

ASX Announcement

Rock Chip Samples at Razafy Return Up To 48% TGC

- Rock chips values up to 48% Total Graphitic Carbon (TGC) achieved
- Mapping and rock chipping identifies new, high grade target zones for further investigation during upcoming trenching program
- Results have further expanded the footprint of Maniry Graphite Project

BlackEarth Minerals NL (ASX: BEM) (**BlackEarth** or the **Company**) is delighted to provide an update on the recently received rock chip assays and mapping from the Maniry Graphite Project in southern Madagascar. Mapping by the BlackEarth technical team has identified a number of outcropping graphitic schists within 2km of the Razafy Graphite Resource, with rock chipping returning exceptional assay results from all of the identified lenses (Figure 1). These zones of high-grade mineralisation will be systematically explored during the upcoming trenching program at Maniry that is due to commence during October. The results of this program are expected to be reported towards the end of the year.

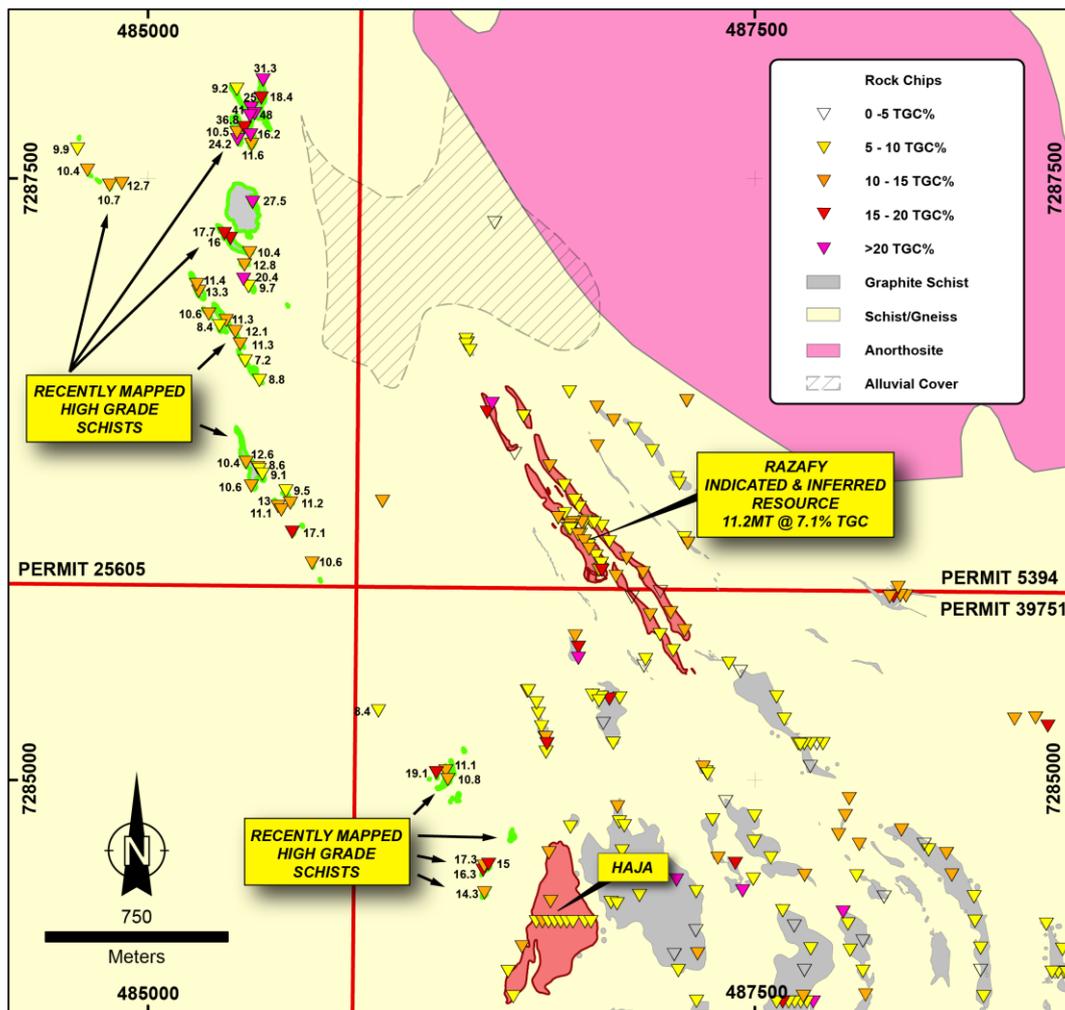


Figure 1 – Maniry Graphite Project – Rock Chips and Mapping

For personal use only

In total, 56 rock chips were taken: the vast majority of which returned grades >10% TGC, with two results >40% TGC. A breakdown of the distribution of these results is provided in Table 1 to demonstrate the consistent high grades that have been achieved. A full break down of all assay results is presented in Table 2.

Grade	<10%	10-20%	20-30%	30-40%	>40%
Samples	14	34	4	2	2

Table 1 – Maniry Rock Chips – Grade Distribution

The confirmation of mineralisation in this area has further expanded the footprint of the Maniry Graphite Project and once again bolstered BlackEarth’s positive view of the project. Critically, the identification of these exceptionally mineralised lenses towards the under-explored, north west corner of the project area is suggestive of a previously un-recognized area of high grade mineralisation - much of this zone is covered by a relatively thin veneer of alluvial cover (Figures 2 & 3). This zone will be further investigated as part of the upcoming trenching program in October.



Figure 2 - BlackEarth's Managing Director on the ground at Razafy North West with BlackEarth Madagascar geologist Mr Miravelo Rakotonanahary

Managing Director, Tom Revy commented:

“BlackEarth’s Razafy Graphite Prospect continues to deliver exceptional exploration results. We have to turn this advantage into a compelling business case; and reward for our shareholders should follow. BlackEarth’s next short-term hurdle is completion of the Scoping Study by the end of this year with the ultimate goal of delivering large flake graphite into the premium market.”

BlackEarth Minerals invites investors to attend an online investor briefing with Managing Director Tom Revy, live from the Graphite + Anodes conference in California on October 24. Register to attend here: <http://www.blackearthminerals.com.au/webinar>

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

MEDIA CONTACTS

Tom Revy,

BlackEarth Minerals NL

08 6145 0289 | 0411 475 376

For personal use only

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



Figure 3 - Further samples from Razafy North West

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 & Ianapera - above)

The Company's Madagascan projects consist of two primary exploration areas: the 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. 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.



For personal use only

Table 2 – Maniry – Rock Chip Assays

Sample_ID	Easting	Northing	TGC_ %
MNRS0018	486568	7285370	9.4
MNRS0019	486639	7285175	10.6
MNRS0020	486643	7285150	15.3
MNRS0021	485425	7287791	25
MNRS0022	485440	7287768	48
MNRS0023	485475	7287908	31.3
MNRS0024	485467	7287833	18.4
MNRS0025	486315	7286816	7.6
MNRS0026	486310	7286830	6.4
MNRS0027	486311	7286809	6.4
MNRS0028	486326	7286785	6.2
MNRS0029	485452	7286297	12.6
MNRS0030	485426	7286221	10.6
MNRS0031	485535	7286136	13
MNRS0032	485549	7286121	11.1
MNRS0033	485594	7286029	17.1
MNRS0034	486228	7285037	11.1
MNRS0035	486236	7285001	10.8
MNRS0036	486380	7284624	16.3
MNRS0037	486385	7284642	15
MNRS0038	485401	7286741	7.2
MNRS0039	485380	7286811	12.1
MNRS0040	485360	7286862	11.3
MNRS0041	485323	7286909	11.3
MNRS0042	485295	7286887	8.4
MNRS0043	485250	7286936	10.6
MNRS0044	485209	7287030	13.3
MNRS0045	485201	7287058	11.4
MNRS0046	485459	7286290	8.6
MNRS0047	485472	7286270	9.1
MNRS0048	485568	7286200	9.5
MNRS0049	485586	7286150	11.2
MNRS0050	485676	7285900	10.6
MNRS0051	486188	7285030	19.1
MNRS0052	486386	7284530	14.3
MNRS0053	486403	7284650	17.3
MNRS0054	485460	7286660	8.8
MNRS0055	485415	7287050	9.7
MNRS0056	485394	7287080	20.4
MNRS0057	485398	7287140	12.8
MNRS0058	485420	7287190	10.4
MNRS0059	485339	7287250	16
MNRS0060	485315	7287270	17.7
MNRS0061	485428	7287640	11.6
MNRS0062	485370	7287660	24.2
MNRS0063	485367	7287690	10.5
MNRS0064	485398	7287710	16.2
MNRS0065	485423	7287680	36.8
MNRS0066	485421	7287760	41
MNRS0067	485366	7287870	9.2
MNRS0068	485405	7286319	10.4
MNRS0069	485432	7287400	27.5
MNRS0070	484892	7287478	12.7
MNRS0071	484710	7287621	9.9
MNRS0072	484751	7287534	10.4
MNRS0073	484842	7287471	10.7

Table 3 – JORC 2012

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

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. 	Rock chips taken from outcropping graphitic schist. Approximately 2-3kg collected and analysed at the laboratory using a CS analyser.
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 (i.e. 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 is considered total.
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. 	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

For personal use only

Section 2 Reporting of Exploration Results

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

<p>Mineral tenement and land tenure status</p>	<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. 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. 	<p>Work was undertaken upon permits 5391, 5392, 5393, 25093 & 25094</p> <ul style="list-style-type: none"> The tenements are located within the inland South West of Madagascar. 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 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.
<p>Exploration done by other parties</p>	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p>Regional mapping by BRGM, Historical diamond drilling and trenching by Malagasy Minerals. Ltd. (2008-2016)</p>
<p>Geology</p>	<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>
<p>Drill hole Information</p>	<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"> eastings 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. 	<p>NA</p>
<p>Data aggregation methods</p>	<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. 	<p>NA</p>
<p>Relationship between mineralisation widths and intercept lengths</p>	<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'). 	<p>NA</p>
<p>Diagrams</p>	<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. 	<p>Refer to figures within text</p>
<p>Balanced reporting</p>	<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. 	<p>All rock chips associated with the aforementioned lenses are reported.</p>
<p>Other substantive exploration data</p>	<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. 	<p>Refer to BEM Prospectus.</p>
<p>Further work</p>	<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. 	<p>Prospects are to be trench tested over coming month to further assess the geometry and graphitic carbon content over the coming months</p>

For personal use only