

# Black Rock Raises \$25M in Placement to Institutional and Sophisticated Investors

## HIGHLIGHTS

- **Black Rock raises A\$25m at A\$0.24 per share in a strongly supported Placement to new and existing institutional and sophisticated investors**
- **Funds will be used to strengthen Black Rock's balance sheet ahead of project financing, advance the development of the Company's Mahenge Graphite Mine, and for general and corporate purposes**
- **Commencement of construction of the Mahenge Graphite Mine remains on track for Q3 CY2022**

Tanzanian graphite developer **Black Rock Mining Limited** (BKT: ASX) (**Black Rock** or the **Company**) is pleased to announce that it has received firm commitments to raise A\$25m at A\$0.24 per share in a strongly supported Placement to new and existing institutional and sophisticated investors (**Placement**).

### Placement details

104,166,667 ordinary shares are to be issued pursuant to the Company's placement capacity under ASX Listing Rules 7.1. The Placement shares will rank equally with the Company's existing fully paid ordinary shares. The Company expects the Placement shares will be issued on 16 May 2022.

The issue price of A\$0.24 per share represents:

- 12.7% discount to the last closing price of BKT shares on 3 May 2022 of A\$0.275 per share; and
- 13.8% discount to 5-day volume weighted average (**VWAP**) of A\$0.278 per share.

Funds will be used to strengthen Black Rock's balance sheet, advancing the development of the Mahenge Graphite Mine, including early works programme and the purchase of long lead items, and for general and corporate purposes.

Shaw and Partners Limited and Aitken Mount Capital Partners acted as Joint Lead Managers to the Placement, who were also supported by Petra Capital, Blue Ocean Equities and PAC Partners.

### Commenting on the equity raise, Black Rock CEO, John de Vries, said:

*"The Company is pleased to strengthen the balance sheet ahead of development of the Mahenge Graphite Mine. We are also pleased by the level of interest from existing and new institutional investment groups as the criticality of graphite in the EV supply chain becomes more apparent.*

*We have a unique opportunity to bring online one of the largest Graphite Resources globally which is underpinned by its strategic location, a proven team, and now with a strong balance sheet to execute toward construction this year."*

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

John de Vries, Managing Director & CEO

**For more information:**

John de Vries  
**Chief Executive Officer**  
**Black Rock Mining**  
+61 438 356 590  
jdv@blackrockmining.com.au

Steuart McIntyre  
**GM Corporate Development**  
**Black Rock Mining**  
+61 413 555 609  
sm@blackrockmining.com.au

Elvis Jurcevic  
**Investor Relations**  
**IRX Advisors**  
+61 408 268 271  
ej@blackrockmining.com.au

## 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 Mine (the **Project**) located in Tanzania. The Project has a JORC compliant Mineral Resource Estimate of 213m 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 (ASX Announcement 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\*\*)

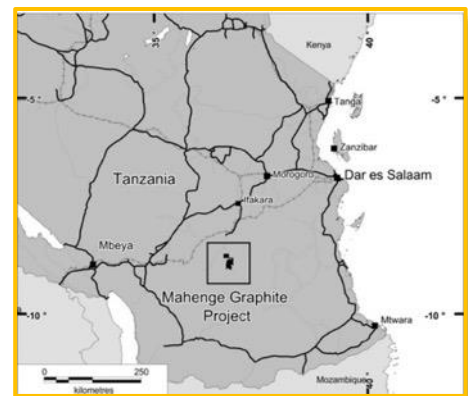
Black Rock has obtained all Environmental approvals, Mining Licences and its Resettlement Action Plan with clear title to the eDFS project area.

In June 2020, the Company announced a Strategic Alliance with POSCO Group for the development of the Mahenge Graphite Mine. This included an equity investment of US\$7.5M, signed in February 2021, followed by an offtake agreement, with a US\$10M prepayment facility. Black Rock has also allocated planned production through Pricing Framework Agreements (ASX release 8 May 2019) with five other offtake customers. In December 2021, Black Rock signed a Framework Agreement with the Government of Tanzania confirming their 16% Free Carried Interest shareholding, and commitment to jointly develop the world-class Mahenge Graphite Mine. The Company is construction-ready subject to financing.

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).

<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	70.5	8.5	6.0
<b>Total Ore Reserves</b>	<b>70.5</b>	<b>8.5</b>	<b>6.0</b>
<b>Mineral Resources</b>			
- Measured	31.8	8.6	2.7
- Indicated	84.6	7.8	6.6
<b>Total M&amp;I</b>	<b>116.4</b>	<b>8.0</b>	<b>9.3</b>
- Inferred	96.7	7.4	7.2
<b>Total M, I&amp;I</b>	<b>213.1</b>	<b>7.8</b>	<b>16.6</b>



Location of Black Rock's Mahenge Graphite Project in Tanzania

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

\*\* \$AU/US 0.70

\*\*\* Resource Estimate as released to ASX on 3 February 2022: BKT Confirms 25% increase in Measured Resources and Ore Reserve Estimates as released to ASX on 8 August 2017: BKT delivers Exceptional Optimised PFS

**Black Rock Mining Ltd**  
 ACN 094 551 336  
 ASX: BKT

**Australian Office**  
 Level 1, 1 Walker Ave  
 West Perth WA 6005  
 Ph: +61 8 6383 6200  
 E: info@blackrockmining.com.au

**Tanzanian Office**  
**Mahenge Resources Ltd**  
 Msasani Towers  
 Second floor Wing B  
 Dar es Salaam  
 Ph +255 719 382 631

**Directors**  
 Richard Crookes Chairman  
 John de Vries Managing Director & CEO  
 Gabriel Chiappini Non-Executive Director  
 Ian Murray Non-Executive Director