



blackmountain
resources limited

ASX ANNOUNCEMENT

11 April 2016

ACQUISITION OF AFRICAN MINING AND EXPORT OPERATIONS TO PROCEED DUE DILIGENCE COMPLETED AND DEFINITIVE SHARE SALE AND PURCHASE AGREEMENTS EXECUTED

HIGHLIGHTS:

- Share Sale Agreement and associated documentation executed for the acquisition of 100% of the operating and exporting Namakera Vermiculite Mine and Busumbu Phosphate Project
- Legal, technical and financial due diligence completed by the Company and its consultants
- Key conditions precedent to the acquisition now satisfied
- Independent Technical and Valuation Report and Independent Solicitors Report being finalised
- Notice of Meeting seeking shareholder approval for the acquisition to be despatched shortly

Black Mountain Resources Limited (**ASX:BMZ**) (**Black Mountain** or the **Company**) announces that the Company has executed formal documentation for the acquisition of 100% of Namakera Mining Company Limited (**Namakera**) which operates the Namakera Vermiculite Mine and Busumbu Phosphate Project in Uganda.

The acquisition includes the existing Mining License and Exploration License, all mobile mining equipment, the processing plant, power generator, mine office and all associated site infrastructure as well existing run-of-mine and bagged saleable product stockpiles.

The proposed acquisition is considered by the Company to provide its shareholders with an immediate production and cashflow asset that it considers capable of supporting a low cost, long life mining operation with significant expansion opportunity.

The execution by the Company of the Share Sale Agreement and Deed of Assignment of Debt with Namakera's shareholders Richmond Partners Masters Limited and Jonah Resource Holdings Limited, followed completion of a detailed legal, financial and technical due diligence by the Company and its consultants in Australia, Africa and the United Kingdom and the finalisation of negotiations with all key stakeholders.

With the technical, legal and financial due diligence and a number of key conditions precedent satisfied, the acquisition now remains subject to the Company obtaining all necessary shareholder and regulatory approvals

pursuant to the ASX Listing Rules, Corporations Act 2001 (Cth) and other applicable law or regulations, including but not limited to, approval to reinstatement to official quotation on ASX of the Company.

The Company will shortly be despatching a notice of meeting to its shareholders seeking the relevant approvals to proceed with the proposed acquisition, with such notice to contain detailed information relating to the acquisition including amongst other things an Independent Technical Report.

END

For further information, please contact:



Jason Brewer
Director
Black Mountain Resources Ltd

Forward looking statements

Forward looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.