

ASX Release
6 November 2017

BLACK ROCK RAISES \$4.75M - FULLY FINANCED TO COMPLETION OF DFS FOR THE MAHENGE GRAPHITE MINE

HIGHLIGHTS

- Black Rock has successfully completed a heavily oversubscribed placement to sophisticated and institutional investors via the issue of 70 million shares at 6 cents per share, raising \$4.2m.
- The successful capital raising will fund the completion of the Definitive Feasibility Study (DFS) on the Mahenge Graphite Project.
- The Placement received strong interest from new institutions, as well as broad Australia wide broker support.
- Directors and advisors will seek shareholder approval to subscribe to approximately 9 million shares (equivalent to \$540,000) on the same terms as the Placement, demonstrating strong ongoing support for the Company.

Tanzanian graphite developer Black Rock Mining Limited (BKT: ASX) ("Black Rock" or "the Company") is pleased to announce it has successfully raised \$4.2 million through a heavily oversubscribed placement ("Placement") of 70 million new fully paid ordinary shares at \$0.06 per share predominantly to new institutional and sophisticated investors.

As a result of the strong demand from institutional investors the Board elected to increase the size of the Placement by an additional \$1.2 million, placing the Company in a strong financial position to complete a DFS on the Company's 100%-owned Mahenge Graphite Project.

The Placement will be made in one tranche under the Company's placement capacity in accordance with ASX Listing Rules 7.1 and 7.1A. The company issued 38,157,772 shares under its ASX LR 7.1 allowance with the balance of 31,842,228 shares being issued under its ASX LR 7.1A allowance. Foster Stockbroking Pty Ltd acted as Sole Lead Manager to the Placement.

In addition to the Placement, the Company's Directors and advisors will seek shareholder approval to subscribe to the issue of approximately 9 million shares, or approximately \$540,000 on the same terms as the Placement. Shareholder approval will be sought at a General Meeting to be held as soon as practicable. Post completion of the Placement and the 9 million shares, Black Rock will have a strong balance sheet with approximately \$5.25 million in working capital available for deployment.

Chief Executive Officer of Black Rock, John de Vries said the support demonstrated the strength of the Mahenge Graphite Project:

"The completion of the Placement is a significant step in our transition from a graphite explorer to developer and ultimately a global producer. The strong support validates our project that combines super low capital costs, high margins and scale which we believe makes our Mahenge Graphite the best undeveloped graphite project globally. Being fully funded to complete the Definitive Feasibility Study allows us to continue to de-risk the project, develop our markets and people and progress to a construction decision."

The Shareholder General Meeting Notice and resolutions associated with the director and advisor placement will be notified to the ASX as soon as practicable.

Black Rock Mining Ltd
ACN 094 551 336
ASX: BKT

Issued Capital
443m Shares
52.2m Options
9.4m Performance Rights

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About Black Rock Mining

Black Rock Mining Limited is an Australian-based company listed on the Australian Securities Exchange. The Company owns graphite tenure in the Mahenge region of Tanzania.

The Company announced a JORC compliant Mineral Resource Estimate of 211.9m tonnes at 7.8% TGC for 16.6m tonnes of contained Graphite, making the Mahege Graphite Project one of the largest JORC compliant flake graphite Mineral Resource Estimates globally. Over 50% of the Mineral Resource is in the Measured and Indicated categories. In April 2017, Black Rock announced results of a Preliminary Feasibility Study (PFS) for its Mahenge Graphite Project which confirmed its potential as a long-life, low capex, high margin operation.

The PFS estimated a post-tax, unlevered, internal rate of return ("IRR") for the Project of 48.7%; and a net present value (NPV) using a discount rate of 10% (NPV10) of US\$624m. Black Rock confirms, that except for the proposed legislative changes relating to 16% free carry position of the Tanzanian Government and the royalty fee increasing to 4.3%, the key assumptions used in the PFS have not materially changed and that the material assumptions continue to apply per the PFS announcement released to the ASX on 24 April 2017. Subject to clarification on Tanzanian legislative changes, Black Rock is moving towards commencing a Definitive Feasibility Study (DFS). With a successful DFS and associated financing, construction could commence in 2018 with first production in 2019.

For further information on the company's development pathway, please refer to the company's website at the following link: <http://www.blackrockmining.com.au> and the corporate video presentation at <http://www.blackrockmining.com.au/#video>.

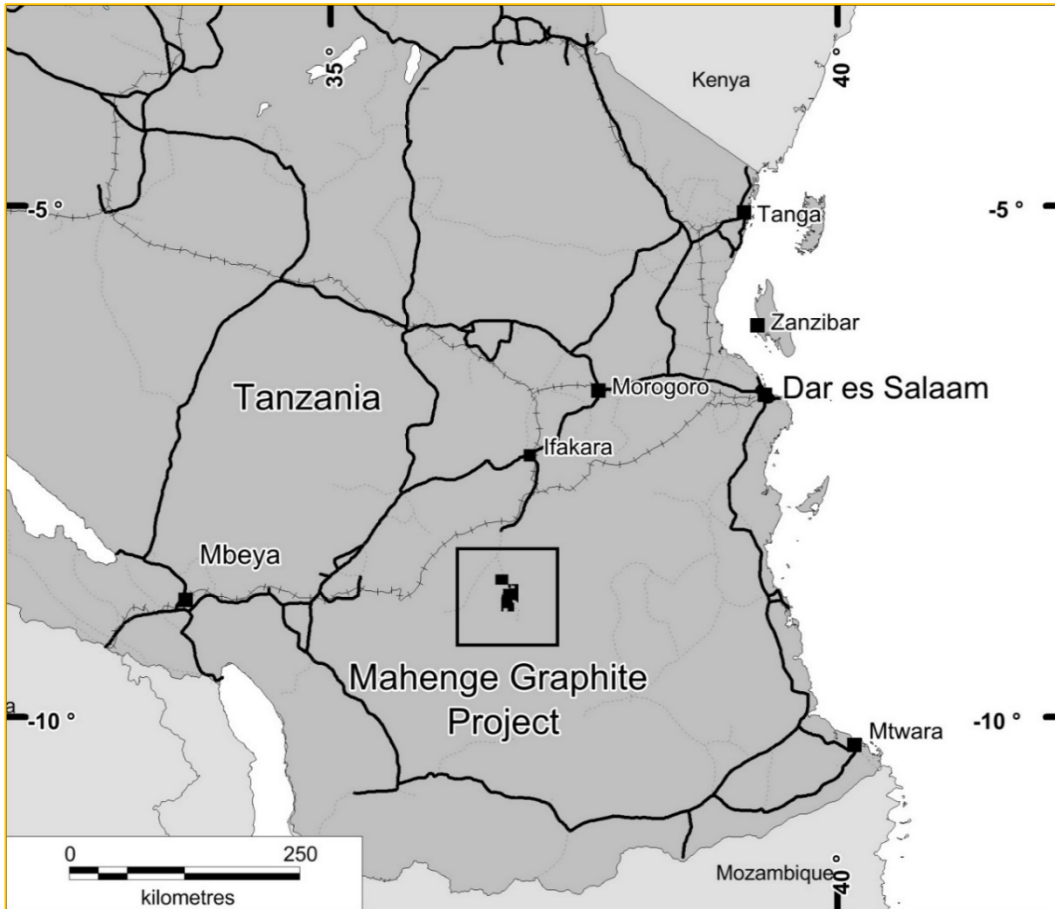


Figure 1: Location of Black Rock's Mahenge Graphite Project within Tanzania

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