

Razafy system extends to the north-west and new lens identified at Razafy East

- Rock chip samples up to 20%TGC and mapping increases Razafy system to over 1.2km
- Drilling to commence immediately on the north-west extension to form part of the Company's resource estimate due in late July
- Rock chip samples at Razafy East of up to 12% TGC and subsequent mapping have identified a new lens over 600 metres long and over 25 metres wide

BlackEarth Minerals NL (ASX: BEM) (the Company or BlackEarth) is pleased to advise an update for its diamond drilling program at the Company's 100% owned Maniry Graphite Project, Madagascar. See **Figure 1** (and Appendix 1) which summarizes completed drill holes as well as holes to be drilled as part of the original program. BlackEarth has now expanded its Razafy drilling program due to the grab samples of 15.7% and 20.53% TGC (Total Graphitic Carbon) in the north-west extension. BEM's original target was to complete the Razafy program by June 2018, but the Razafy program has been now extended due to this exciting development.

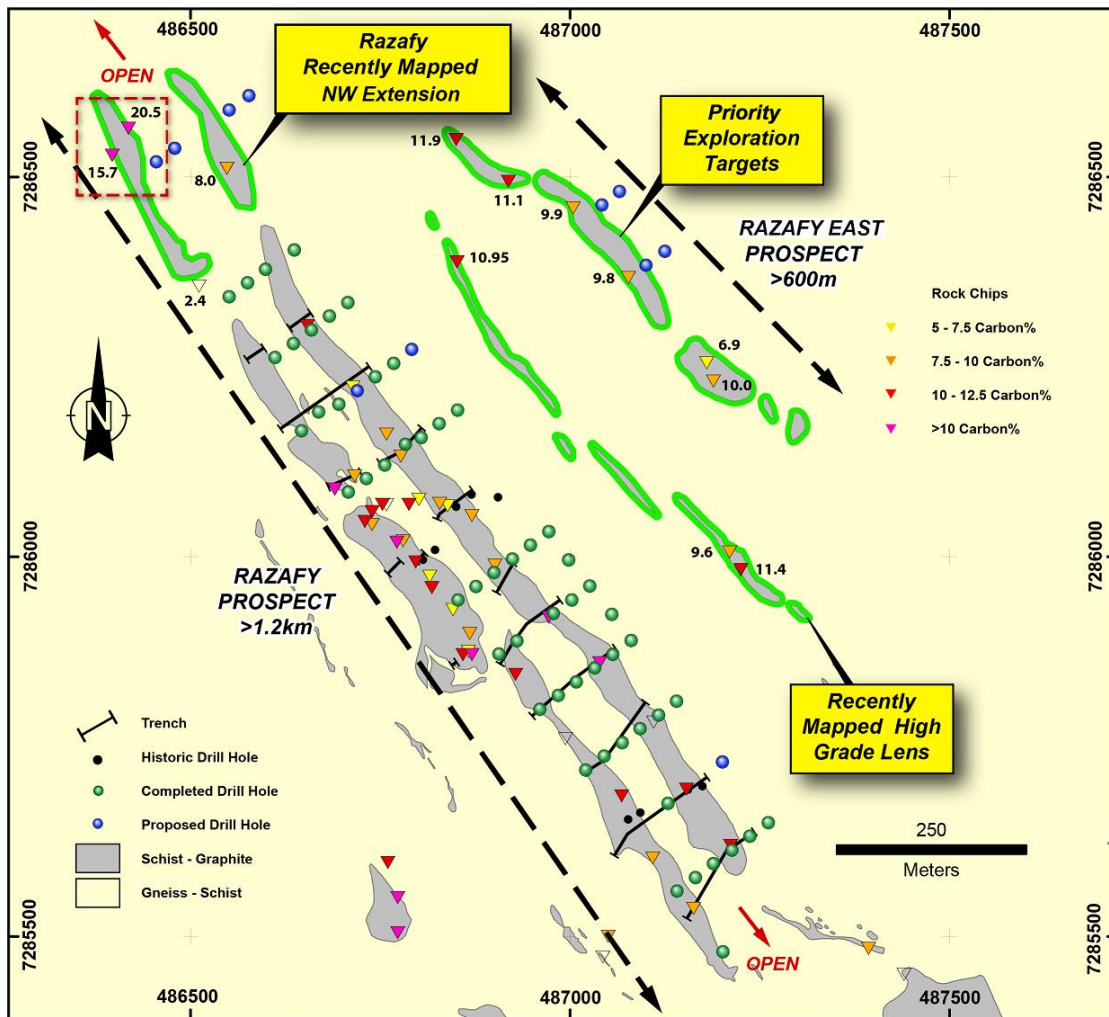


Figure 1 – Completed and proposed drill holes and grab samples as mapped at Razafy and Razafy East Prospects

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A review of the graphite prospects proximal to the Razafy Graphite Prospect has identified two priority areas for immediate exploration drilling. Both prospects will add to BEM's resource inventory and align with the Company's strategy to define high grade, high quality graphite resources at the Maniry Graphite Project by July 2018.

Razafy Drilling Program Scope Increases to the North West Extension

Recent grab samples and mapping by BEM geologists have identified further outcropping graphitic schist to the north west of Razafy. The overall length of the Razafy graphitic system now sits at greater than 1.2km in length (as shown in Figure 1). Rock chips taken from the lenses have returned values of up to **20.53% TGC** (see Appendix 2). Additional drilling at this prospect will be included in the resource estimation for Razafy, which is still on course to deliver an initial resource in late July.

Razafy Exploration Program Scope Increases - Razafy East

A review of mapping and rock chips at the Razafy East has identified a further priority target for immediate exploration drilling. Rock chips taken from the Razafy East prospect returned values up to **11.9% TGC** (see Appendix 2), with mapping identifying the lens at greater than 600m length and greater than 25m in thickness (as shown in Figure 1 above). Further drilling will be used to form a resource estimation at the Prospect and be added to BEM's resource inventory over the coming months.

Managing Director, Tom Revy commented:

The extension to Razafy and mapping of Razafy East confirms BEM's assessment on the prospectivity as the Razafy prospect remains open along strike and at depth with clear repetition trending to the east. The discovery of the new lenses at Razafy East confirms our view of the significant upside that exists in the Razafy Prospect within the Maniry Graphite Project. It confirms our theory of the highly prospective nature of this system.

MEDIA CONTACTS

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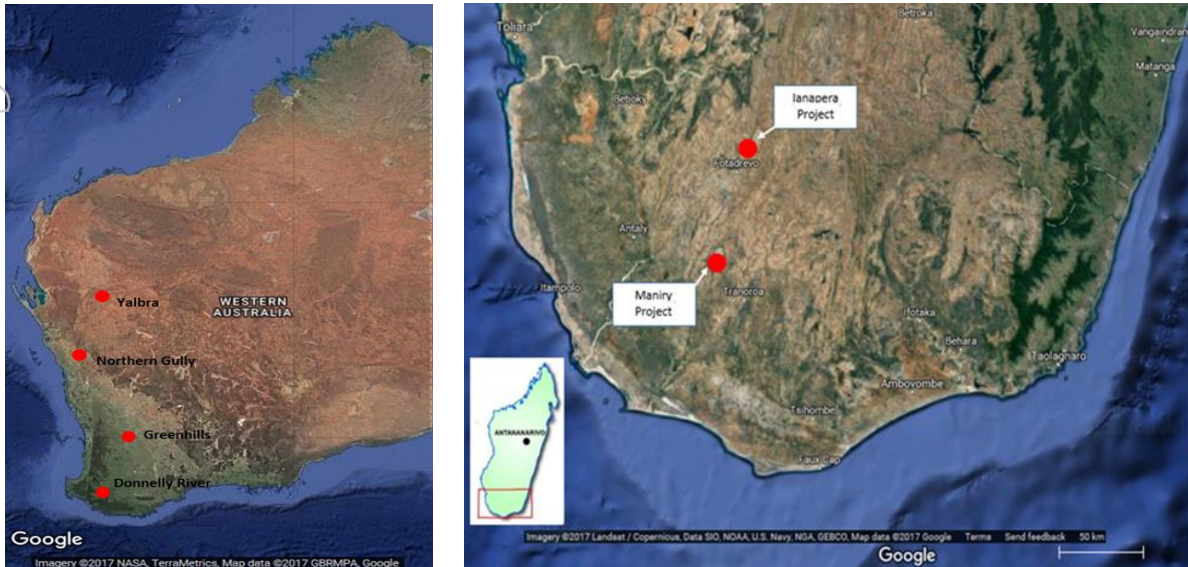
Competent Person's Statement

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.

For more information – www.blackearthminerals.com.au

About BlackEarth Minerals NL

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



The location of the Company's graphite projects: Madagascar (Maniry & Ianapera - above), Western Australia (Yalbra, Northern Gully, Greenhills & Donnelly River - left)

The Company's Madagascan projects consist of two primary exploration areas: the main Maniry project ("Maniry") in the south, and the Ianapera project ("Ianapera") in the north. Maniry is highly prospective for large-scale, high-quality graphite deposits and is currently at an advanced evaluation stage pending additional work to establish an initial resource, which is expected to be completed by mid-2018. Results, from samples taken within 50m of surface, have been received of 10m at 10.2% TGC, 12m at 11.6% TGC and 14m at 11.3% TGC, as disclosed in the Company's Replacement Prospectus dated 24 November 2017.

Ianapera is located within 10 km of NextSource Material Inc's (TSX: NEXT) Molo graphite deposit. It consists of a series of high-grade outcrops, up to 800m long and 30m wide, of graphite mineralisation within a broader graphite trend. These high-grade (15%+ TGC), near-surface exposures of graphite mineralisation lie over the top of a large conductive body, which indicates the potential presence of a large graphitic mineralised system.

The Company's Western Australian graphite assets include project areas that have been partially explored by a number of companies in the past, with encouraging results reported from several locations. The Company researched graphite data via the extensive historical Western Australian Mineral Exploration (WAMEX) database, which has already led to the identification of targets which will be the focus of initial exploration activities.

Appendix 1 – Table outlining drilling status of Razafy Drill Holes

Hole_ID	Prospect	EOH Depth	Easting	Northing	RL	Status	Dip	Azi
MNDD018	Razafy	104.12	486,971.92	7,286,033.38	297	Complete	-60	233
MNDD018A	Razafy	13.72	486,971.92	7,286,033.38	297	Cancelled	-60	211
MNDD019	Razafy	49.06	486,924.00	7,285,997.27	297	Complete	-60	233
MNDD020	Razafy	77.25	486,947.96	7,286,015.32	297	Complete	-60	233
MNDD021	Razafy	99.86	486,851.55	7,286,193.11	297	Complete	-60	233
MNDD022	Razafy	42.84	486,803.63	7,286,157.00	296	Complete	-60	233
MNDD023	Razafy	75.56	486,827.59	7,286,175.05	297	Complete	-60	233
MNDD024	Razafy	103.93	486,900.04	7,285,979.21	294	Complete	-60	233
MNDD025	Razafy	41.51	486,731.76	7,286,102.83	293	Complete	-60	233
MNDD026	Razafy	74.64	486,755.72	7,286,120.89	293	Complete	-60	233
MNDD027	Razafy	43.72	486,783.00	7,286,148.00	296	Complete	-60	233
MNDD028	Razafy	104.83	486,669.00	7,286,191.00	297	Complete	-60	233
MNDD029	Razafy	76.72	486,695.53	7,286,200.75	295	Complete	-60	233
MNDD030	Razafy	74.08	486,876.08	7,285,961.16	291	Complete	-60	233
MNDD031	Razafy	49.97	486,743.45	7,286,236.86	299	Complete	-60	233
MNDD032	Razafy	75.22	486,767.41	7,286,254.91	297	Complete	-60	233
MNDD033	Razafy	41.03	486,852.12	7,285,943.10	293	Complete	-60	233
MNDD034	Razafy	113.77	486,659.31	7,286,298.67	297	Complete	-60	233
MNDD035	Razafy	86.49	486,707.23	7,286,334.78	297	Complete	-60	233
MNDD036	Razafy	66.82	486,635.35	7,286,280.61	295	Complete	-60	233
MNDD037	Razafy	48.22	486,683.27	7,286,316.72	297	Complete	-60	233
MNDD038	Razafy	34.31	486,611.39	7,286,262.56	295	Complete	-60	233
MNDD039	Razafy	55.72	486,599.13	7,286,378.53	297	Complete	-60	233
MNDD040	Razafy	80.32	486,575.17	7,286,360.48	297	Complete	-60	233
MNDD041	Razafy	90.35	487,026.08	7,285,961.50	297	Complete	-60	233
MNDD042	Razafy	37.72	486,551.21	7,286,342.42	297	Complete	-60	233
MNDD043	Razafy	65.52	487,002.12	7,285,943.45	297	Complete	-60	233
MNDD044	Razafy	28.72	486,978.16	7,285,925.39	295	Complete	-60	233
MNDD045	Razafy	99.22	487,080.24	7,285,889.62	297	Complete	-60	233
MNDD046	Razafy	75.18	486,930.24	7,285,889.28	291	Complete	-60	233
MNDD047	Razafy	54.67	487,056.28	7,285,871.57	298	Complete	-60	233
MNDD048	Razafy	23.17	487,032.33	7,285,853.51	296	Complete	-60	233
MNDD049	Razafy	100.07	487,008.37	7,285,835.46	293	Complete	-60	233
MNDD050	Razafy	66.18	486,984.41	7,285,817.40	292	Complete	-60	233
MNDD051	Razafy	32.37	486,960.45	7,285,799.35	289	Complete	-60	233
MNDD052	Razafy	96.07	487,068.55	7,285,755.59	291	Complete	-60	233
MNDD053	Razafy	69.18	487,044.59	7,285,737.54	289	Complete	-60	233
MNDD054	Razafy	87.87	487,140.43	7,285,809.76	297	Complete	-60	233
MNDD055	Razafy	65.37	487,116.47	7,285,791.70	297	Complete	-60	233
MNDD056	Razafy	31.02	487,092.51	7,285,773.65	294	Complete	-60	233
MNDD057	Razafy	101.5	487,260.79	7,285,650.03	297	Complete	-60	233
MNDD058	Razafy	69.74	487,236.83	7,285,631.98	293	Complete	-60	233
MNDD059	Razafy	104.43	487,188.91	7,285,595.87	288	Complete	-60	233
MNDD060	Razafy	81.18	487,164.95	7,285,577.81	287	Complete	-60	233
MNDD061	Razafy	30.97	487,212.87	7,285,613.92	291	Complete	-60	233

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MNDD062	Razafy	43.3	487,201.18	7,285,479.89	297	Complete	-60	233
MNDD063	Razafy	48.2	487,140.99	7,285,559.76	285	Complete	-60	233
MNDD064	Razafy	27.2	486,646.00	7,286,166.00	296	Complete	-60	233
MNDD065	Razafy	25.04	486,708.00	7,286,085.00	297	Complete	-60	233
MNDD066	Razafy	42.18	486,637.00	7,286,404.00	292	Complete	-60	233
MNDD067	Razafy	110	486,998.00	7,285,996.00	297	Complete	-60	233
MNDD068	Razafy	32.18	486,906.00	7,285,872.00	290	Complete	-60	233
MNDD069	Razafy	94.68	487,055.00	7,285,924.00	297	Complete	-60	233
MNDD070	Razafy	80.57	486,577.00	7,286,607.00	295	Complete	-60	233
MNDD071	Razafy	57.8	486,551.00	7,286,588.00	295	Complete	-60	233
MNDD072	Razafy	50.68	486,455.00	7,286,520.00	295	Complete	-60	233
MNDD073	Razafy	40.72	487,020.63	7,285,719.49	286	Complete	-60	233
MNDD074	Razafy	98.4	486,479.00	7,286,538.00	295	Complete	-60	233
MNDD075	Razafy	100.18	487,128.73	7,285,675.73	290	Complete	-60	233
MNDD076	Razafy	76.01	487,065.00	7,286,481.00	295	Complete	-60	233
MNDD077	Razafy	80.21	487,125.00	7,286,402.00	295	Complete	-60	233
MNDD078	Razafy	47.39	487,100.00	7,286,384.00	295	Complete	-60	233
MNDD079	Razafy	50.38	487,042.00	7,286,463.00	295	Complete	-60	233
MNDD080	Razafy		487,200.61	7,285,729.89	297	On going	-60	233
Planned	Razafy		486,719.49	7,286,218.81	297	Planned	-60	233
MNDD081	Razafy		486,791.37	7,286,272.97	297	On going	-60	233

Appendix 2 – Grab Samples from Razafy Extension and Razafy East

Sample_ID	Easting	Northing	TGC%
MD05893	487180	7286255	6.9
MD05894	487210	7286006	9.6
36759	486851	7286388	10.95
36760	486548	7286511	8.01
36761	486548	7286511	0.71
36763	486397	7286528	15.71
36762	486418	7286564	20.53
36769	487225	7285983	11.35
36770	487225	7285983	10.64
MD15945	486736	7286612	8.3
MD15946	486850	7286549	11.9
MD15947	486919	7286494	11.1
MD15948	487004	7286459	9.9
MD15949	487189	7286231	10
MD15950	487077	7286367	9.8

JORC Code, 2012 Edition – Table 1 report template		
Section 1 Sampling Techniques and Data		
(Criteria in this section apply to all succeeding sections.)		
Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. Aspects of the determination of mineralisation that are Material to the Public Report. 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. 	Historical rock chips taken from outcropping graphitic schist. Approximately 2-3kg collected and analysed at the laboratory using a CS analysis.
Drilling techniques	<ul style="list-style-type: none"> 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). 	NA
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 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 fine/coarse material. 	NA
Logging	<ul style="list-style-type: none"> 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 costean, channel, etc.) photography. The total length and percentage of the relevant intersections logged. 	Geological observations are noted by the geologist
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 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. 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. 	NA
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 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. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established. 	Assaying was 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
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	NA
Location of data points	<ul style="list-style-type: none"> 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. Quality and adequacy of topographic control. 	The position of the rock chips are recorded using a handheld GPS (accurate to 3m), Projection and grid systems used: UTM (WGS84 Z38S).
Data spacing and distribution	<ul style="list-style-type: none"> 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. Whether sample compositing has been applied. 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 key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	Sample spacing is random and cannot be used for resource estimation.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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 key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	NA
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	Information is not available.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	NA

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	<ul style="list-style-type: none"> 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. 	<p>Work was undertaken upon permits 5394 & 3432</p> <ul style="list-style-type: none"> 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 Black Earth Minerals Ltd. through Madagascar Graphite. No overriding royalties are in place There is no native title agreement required 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.
	<ul style="list-style-type: none"> 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. 	
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	Regional mapping by BRGM, Historical diamond drilling and trenching by Malagasy Minerals. Ltd. (2008-2016)
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<p>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.</p> <p>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.</p>
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole 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. 	Refer to table within text
Data aggregation methods	<ul style="list-style-type: none"> 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. 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. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	NA
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	NA
Diagrams	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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 rock chips associated with the aforementioned lenses are reported.
Other substantive exploration data	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	Prospects are to be drilled over coming week.