



Completes \$5m Placement Exploration commences on Bagamoyo Project

Highlights

29 October 2015

- Strong demand for \$5m Placement
- Continued solid and long term support from the Copulos Group and Key Stakeholders
- Exploration programme commenced at Bagamoyo, Tanzania

Black Rock Mining Limited (ASX:BKT) ("Black Rock Mining" or "the Company") is pleased to announce that it has received confirmations securing a \$5,000,000 placement to sophisticated and institutional investors through the issue of 66,666,667 shares at a price of \$0.075 per share. Investors participating in the placement will also receive a free attaching one-for-two option exercisable at \$0.075 per share, expiring on 30 November 2018.

The placement will be completed in two tranches:

- (i) An Initial Placement of 20,116,894 shares to raise \$1,508,767 which will be completed under the company's 15% ASX Listing Rule 7.1 capacity. The shares and options comprising the Initial Placement are expected to be allotted on 4 November; and
- (ii) An EGM Placement of 46,549,773 shares to raise \$3,491,233 which is conditional on shareholder approval. The Company has commenced preparation for the EGM Notice of Meeting which will include an Independent Expert's Report due to the \$1m commitment made by the Copulos Group which has an existing controlling interest of 25% and is a related party to Stephen Copulos the Company's Chairman. The Company expects the Shareholders' Meeting to be held mid-December 2015.

The Company confirmed the placement is part of its funding strategy to support its stated goal to finalise a JORC resource at Mahenge and to commence scoping studies. Funds will also be used for the acquisition and exploration of the new Bagamoyo Graphite Project announced to ASX on 14 October 2015.

Chairman Stephen Copulos stated, "Black Rock Mining is pleased to have completed a well supported placement at a 50% premium above the prospectus offer in March 2015 and at a 6.25% discount to our closing share price on 23 October 2015. Our initial target was to raise \$4m, however following strong demand we agreed to further strengthen our balance sheet and close the funding round at \$5m. We now look forward to deploying these funds to complete our drill out programme at our Mahenge prospects, Ulanzi and Cascade. We will also invest the funds to commence the exploration programme at Bagamoyo and to satisfy the conditions of our option. I would like to thank both our existing and new shareholders for the support and backing we have received since our ASX re-listing in March 2015."

Gleneagle Securities (Aust) Pty Ltd acted as Lead Manager.



Bagamoyo Transaction

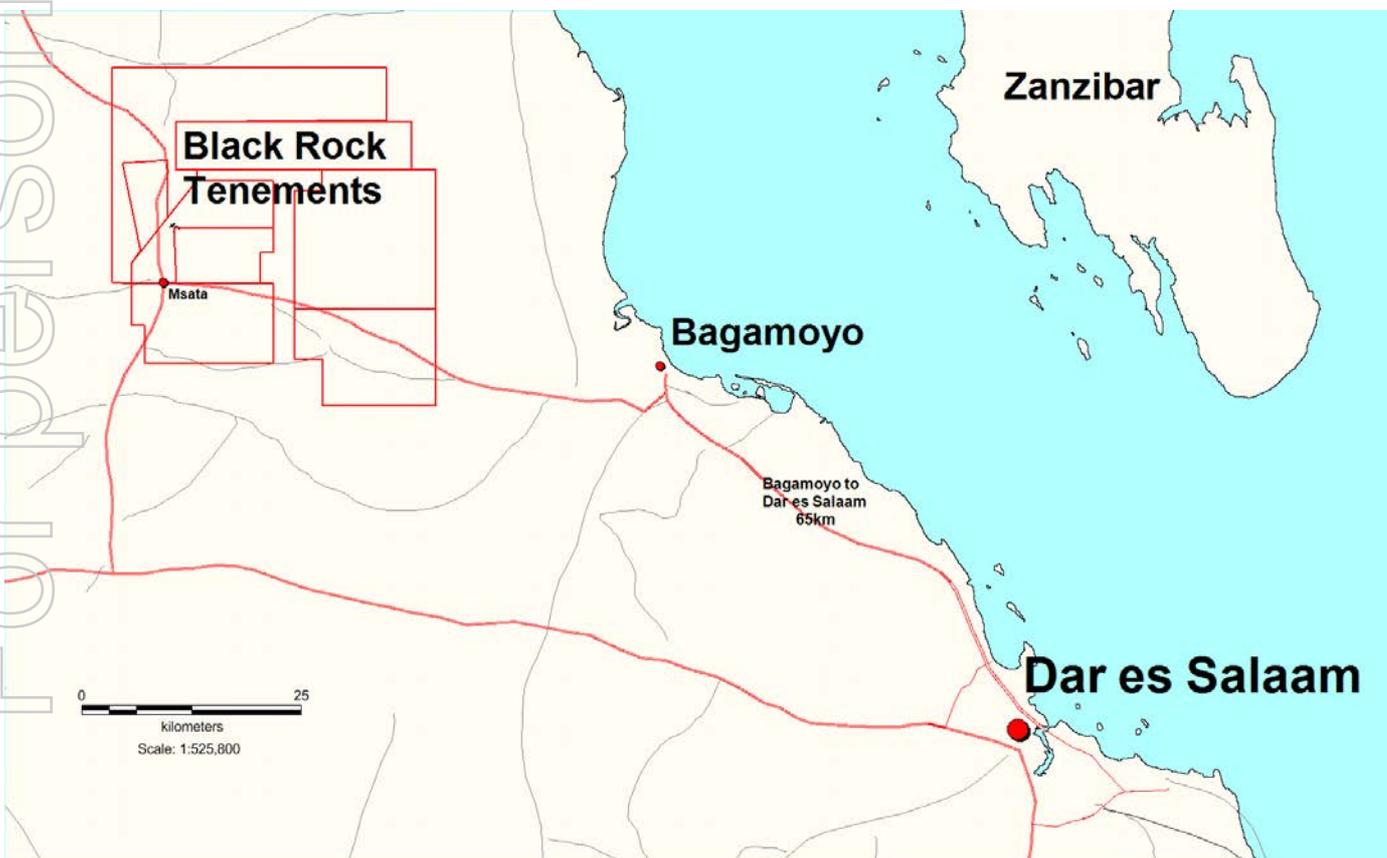
As announced on 14 October 2015, the Bagamoyo Prospect hosts exceptionally coarse flake graphite and is within an infrastructure corridor adjacent to Dar es Salaam. Initial exploration completed by the Company has identified a significant coarse flake graphite zone covering an area of approximately 1 km x 200m of outcrop and extensive float rock. The graphitic mineralisation is flat lying to shallow dipping on relatively flat ground and has an observed thickness of approximately 30m.

Option Payment

As part of the transaction, the Company confirms that the 7 Bagamoyo exploration licences offered by the vendor via the Tanzanian Ministry of Energy and Minerals have been accepted. Black Rock Mining confirms that it has accepted the offer under the Option agreement and confirms payment of the option fee to the vendor of USD\$50,000. For further details of the Bagamoyo acquisition please refer to the 14 October 2015 announcement.

Managing Director, Steve Tambanis, commented: "The acquisition of the Bagamoyo Graphite Project represents a significant strategic milestone, further establishing the Company as a significant graphite explorer in Tanzania. Field work is underway to assess the discovery outcrop area and to conduct regional reconnaissance. The Company expects to complete mapping and evaluation of the central zone by late November, followed by drilling to evaluate the depth and extent of graphite mineralisation."

Figure 1. Tenure location map showing proximity to Dar es Salaam





Summary

Black Rock Mining looks forward to updating shareholders as the Ulanzi drill programme gets underway, together with exploration updates from the Bagamoyo graphite project.

Managing Director, Steve Tambanis, commented: "Black Rock is well positioned to leverage off all our hard work since exploration activities began at Mahenge in July 2014. There are a number of significant milestones and key objectives the Company is aiming to complete in the December 2015 quarter, some of which are outlined below."

- Early exploration results on our new Bagamoyo Graphite Project, November & December
- Conclusion of due diligence on our Bagamoyo Graphite Project, December
- In-fill Drill out programme of our primary graphite prospect – Ulanzi, Mahenge, November & December
- New aerial survey for Ulanzi north and west, to generate a high-resolution contour map to be used for the Ulanzi resource estimate expected in December
- Metallurgical test-work underway for Ulanzi and Epanko north graphite ore bodies with results due in December
- Apply to ASX to seek quotation of the options forming part of this equity raising

For further information please contact:

Mr. Steven Tambanis

Managing Director, Melbourne

Office: +61 8 9320 7550

Email: st@blackrockmining.com.au

Mr Gabriel Chiappini

Director, Perth

+61 8 9320 7550

Email: gabriel@blackrockmining.com.au



About Black Rock Mining Limited

Black Rock Mining Limited is an Australian based company listed on the Australian Securities Exchange. The Company has graphite tenure in the Mahenge and Bagamoyo regions, Tanzania, a country which hosts world-class graphite mineralisation. Drilling of the Epanko north prospect was completed in August 2015 and drilling of two new graphite discoveries, the Ulanzi and Cascade prospects, is currently underway. The Company plans to announce a Mahenge JORC compliant resource by the end of 2015.

The newly discovered Bagamoyo project in Tanzania hosts very coarse flake graphite and is being mapped and sampled in preparation for a drilling.

The company is building a skill and knowledge base to become an explorer, developer and diversified holder of graphite resources.

Shareholder value will be added by:

- *identifying and securing graphite projects with economic potential*
- *focussing on tenure that can be commercialised quickly by converting into JORC compliant resources; and*
- *taking these resources into production*

Our focus is on establishing a JORC resource from three advanced prospects at Mahenge, whilst further adding resource upside through exploration at both Mahenge and Bagamoyo.

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Steven Tambanis, who is a member of the AusIMM. He is an employee of Black Rock Mining Limited. Steven Tambanis has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Steven Tambanis consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.