resource Estimate, the Company confirms that it is not aware of any new information or data that materially affects the mineral resources estimate.

In October 2018, the Company released a Definitive Feasibility Study (DFS) for the Project, which was based on strong customer demand. This was enhanced in July 2019 (refer to ASX release 25 July 2019), and demonstrates exceptional financial metrics including:

- *Low Capex*: Lowest peak capital expenditure of US\$116M for phase one*;
- *High Margin*: AISC margin of 63.1%;
- *Low Technical Risk*: Substantial pilot plant operations run of 110 tonnes; and
- *Superior Economics*: IRR of 44.8% with NPV₁₀ of US\$1.16bn (A\$1.65bn**)

In February 2019, the Company announced receipt of its mining licence for the DFS project.

In May 2019, the Company announced it had substantially allocated planned production with up to 255k tonnes per annum of graphite committed to sale by year three of production, through Pricing Framework Agreements (refer to ASX release 8 May 2019). The Company is progressing these agreements into binding offtake commitments.

Following release of the enhanced DFS (eDFS) in July 2019, the Company confirms that it is not aware of any new data or information that materially affects the results of the eDFS and that all material assumptions and, in the case of estimates of Mineral Resources or Ore Reserves, technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

The estimated Ore Reserves and Mineral Resources underpinning the production target has been prepared by competent persons in accordance with the requirements in Appendix 5A (JORC Code).

The Company is currently progressing financing discussions and detailed engineering with a view to commencing construction of the mine.

JORC Compliant Mineral Resource Estimate and Ore Reserve***

Ore Reserves	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)
- Proven	0	0.0	0.0
- Probable	69.6	8.5	6.0
Total Ore Reserves	69.6	8.5	6.0
Mineral Resources			
- Measured	25.5	8.6	2.2
- Indicated	88.1	7.9	6.9
Total M&I	113.6	8.1	9.1
- Inferred	98.3	7.6	7.4
Total M, I&I	211.9	7.8	16.6



For further information on Black Rock Mining Ltd, please visit www.blackrockmining.com.au

* Forecast Capex has been classified as a Class 3 estimate with accuracy of ±10% as defined by AACE

** \$AUD/USD 0.70

*** Resource and Ore Reserve Estimates as released to ASX on 8 August 2017 Optimised PFS