

# BLACK ROCK MINING PLACEMENT COMPLETED

## HIGHLIGHTS

- **Black Rock Mining successfully raises \$3.0m in oversubscribed placement to professional and institutional investors**
- **Placement completed at 7.0c, a modest discount of 7.9% to closing share price**
- **Placement proceeds to support financing and final permitting activities to progress Mahenge Graphite Project to construction ready**

Tanzanian graphite developer **Black Rock Mining Limited** (BKT: ASX) (“Black Rock” or “the Company”) is pleased to confirm that further to the ASX announcement on 14 August 2019 it has completed a placement to raise \$3.0 million by issuing 42,857,143 shares at \$0.07 per share. Funds raised will go towards progressing the project financing activities being supported by its debt advisors, Ironstone Partners, and completion of commercial and permitting activities for Black Rock’s 100% owned Mahenge Graphite Project in Tanzania.

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

*“We are delighted with the level of support we have received from our cornerstone investors and from our board. This placement of \$3m enables Black Rock to progress financing activities with a view to being construction ready for delivery of the Mahenge Graphite Project on resolution of the structure of the Tanzanian Government’s participation in the project*

*Our strategy thus far has been to focus on delivery of project development milestones. In achieving our development milestones we have progressed our financing objectives by de-risking the project and enhancing our market entry strategy. Simply put, the lower our risk profile, the better the financing outcome.*

*With the completion of our technical work program, we can now confidently focus on completing our financing and commercial activities, and completing documentation the structure of the Tanzanian Government participation in the project.*

*We look forward to progressing the project to financing and execution”*

## Placement

As part of the Placement, the Company’s Directors and management have subscribed for 5,918,556 shares totalling \$414,299 on the same terms as the Placement. Shareholder approval will be sought at a General Meeting for the Director allotment, with the shareholder meeting to be held as soon as practicable. The Placement will be completed in under the Company’s placement capacity in accordance with ASX Listing Rules 7.1. The company will issue all the non Director related placement shares under its ASX LR 7.1 allowance and confirms the placement terms are in accordance with ASX LR 7.1.

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 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 NPV<sub>10</sub> 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.

<b>JORC Compliant Mineral Resource Estimate and Ore Reserve***</b>			
<b>Ore Reserves</b>	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)
- Proven	0	0.0	0.0
- Probable	69.6	8.5	6.0
<b>Total Ore Reserves</b>	<b>69.6</b>	<b>8.5</b>	<b>6.0</b>
<b>Mineral Resources</b>			
- Measured	25.5	8.6	2.2
- Indicated	88.1	7.9	6.9
<b>Total M&amp;I</b>	<b>113.6</b>	<b>8.1</b>	<b>9.1</b>
- Inferred	98.3	7.6	7.4
<b>Total M, I&amp;I</b>	<b>211.9</b>	<b>7.8</b>	<b>16.6</b>



For further information on Black Rock Mining Ltd, please visit [www.blackrockmining.com.au](http://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