

BKT RAISES \$3.0 MILLION IN OVERSUBSCRIBED PLACEMENT

HIGHLIGHTS

- **Black Rock Mining raises \$3m in oversubscribed placement to professional and institutional investors**
- **Placement completed at 6.5c, a modest discount of 9.7% to closing share price**
- **Placement proceeds to finance final engineering activities to make Mahenge Graphite Mine construction ready**
- **Placement follows on from recent award of mining licence and signing of substantial offtakes for a majority of Mahenge Graphite Mine DFS project**

Tanzanian graphite developer Black Rock Mining Limited (BKT: ASX) ("Black Rock" or "the Company") is pleased to announce it has successfully raised \$3.0 million (before costs) through an oversubscribed placement ("Placement") to institutional and sophisticated investors comprising 46,153,846 new fully paid ordinary shares at \$0.065 per share. The placement price of \$0.065 per share represented a 9.7% discount to the last closing share price.

Commenting on the Placement, Black Rock Mining CEO, John de Vries, said

"This placement of \$3m enables Black Rock to complete final engineering to become construction ready for the 250k tonne per annum Mahenge Graphite Mine. We have already demonstrated industry leading concentrate grade and likely lowest cost into the supply chain, given our grade, strip ratio, grid electricity and logistics solution. In addition, we have secured up to 205k tonnes per annum of offtake to credible graphite industry participants.

In just over two years we have advanced Mahenge from a Scoping Study to a fully permitted project. This progress has only been possible through the support of our shareholders. We thank new and existing shareholders for their continued support of the company as we develop the world's premier graphite project. "

The Placement follows on from recent milestones and de-risking events achieved by the Company including:

- Replicating 99%+ TGC Concentrate through Chinese EPC Partner as part of FEED Optimisation
- Granting of Mining Licences for the Development of Mahenge Graphite Mine
- Substantive Offtake Agreements signed totalling up to 205,000 tonnes per annum
- DFS completed with exceptional and best in class financial metrics
- Successful 90 tonne pilot plant producing 8 tonnes of refined product sent to over 20 global customers
- Scaled pilot plant produced 99%+ TGC without use of acid, the only current project capable of delivering this outcome
- In light of modules 1 & 2 effectively sold out, commenced optimising mine plan to add a fourth self-funding module

Placement funds will be deployed on assisting the company with its financing efforts to secure funding for the construction of the Mahenge Graphite Mine together with the following China focussed engineering (FEED) and marketing milestones:

1. Pilot Plant

On delivery of a final flowsheet and metallurgical plan, Yantai Jinyaun Mining Machinery will conduct a 20 tonne pilot plant at associated facilities to validate the optimised design flow sheet under continuous operation. The recommended flow sheet will be reviewed and approved by CPC Engineering and Design who completed the Mahenge DFS, prior to final authority to operate the pilot plant.

During the operation of the pilot plant selected potential Investors, and new and existing Offtake partners will be provided the opportunity to review the plant performance and undertake further independent Due Diligence on concentrate attributes. The pilot plant is scheduled to commence at the end of March.

2. Bulk Spheronising Trial

Approximately 700kg of sub #80 mesh material from the pilot plant trial will be directed to a commercial scale spheronising trial. The objective of the trial will be to validate lab yields of 65% and establish productivity parameters at scale in a typical commercial sized cascade mill. Spheronising trials will be conducted by Wuhan University, a leading Chinese graphite research facility.

Placement

The Placement will be made in one tranche under the Company's placement capacity in accordance with ASX Listing Rules 7.1A. The company will issue all the placement shares under its ASX LR 7.1A allowance and confirms the placement terms are in accordance with ASX LR 7.1A.

Paterson Securities Limited acted as Sole Lead Manager to the Placement.

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About Black Rock Mining

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 (the "Project") located in Tanzania. The Project has a JORC compliant Mineral Resource Estimate of 212m tonnes at 7.8% TGC. It also has Reserves of 70m tonnes at 8.5% TGC. The Reserve supports a mine life of 250k tonnes of graphite per annum for 25 years. Since the release of the Resource Estimate, the Company confirms that it is not aware of any new information or data that materially affects the resources estimate.

In October 2018, the Company released a Definitive Feasibility Study for the Project demonstrating exceptional financial metrics including:

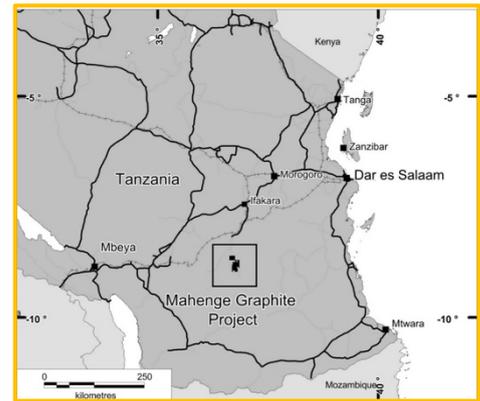
- *Low Capex:* Lowest peak capital expenditure of US\$115M for phase one;
- *High Margin:* AISC margin of 63.6%;
- *Low Technical Risk:* Substantial pilot plant run of 90 tonnes delivering eight tonnes of product; and
- *Superior Economics:* IRR of 42.8% with NPV₁₀ of US\$895m

Following release of the DFS, the Company confirms that it is not aware of any new data or information that materially affects the results of the DFS and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. In January 2019 the Company announced it had substantially sold out of production with up to 205k tonnes of graphite subjected to binding offtakes in year three of production. In February 2019 it also announced receipt of its mining licence for the DFS project.

The Company is currently progressing financing discussions and detailed engineering with a view to commencing construction of the mine in 2019.

JORC Compliant Mineral Resource Estimate and Reserve

Reserves	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)
- Proven	0	0.0	0.0
- Probable	70	8.5	6.0
Total Reserves	70	8.5	6.0
Resources			
- Measured	25.5	8.6	2.2
- Indicated	88.1	7.9	6.9
Total M&I	113.6	16.5	9.1
- Inferred	98.3	7.6	7.4
Total M, I&I	211.9	7.8	16.6



Location of Black Rock's Mahenge Graphite Project in Tanzania

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