

## Black Rock Completes 500 Tonne Qualification Campaign

### HIGHLIGHTS

- **500 tonne large-scale processing plant campaign successfully executed for customer qualification works**
- **Represents the largest undertaken global graphite qualification processing plant**
- **Large volume of product already shipped to existing and potential offtake partners in North America, Asia and Europe aimed at securing binding offtake agreements**
- **Outcomes from plant operations provide high confidence with customers and financiers in the Company's ability to supply qualified product over the long term**

**Tanzanian graphite developer Black Rock Mining Limited (ASX:BKT) (Black Rock or the Company)** is pleased to announce it has completed a large-scale qualification plant campaign to progress customer qualification works and to support the debt financing for the Mahenge Graphite Mine (the **Project** or **Mahenge**).

### Large Scale Qualification Plant

Black Rock has successfully completed the operation of a large-scale qualification plant campaign that processed 500 tonnes of bulk graphite to produce concentrate samples aimed at completing customer qualification works at specification with POSCO and potential large flake customers in North America, Asia and Europe. The plant, located in Shandong province, China, commenced operations in August 2021 with ore parcel samples processed composited from eighteen locations across the entire strike length of the Ulanzi orebody at Mahenge. This sample strategy was designed to represent the first ten years of the Mahenge Ulanzi pit and is representative of the expected feed profile for Modules One and Two, from the four planned Modules and potential mine life of 26 years.

The Company believes that relative to its peers, it has undertaken the largest processing of graphite ore globally with over 600 tonnes through three pilot plant campaigns as part of an extensive customer qualification works.

Successful completion of this large-scale qualification plant has achieved the following key objectives:

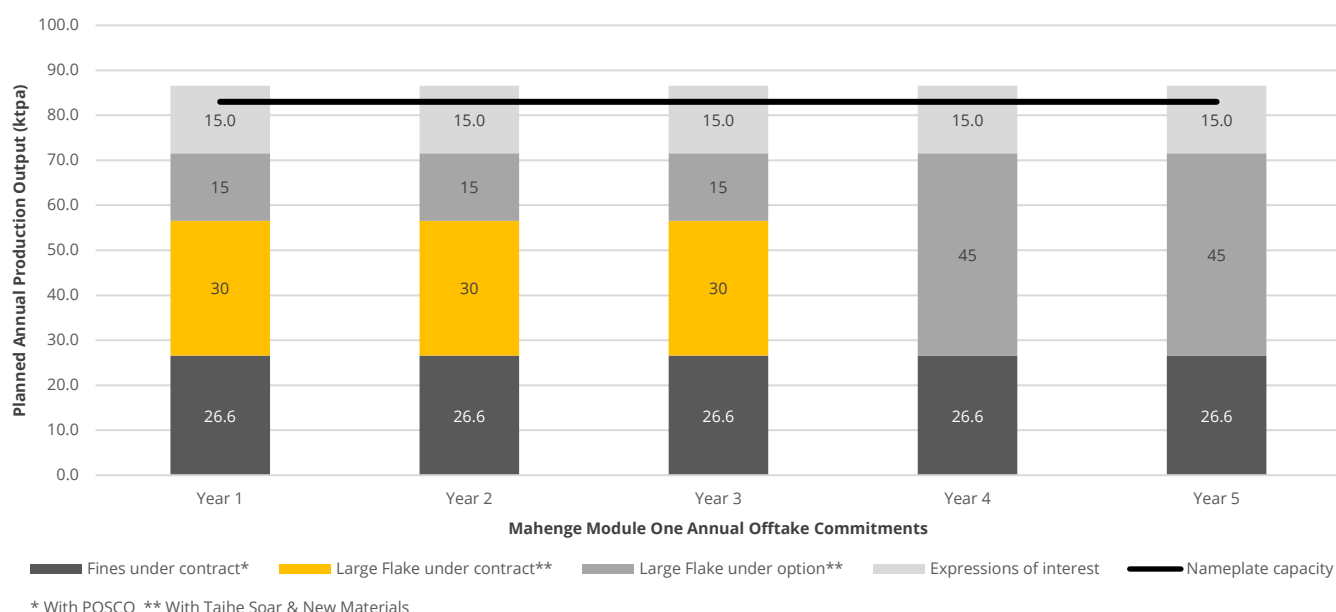
- Provided larger volumes of product to allow existing customers such as POSCO, and selected large flake potential customers in North America, Asia and Europe, to complete necessary qualification work as a prelude to binding offtake agreements;
- Demonstrated a whole of orebody qualification to provide high confidence with customers and financiers in the Project's ability to supply a high quality commercial product over the long term;
- Minimised flake degradation on the high-margin larger flake products while simultaneously maximising recoveries;
- Confirmed indicative plant performance in a commercial setting which showed a ramp-up to steady state operation producing, on specification products within 2 hours of start-up;
- Identified operational efficiencies with respect to a continuous operating circuit, equipment used and automation; and
- Positively supports discussions with respect to the debt financing process for Mahenge Graphite Project.

**Commenting on the completion of the 500 tonne qualification campaign, Black Rock MD and CEO, John de Vries, said:**

*"This is a massive achievement in the context that Black Rock has delivered the largest customer qualification program in the graphite sector globally, that continues to demonstrate to the market that we have a high quality commercial grade product.*

*The positive outcomes from this large-scale qualification plant campaign effectively provide a robust platform for our strong customer base to now base their decisions to confidently partner with Black Rock for the long-term. This in turn provides confidence to financiers that the robust economics of the Project are supported through a clear path to market."*

Black Rock is well positioned with a planned production portfolio consisting of several existing offtake agreements that are in place for Mahenge's planned Module One production, as set out in Figure 1 below.



**Figure 1 - Status of offtake commitments for planned production from Module One**

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

John de Vries, Managing Director & CEO

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## About Black Rock

Black Rock Mining Limited is an Australian based company listed on the Australian Securities Exchange (ASX:BKT). The Company has a 100% interest in the Mahenge Graphite Project (**Project**) located in Tanzania. The Project has a JORC compliant Mineral Resource Estimate of 212m tonnes at 7.8% TGC. It also has Ore Reserves of 70m tonnes at 8.5% TGC. The Ore Reserves support a mine life of up to 350k tonnes of graphite per annum for a reserve life of 16 years. Since the release of the Mineral Resource Estimate, the Company confirms that it is not aware of any new information or data that materially affects the mineral resources estimate.

On 25 July 2019, the Company released an enhanced Definitive Feasibility Study (eDFS) for the Project. The eDFS for the Mahenge Graphite Mine envisages a four phase operation, ultimately producing 340,000 tpa of high-grade graphite, with exceptional financial metrics including:

- *Low Capex*: Lowest peak capital expenditure of US\$116M for phase one\*;
- *High Margin*: AISC margin of 63.1%;
- *Low Technical Risk*: Substantial pilot plant operations run of 110 tonnes; and
- *Superior Economics*: IRR of 44.8% with NPV<sub>10</sub> of US\$1.16bn (A\$1.65bn\*\*)

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, the Company announced a Strategic Alliance with POSCO Group for the development of the Mahenge Graphite Mine. This included an equity investment of US\$7.5M, signed in February 2021, and an offtake agreement, currently in progress, which includes a prepayment facility of up to US\$20M. Black Rock has also allocated planned production through Pricing Framework Agreements (ASX release 8 May 2019) with five other offtake customers.

Following release of the enhanced DFS (eDFS) in July 2019, the Company confirms that it is not aware of any new data or information that materially affects the results of the eDFS and that all material assumptions and, in the case of estimates of Mineral Resources or Ore Reserves, technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

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).

The Company is construction-ready subject to financing and confirmation of Tanzanian Government Free Carried Interest Agreement.

<b>JORC Compliant Mineral Resource Estimate and Ore Reserve***</b>			
<b>Ore Reserves</b>	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)
- Proven	0	0.0	0.0
- Probable	69.6	8.5	6.0
<b>Total Ore Reserves</b>	<b>69.6</b>	<b>8.5</b>	<b>6.0</b>
<b>Mineral Resources</b>			
- Measured	25.5	8.6	2.2
- Indicated	88.1	7.9	6.9
<b>Total M&amp;I</b>	<b>113.6</b>	<b>8.1</b>	<b>9.1</b>
- Inferred	98.3	7.6	7.4
<b>Total M, I&amp;I</b>	<b>211.9</b>	<b>7.8</b>	<b>16.6</b>



Location of Black Rock's Mahenge Graphite Project in Tanzania

For further information on Black Rock Mining Ltd, please visit [www.blackrockmining.com.au](http://www.blackrockmining.com.au)

\* Forecast Capex has been classified as a Class 3 estimate with accuracy of ±10% as defined by AACE

\*\* AU\$/US\$ 0.70

\*\*\* Resource and Ore Reserve Estimates as released to ASX on 8 August 2017 Optimised PFS

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