

Black Rock confirms approvals now in place for US\$153m in loan facilities from DBSA, IDC and CRDB, completing debt funding for Mahenge

HIGHLIGHTS

- As announced previously, Black Rock has secured the key approvals for the US\$113m Term Loan for Mahenge, which, subject to documentation, is expected to comprise:
 - US\$59.6m from The Development Bank of Southern Africa (DBSA); and
 - US\$53.4m from the Industrial Development Corporation of South Africa (IDC)
- Black Rock has also secured the key approvals for US\$40m in additional debt facilities from Tanzanian lender CRDB Bank (CRDB). Subject to documentation, the ancillary debt facilities are expected to comprise:
 - US\$20m Working Capital Facility; and
 - US\$20m Cost Overrun Facility

Tanzanian graphite developer Black Rock Mining Limited (ASX: BKT) (Black Rock, BKT or the Company) is pleased to confirm it now has the key approvals in place for the US\$153m in debt facilities required to develop the Mahenge Graphite Project (Mahenge or the Project).

The Company has received the key approvals for US\$40m in facilities from Tanzanian lender CRDB, comprising a US\$20m working capital facility and a US\$20m cost overrun facility. Several other Tanzanian lenders have also expressed interest in participating in these facilities but are yet to receive credit approval and discussions are ongoing.

As announced on 15 March 2024, the IDC has approved a senior term loan of US\$53.4m. The IDC loan, together with the US\$59.6m senior loan approved previously by DBSA (announced on 2 November 2023), are expected to form the US\$113m Term Loan for Mahenge. The loan terms remain subject to documentation of final agreements, but the loan tenor is expected to be seven years and the interest rate will be based on the Secured Overnight Financing Rate (SOFR) plus a margin.

Working with its debt finance advisor, ICA Partners, Black Rock has begun the process to document full form facility agreements confirming the final structure of the Mahenge project debt package. Such facilities are expected to contain terms and conditions usual for facilities of this type, but there is no guarantee of the conditions potential lenders may seek to impose, or that facility agreements will ultimately be entered into.

Ultimately, funding for the Project to reach production will require both debt and equity. As announced on 4 September 2023, Black Rock has signed an MOU with its Strategic Alliance Partner, POSCO International Corporation (POSCO) for a potential cornerstone equity position in Black Rock of up to US\$40m and final approvals for this investment are expected near term. The Company is targeting first production from Module 1 in 2026.

About The Development Bank of Southern Africa (DBSA)

The Development Bank of Southern Africa is one of the leading African Development Finance Institutions, wholly owned by the Government of South Africa. The DBSA has a mandate to accelerate sustainable socio-economic development in South Africa, the Southern African Development Community (**SADC**) and the wider Sub-Saharan Africa by driving financial and non-financial investments in the social and economic infrastructure sectors.

About The Industrial Development Corporation of South Africa (IDC)

The Industrial Development Corporation of South Africa is a state-owned institution that provides financial support to promote economic growth and development in South Africa. IDC funds viable businesses to enhance industrial capacity and contribute to the economic growth of South Africa and the African continent. IDC emphasizes on labour-intensive industrialization, whether it is created directly through its funding of companies or by enabling downstream activities. IDC supports businesses to drive key development outcomes that ultimately lead to equitable economic growth, creating and sustaining jobs.

About CRDB Bank (CRDB)

CRDB Bank Plc is a commercial bank in Tanzania established in 1996. It is licensed by the Bank of Tanzania, the central bank and national banking regulator and was listed on the Dar es Salaam Stock Exchange in June 2009. CRDB Bank is also the largest commercial bank in Tanzania.

About POSCO

POSCO Holdings Inc is a large South Korean steel conglomerate with a market capitalisation of over US\$24bn with a large and growing battery materials business. POSCO Holdings Inc's 60%-owned battery business is called POSCO Future M Co., Ltd (previously known as POSCO Chemical). POSCO Future M Co., Ltd produces both cathodes and anodes and in 2022 was the world's largest anode producer outside China. POSCO Future M Co., Ltd plans to grow its anode business from 82ktpa in 2022 to 370ktpa by 2030. POSCO International Corporation is South Korea's largest trading company, is 71%-owned by POSCO Holdings Inc and is responsible for securing raw materials for the group.

This ASX release was authorised on behalf of the Black Rock Board by:

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Forward looking statements disclaimer

This announcement contains certain “forward-looking statements” and comments about future matters. Forward-looking statements can generally be identified by the use of forward-looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “estimate”, “target”, “outlook”, and other similar expressions and include, but are not limited to, the timing, outcome and effects of the financing process. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this release speak only as of the date hereof, are preliminary views and are based on assumptions and contingencies subject to change without notice. Forward-looking statements are provided as a general guide only. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. Any such forward looking statement also inherently involves known and unknown risks, uncertainties and other factors and may involve significant elements of subjective judgement and assumptions that may cause actual results, performance and achievements to differ. Except as required by law the Company undertakes no obligation to finalise, check, supplement, revise or update forward-looking statements in the future, regardless of whether new information, future events or results or other factors affect the information contained in this announcement.

About Black Rock

Black Rock Mining Limited is an Australian based company listed on the Australian Securities Exchange (ASX: **BKT**). The Company has an 84% interest in the world-class Mahenge Graphite Project (**Mahenge**) located in Tanzania. In October 2018, the Company released a Definitive Feasibility Study (**DFS**) for Mahenge. This was enhanced (**eDFS**) in July 2019 (ASX Announcement 25 July 2019). Black Rock has obtained all Environmental approvals, Mining Licences and its Resettlement Action Plan with clear title to the eDFS project area.

In June 2020, Black Rock announced a Strategic Alliance with POSCO for the development of Mahenge. This included an equity investment of US\$7.5m, followed by an offtake agreement for the fines for Module 1 (32% of volume) plus a US\$10m prepayment facility. POSCO has also signed an MOU for 6ktpa of large flake graphite (7% of volume) increasing POSCO's offtake interest to almost 40% of Module 1. In September 2023, Black Rock signed an MOU with POSCO for the fines for Module 2 for an equity investment in Black Rock of up to US\$40m or 19.9% (whichever is lower).

In December 2021, Black Rock signed a Framework Agreement with the Government of Tanzania confirming a 16% Free Carried Interest shareholding, agreed to consolidate its Mining Licences into a Special Mining Licence (**SML**). The SML for Mahenge was issued in September 2022. The Company is now construction-ready subject to financing.

Black Rock completed a FEED process (Front End Engineering Design) in September 2022, re-estimating the capital and operating costs for Mahenge as part of the eDFS Update¹. The eDFS Update confirmed Mahenge as a robust project with attractive returns. Key project metrics comprise:

- *Tier 1 Scale*: Mahenge has a resource of over 200mt and the 2nd largest graphite reserve globally
- *Modular development approach*: Initial Capex of US\$225m²;
- *1st quartile on the global cost curve*: Adjusted C1 Cash cost of US\$359/t³
- *Attractive projected returns*: Unlevered IRR post-tax, post free carry of 36%⁴
- *Substantial upside potential*: NPV_{10 nominal} post-tax, post free carry of A\$2.1bn or US\$1.4bn⁴

The estimated Ore Reserves and Mineral Resources underpinning the production target has been prepared by competent persons in accordance with the requirements in Appendix 5A (JORC Code).

JORC Compliant Mineral Resource Estimate and Ore Reserve⁵

Ore Reserves	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)
- Proven	0	0.0	0.0
- Probable	70.5	8.5	6.0
Total Ore Reserves	70.5	8.5	6.0
Mineral Resources			
- Measured	31.8	8.6	2.7
- Indicated	84.6	7.8	6.6
Total M&I	116.4	8.0	9.3
- Inferred	96.7	7.4	7.2
Total M, I&I	213.1	7.8	16.6



Location of Black Rock's Mahenge Graphite Project in Tanzania

For further information on Black Rock Mining Ltd, please visit www.blackrockmining.com.au

1 Refer market announcement dated 10 October 2023: Black Rock Completes Front End Engineering Design, Reconfirming Mahenge as Tier 1 scale project with compelling projected returns. The Company confirms that all the material assumptions underpinning the production target, or forecast financial information derived from the production target, in the original market announcement continue to apply and have not materially changed.

2 Includes US\$182m for Module 1 capex + US\$33m for power line + US\$10m for early works which can be completed pre FID. Power costs expected to be ~US8c/kWh less a meaningful rebate to recoup the costs of the power line. Forecast Capex has been classified as a Class 2 estimate with accuracy of ±10% as defined by AACE.

3 Adjusted for larger proportion of higher value large flake compared to global peers. Access to low-cost, hydro-dominated grid power is one of BKT's key competitive advantages.

4 Based on Expert Consensus graphite price forecasts, based on the average graphite price forecasts from Benchmark Mineral Intelligence, Fastmarkets and Wood Mackenzie

5 Resource Estimate as released to ASX on 3 February 2022: BKT Confirms 25% increase in Measured Resources and Ore Reserve Estimates as released to ASX on 8 August 2017: BKT delivers Exceptional Optimised PFS. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and that all material assumptions and technical parameters underpinning the estimates of Mineral Resources or Ore Reserves in the original market announcements continue to apply and have not materially changed.