

12 April 2021

ASX Announcement

BlackEarth closes heavily oversubscribed placement to raise \$4.89 million

Highlights -

- Placement successfully completed and very well supported by new and existing investors
- Funds shall be applied towards completing the Company's Definitive Feasibility Study ("DFS")
- A full-scale project development plan for Madagascar shall be fast tracked during 2021
- Funding will also allow the Company to conclude extensive drilling and exploration programs at its Maniry and other high-grade sites in Madagascar
- Concentrate from Stage 2 Pilot program shall be provided to Urbix Resources and LuxCarbon for testing and advancement of further offtake arrangement discussions
- Allocation of funding to be used in advancing downstream processing development plans
- Following the Placement, the Company's cash balance has increased to circa \$7.4 million

BlackEarth Minerals NL (ASX: BEM) (**BlackEarth** or the **Company**) is pleased to announce that it has successfully completed a bookbuild and secured commitments from domestic and international institutional and sophisticated investors to subscribe for approximately 36.13m new fully paid ordinary shares (**New Shares**) in the Company to raise gross proceeds of approximately A\$4.9 million (**Placement**) before costs. Argonaut Securities Pty Ltd was appointed as Lead Manager to the Placement.

Placement details

The Company will issue 36,134,220 New Shares at an issue price of \$0.135 per share (a 12.9% discount to last close on 7 April 2021 of \$0.155 per share) to domestic and international institutional and sophisticated investors to raise gross proceeds of \$4,878,119 before costs.

The New Shares will be placed within the Company's 15% placement capacity under ASX Listing Rule 7.1 and a further 10% within ASX Listing Rule 7.1A and without disclosure under the Corporations Act. The Placement is not subject to shareholder approval and the New Shares will rank equally with the Company's existing fully paid ordinary shares. The New Shares are expected to be issued on or about 20 April 2021.

Use of proceeds

The funds raised by the Placement will, together with the Company's existing funds, be used to progress the DFS for the Maniry Graphite Project and other development plans as follows:-

- Continue and conclude an extensive drilling and exploration program at the Maniry Project and other high grade company projects in Madagascar
- Conclusion of the Stage 2 pilot program with concentrate testing by Urbix Resources and LuxCarbon, Germany to advance downstream processing plans
- Development of a plant design for operations in Madagascar and
- Conclusion of other downstream project plans currently being assessed

BlackEarth Minerals NL
ACN 610 168 191

Level 1, 677 Murray Street
West Perth WA 6872

info@blackearthminerals.com.au
blackearthminerals.com.au

PO BOX 1088
West Perth WA 6872

BlackEarth's Managing Director, Tom Revy, said:

"The Board of BEM is delighted with the exceptional level of investor interest in this fund raising event.

There is significant recent research that indicates that as the world shifts toward embracing alternative energy sources, related industries could encounter a major shortage of graphite in the near future and Madagascar is well known for providing world class, high grade product that can have a major impact on filling the growing demand for this mineral. Furthermore, graphite is finally being recognised as one of the key critical commodities that must be made available and used in the production of lithium-ion batteries and the new, rapidly expanding electric vehicle (EV) and alternative energy markets.

BlackEarth have previously demonstrated that product from our projects in Madagascar is most suited for use in the EV and alternative energy markets and the completion of this raising will go a long way to completing our plans for construction of a plant in Madagascar and also assist us to conclude our downstream processing plans in conjunction with industry leading partners.

This is an exciting time in the development of Company and we look forward to providing our shareholders with updates of our continued growth throughout 2021"

This announcement has been approved by the Company's Disclosure Committee for release.

Not for release in the United States

This announcement has been prepared for publication in Australia and may not be released in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

Forward Looking Statements

This release may include forward-looking statements, which may be identified by words such as "expects", "anticipates", "believes", "projects", "plans", and similar expressions. These forward-looking statements are based on BlackEarth's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of BlackEarth, which could cause actual results to differ materially from such statements. There can be no assurance that forward-looking statements will prove to be correct. BlackEarth makes no undertaking to subsequently update or revise the forward-looking statements made in this release, to reflect the circumstances or events after the date of that release.

CONTACTS

Tom Revy	Managing Director	08 6145 0289 0411 475 376
David Round	Finance Director	0411 160 445
Jane Morgan	Investor and Media Relations	0405 555 618

BlackEarth 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/>
For more information – www.blackearthminerals.com.au