

MAHENGE PERMITTING UPDATE

HIGHLIGHTS

- **Tanzanian Minister for Minerals, Honourable Doto Biteko, formally opens three village offices built in partnership between Mahenge Resources and local communities**
- **Mahenge Resettlement Action Plan (RAP) ahead of schedule**
- **Resolution of dispute between Barrick and Government of Tanzania**

Graphite project developer Black Rock Mining Limited (BKT: ASX) (**Black Rock** or the **Company**) is pleased to provide an update on its in-country Corporate and Social Responsibility (**CSR**) activities and the current permitting process for its Mahenge Graphite Project (**Mahenge** or the **Mahenge Project**) in Tanzania.

Opening of Village Offices at Kisewe, Mdindo, and Nawenge

On Saturday 1 February 2020, Tanzanian Minister for Minerals, Honourable Doto Biteko, officially opened three village offices constructed jointly between Black Rock Mining's 100%-owned Tanzanian subsidiary, Mahenge Resources Limited, and three local village communities within the Mahenge Project area.

Construction of these village offices form a key pillar in Black Rock's current CSR activities in the Mahenge region.



Figure 1 - Honourable Doto Biteko (Minister for Minerals), John de Vries (Black Rock Managing Director and CEO), Raymond Hekima (Black Rock Vice President – Corporate), along with community leaders at the village offices official opening ceremony.

In opening the offices for Kisewe, Mdingo, and Nawenge villages, Honourable Doto Biteko commented:

"We must now rapidly move to clear the way for new compliant large-scale mines to be developed. I look forward to Mahenge Resources Limited leading the way for these next generation Tanzanian mines. We believe graphite will be an important part of these new mines, and that the Mahenge region will be recognised internationally as a source of the world's best graphite."

RAP Update

The Resettlement Action Plan (**RAP**) process for Mahenge is progressing well and is ahead of schedule, and on budget. Claimant cut-off date was achieved on 21 January 2020. The next steps are detailed inventory assessment and determination of compensation quantum.

Resolution of Barrick and Government of Tanzania Dispute

Black Rock welcomes the recent resolution of the dispute between Barrick Gold Corporation (NYSE:GOLD/TSX:ABX) and the Government of Tanzania, with the signing of a joint venture agreement. The resolution was resolved following Barrick Gold's take-over of Acacia Mining in September last year. This is a transformational step which now establishes a pathway for renewed interest in, and the growth of, Tanzania's mining industry.

Commenting on its recent in-country activities, Black Rock's Managing Director and CEO, John de Vries, said:

"The building of the village offices in partnership with the people of Kisewe, Mdingo, and Nawenge represents the first part of our promise of "giving the keys". The real message here is that by doing things together we can achieve great things together.

"Our RAP process is also ahead of schedule. We are resolutely focussed on running a leading, transparent process that delivers fair and reasonable compensation for all affected people.

"Finally, it is heartening to see the recent resolution of Barrick Gold's dispute with the Tanzanian Government. We now look forward to advancing towards the remaining approvals for development of the world-class Mahenge Graphite Project."

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 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 Resource Estimate.

In October 2018, the Company released a Definitive Feasibility Study (DFS) for the Project, which was based on strong customer demand. This DFS was enhanced in 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**).

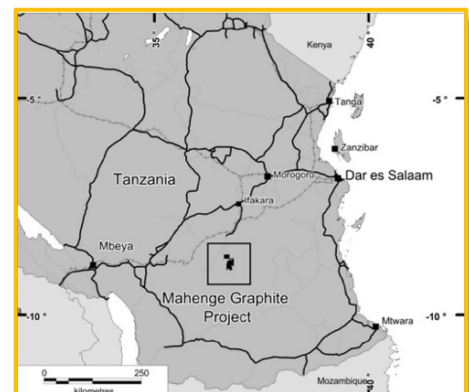
Following release of the Enhanced DFS in July 2019, the Company confirms that it is not aware of any new data or information that materially affects the results of the Enhanced DFS and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements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

In 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.

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

JORC Compliant Mineral Resource Estimate and Ore Reserve

Ore Reserves	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)
- Proven	0	0.0	0.0
- Probable	70	8.5	6.0
Total Ore Reserves	70	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



Location of Black Rock's Mahenge Graphite Project in Tanzania

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 $\pm 10\%$ as defined by AACE
 ** \$AUD/USD 0.70