

Level 1 675 Murray Street West Perth WA 6005

PO Box 1088 West Perth WA 6872 Mobile 0411 475 376 info@blackearthminerals.com.au

blackearthminerals.com.au

Drilling Intersects Broad Zones of Graphite Mineralisation at The Haja Prospect

- Thick and consistent zones of graphite mineralisation intersected in first holes at Haja, results include:
 - 81.8m @ 6.1% Total Graphitic Carbon (TGC) (Inc. 19.5m @ 8.1% TGC)
 - 29.4m @ 7.3% TGC (Inc. 8.7m @ 10.4% TGC)
 - 44.4m @ 6.3% TGC
- Significant widths have potential for major positive implications on mining at Haja and the broader Maniry Project
- Maiden resource estimation for Haja on schedule for reporting in Q4 2018

BlackEarth Minerals NL (ASX: BEM) (**BlackEarth** or the **Company**) is pleased to provide an update on the first batch of assay results recently received from the Haja resource definition drilling program at the Maniry Graphite Project in southern Madagascar. Assay results have been received from the first 5 holes from the recently completed 26 hole, 2,026m diamond drilling program. The remaining assays from the program are expected to be received over the coming 4-6 weeks. A maiden JORC compliant resource estimation for the Haja graphite prospect is expected to be released to the market in Q4 2018.

The first round of results demonstrate that the Haja ore body is thick and consistent with zones of high grade graphite, a summary of these results is presented in Table 1. Initial assay results have shown mineralisation is open along strike to the north and open down dip to the east as shown in diagrams 2, 3 & 4. The results have highlighted some unexpected zones of higher grade mineralisation (e.g. MNDD085 - 8.7m @ 10.4% TGC & MNDD086 - 19.5m @ 8.1% TGC) It is anticipated that a continuous zone of high grade mineralisation will be identified within Haja as further assays are received.



Figure 1 – Haja – Drill Collars

Drilling by the former project operator in 2014 previously identified broad intersections of mineralisation, these can be visualised in Section '7284**475**n' and summarised within Table 1 (holes MNDD008, 009 & 016). Mineralisation at Haja is outcropping at surface with mapping highlighting the schist in order of >700m in length, >300m in width and gently dipping to the east, it is anticipated that these dimensions will be highly amenable to a simple mining operation.

The Haja Deposit is one of many lenses within the Haja Domain (Figure 5). It was recently announced that the Haja Domain is one of three domains identified within the Maniry Project, which has an overall Exploration Target of 260-380 Mt @ 6-8% TGC (ASX Release: Exploration Target Update on 14 August 2018). Cautionary Statement. The Exploration Targets reported herein are not JORC compliant Mineral Resources. The potential quantity and grade of the Exploration Targets are conceptual in nature, there has been insufficient exploration to determine a Mineral Resource and there is no certainty that further exploration work will result in the determination of a Mineral Resource.



Figure 2 - Haja - Cross Section - 7284475 - (see Figure 1)



Figure 3 – Haja - Cross Section – 7284575 – (see Figure 1)



Figure 4 - Haja - Cross Section - 7284675 - (see Figure 1)



Figure 5 – Maniry Project Overview

Managing Director, Tom Revy commented:

"Following recent completion of the drilling program at the Haja Prospect, Haja is considered to have excellent potential to host a large-scale, near-surface graphite resource which we expect to complete the resource estimation in Q4 2018. The large aerial extent, outcropping nature and in most cases flatlying nature of the graphite mineralisation, continues to provide confidence that the prospects in the Maniry Graphite Project area can be readily upgraded to a JORC (2012) compliant resource."

BlackEarth Minerals NL encourages investors to update their contact details to stay up to date with Company news and announcements here: <u>http://www.blackearthminerals.com.au/update-details/</u>

MEDIA CONTACTS

Tom Revy,	BlackEarth Minerals NL
Barry Woodhouse	BlackEarth Minerals NL

08 6145 0289 | 0411 475 376 08 6145 0289 | 0438 674 259

Competent Person's Statement

The information contained in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. Peter Langworthy, a member of The Australasian Institute of Mining and Metallurgy. Mr. Langworthy has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr. Langworthy consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to the Exploration Target for the Maniry Graphite Project is extracted from the report entitled "Exploration Target Update" dated 14 August 2018 and is available to view on the Company's website (www.blackearthminerals.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to the Maiden Resource Estimation for Razafy at the Maniry Graphite Project is extracted from the report entitled "Update – Maiden Resource Estimation for Razafy at the Maniry Graphite Project" dated 14 August 2018 and is available to view on the Company's website (www.blackearthminerals.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

For more information - www.blackearthminerals.com.au

About BlackEarth Minerals NL (www.blackearthminerals.com.au)

BlackEarth Minerals NL (ASX: BEM) ("Company") is an ASX listed company focused primarily on the exploration and development of its 100% owned Madagascan graphite projects.



The location of the Company's primary graphite projects: Madagascar (Maniry & lanapera - above)

The Company's Madagascan projects consist of two primary exploration areas: the Maniry project ("Maniry") in the south, and the lanapera project ("lanapera") in the north. Maniry is highly prospective for large-scale, high-quality graphite deposits and is currently at an advanced evaluation stage. The Razafy indicated and inferred resource, comprising of **11.2Mt @ 7.10% Total Graphitic Carbon** (TGC) is summarised in Table 1 below. The vast majority of the resource has been classified with a high degree of confidence at an 'Indicated' classification, with the remainder classified as 'Inferred'. The Mineral Resource is reported at a 6% TGC cut-off grade. The Mineral Resource was estimated within constraining wireframe solids defined at a nominal 3% TGC cut-off grade.

Classification	Tonnes (Mt)	TGC Grade (%)	Contained Tonnes (t)
Razafy Indicated	8.0	7.22	577,600
Razafy Inferred	3.2	6.80	217,600
Total Resources	11.2	7.10	795,200

Mineral Resource Estimates for Maniry Project

Results, from recent diamond drilling have confirmed that the Razafy Prospect (contained within the Maniry Project area) consists of high grade, thick outcropping graphitic mineralisation contained within distinct lenses which remain not only open along strike but also at depth. Recent identification of further lenses to the east also highlights the prospectivity of the immediate area which, based on mapping and previous exploration represents only 5% of the current Maniry Project area.

Ianapera is located approximately 50km north of Maniry. It consists of a series of high-grade outcrops, up to 800m long and 30m wide, of graphite mineralisation within a broader graphite trend. Identified as a large conductive body, potential exists for the presence of a large graphitic mineralised system.

The Company's Western Australian graphite assets include 4 early stage project areas that have been partially explored by a number of companies in the past, with encouraging results reported from several locations.



Table 1 – Haja - Significant Assay Results 2014 & 2018 Drill Programs

2014						
Prospect	Hole_Id	From (m)	To (m)	Interval (m)	Gra/C_%	
Наја	MNDD008	0	50	50	6	
	inc.	24	32	8	7.8	
Наја	MNDD009	2	72	70	5.3	
	inc.	48	54	6	9.2	
Наја	MNDD016	0	18	18	6	

2018

Prospect	Hole_Id	From (m)	To (m)	Interval (m)	Gra/C_%
Наја	MNDD083	4.05	54	49.95	5
	and	63.2	75.35	12.15	5.3
	and	89.88	98.82	8.94	5.9
Наја	MNDD084	1.5	45.85	44.35	6.3
	inc.	38.52	45.85	7.33	8.3
	and	50.48	77.6	27.12	5.2
Наја	MNDD085	0.3	8.05	7.75	5.1
	and	14.22	18.06	3.84	5.1
	and	28.72	58.14	29.42	7.3
	inc.	28.72	37.45	8.73	10.4
Наја	MNDD086	17.44	99.25	81.81	6.1
	inc.	48.85	68.38	19.53	8.1
Наја	MNDD087	12.2	20.1	7.9	5.2
	and	23.92	30.5	6.58	5.3

Table 2 – Haja - Drilling Status 2014 & 2018 Drill Programs

Hole_ID	Depth	Easting	Northing	RL	Azi	Dip
MNDD008	122	486699	7284479	292	270	-60
MNDD009	118.8	486751	7284479	290	270	-60
MNDD016	82.95	486655	7284478	297	270	-60

2018						
Hole_ID	Depth	Easting	Northing	RL	Azi	Dip
MNDD083	110.38	486746	7284681	284	270	-60
MNDD084	85.52	486703	7284681	294	270	-60
MNDD085	66.72	486655	7284570	298	270	-60
MNDD086	131.38	486794	7284578	285	270	-60
MNDD087	44.72	486598	7284480	295	270	-60
MNDD088	84.86	486699	7284578	289	270	-60
MNDD089	69.18	486638	7284671	293	270	-60
MNDD090	114.68	486750	7284575	286	270	-60
MNDD091	146.65	486811	7284469	290	270	-60
MNDD092	40.72	486599	7284371	300	270	-60
MNDD093	70.72	486651	7284373	300	270	-60
MNDD094	110.18	486702	7284376	297	270	-60
MNDD095	122.18	486750	7284375	299	270	-60
MNDD096	42.22	486600	7284275	303	270	-60
MNDD097	99.3	486800	7284375	300	270	-60
MNDD098	58.4	486550	7284275	299	270	-60
MNDD099	56.05	486650	7284275	303	270	-60
MNDD100	40.09	486500	7284175	299	270	-60
MNDD101	22.19	486600	7284175	305	270	-60
MNDD102	48.6	486650	7284175	305	270	-60
MNDD103	25.19	486700	7284275	302	270	-60
MNDD103a	92.28	486700	7284275	302	270	-60
MNDD104	58.68	486550	7284175	301	270	-60
MNDD105	84.23	486750	7284275	305	270	-60
MNDD106	81.38	486700	7284175	305	270	-60
MNDD107	120.38	486800	7284275	305	270	-60

UTM84 WGS38S

2014

Section 1 Sampling Techniques and Data

Audits or reviews

(Criteria in this section apply to all succeeding section	IS.)		
Criteria	JORC Code explanation	Commentary	
	 Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken 		
	 as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used 	Diamond drilling program - Sampling will consist of 2m composite sample of quarter core - typical 3-5Kg. Samples will be cut using a diamond bladk core saw. Duplicate samples will be collected every 20th sample for QAC	
ampling techniques	 Aspects of the determination of mineralisation that are Material to the Public Report. 	purposes. CRM's will be inserted every 20th Sample for QAQC purposes. Sampling is considered to be comprehensive and representative.	
	 In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	Remaining core was retained as a permeant reference. Total Graphitic Carbon content is measured at a laboratory using a CS analyser (Intertek Genalysis (Perth).	
Vrilling techniques	 Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	Diamond drilling. Core size is HQ and NQ typically in 0.5-1.5m runs. Core from a select number of holes will be orientated.	
	 Method of recording and assessing core and chip sample recoveries 		
irili sample recovery	Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of	Core recovery is routinely recorded every metre by a trained geologist. No bias or relationship is observed at this point between recovery and grade. Recovery is typically +80% within weathered rock, and +95% in fresh rock in nearly all instances.	
	fine/coarse material.		
ogging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or	All holes are logged by a qualified and experienced geologist. All logging included descriptions of geotechnical, mineralisation, structural and lithological aspects of the core and was digitally recorded using an industry standard code system. Core is formally obhotorarabed. Data collected	
	Costean, channel, etc.) photography.	offers sufficient detail for the purpose of interpretation and further studies.	
	If core, whether cut or sawn and whether quarter, half or all core taken.		
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.		
Sub-sampling techniques and sample preparation	For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Quarter core will be cut using a diamond core saw and collected for assay 2 metre composite sampling are deemed to be comprehensive and representative for the style/type of mineralisation under investigation. Duplicate samples are taken (remaining quarter core) every 20th sample for	
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	QAQC purposes	
	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.		
Quality of assay data and laboratory tests	 For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. 	Assaying is undertaken by Intertek Genalysis in Perth (Aus). Samples are pulverised to 75 micron, roasted to 420deg and digested with a weak acid. Final analysis is undertaken by CS analyser (Code: C73/CSA). This method is considered total. Standards and duplicates are routinely inserter every 20th sample by the BEM terchnical team as well as internal OAOC.	
	 Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	from the laboratory. No issues been observed with QAQC.	
	 The verification of significant intersections by either independent or alternative company personnel 	Similicant intersections have been unified by elementics compary	
Initiation of compliant and encoder	The use of twinned holes.	personnel. No twin holes have been undertaken. All date is recorded	
ernication of sampling and assaying	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.	digitally using a standard logging system and files are stored in a industry standard database.	
ocation of data points	 Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. 	All collars have been loacted using a GPS (acuartee to 3m) Projection and gid systems used: UTM (WGS84 Z385). The down hole azimuth and dip is recoded using a Magshot down hole instrument (Accurate to 1deg)	
	Quality and adequacy of topographic control.		
Data spacing and distribution	 Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied 	Sample intervals are typically between 0.5-2.0m taken consistently throug all ore zones. This spacing and distribution is considered sufficient for mineral resource estimations.	
	Whether sample compositing has been applied.		
Drientation of data in relation to geological structure	 Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of 	The orientation of the drilling is not expected to introduce sampling bias. Most drill holes have intersected the mineralisation at a sufficient angle to	
	key mineralised structures is considered to have introduced a sampling bias, this should be assessed and renorted if material.	ure suike and dip of the mineralised units.	
Sample security	The measures taken to ensure sample security.	Samples are cut and sampled on site before being transported to the company sample preparation facility in Antananarivo for preparation. Samples will then be freighted by DHL to Intertek Genalysis in Perth (Aus) for assay. It is reasoned that the samples will be under sufficient security	

Sampling procedures has been reviewed by an external auditors Sigma Blue Pty. Ltd. and OMNI GeoX Pty. Ltd. plus site visits at the beginning of · The results of any audits or reviews of sampling techniques and data. the program.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary	
Mineral tenement and land tenure status	 Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 	Work was undertaken upon permits 5394 & 39751 • The tenements are located within the inland South West of Madagascar approximately centred on the township of Ampanihy. • Tenements are held 100% by Mada-Aust SARL Ultimately a wholly owned subsidiary of BlackEarth Minerals NL. through Madagascar Graphite Ltd. • No overriding royalties are in place • There is no native title agreement required	
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	Tenure does not coincide with any historical sites or national parkland Semi-arid, thinly vegetated, relatively flat to low lying hills with sub- cropping rock. Tenements are currently secure and in good standing.	
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Regional mapping by BRGM, Historical diamond drilling and trenching by Malagasy Minerals. Ltd. (2014-2016)	
Geology	Deposit type, geological setting and style of mineralisation.	The project overlies a prominent 20km wide zone consisting of a folded assemblage of graphite and quartz-feldspar schists (<60% graphite), quartzite and marble units, with lesser intercalated amphibolite and leucogneiss. This zone, termed the Ampanihy Belt is a core component of the Neoproterozoic Graphite System. The belt is interpreted as a ductile shear zone accreted from rocks of volcanic and sedimentary origins.	
	 A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: 		
	o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in		
	metres) of the drill hole collar		
Drill hole Information	o dip and azimuth of the hole	Refer to table within previous announcements	
	o down hole length and interception depth		
	 o note length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 		
	In reporting Exploration Results, weighting averaging techniques.		
	maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.		
Data aggregation methods	 Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. 	Significant results reported are weighted averages based upon sample length and grade. 2% cut off applied.	
	The assumptions used for any reporting of metal equivalent values should be clearly stated.		
	These relationships are particularly important in the reporting of Exploration Results. If the generating of the mineralization with respect to the drill halo and a	Delling has interported the minarclined units at some perpendiculat to strike	
Relationship between mineralisation widths and intercept lengths	is known, its nature should be reported.	and dip. True widths can be observed through the multiple holes drilled on sections	
	should be a clear statement to this effect (eg 'down hole length, true width not known').		
Diagrams	 Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	Refer to figures within text	
Balanced reporting	 Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	All significant results	
Other substantive exploration data	 Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	Refer to BEM Prospectus.	
Further work	The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Further exploration proximally to Razafy.	