

24 January 2022

ASX Announcement

BlackEarth completes heavily overbid Placement to raise \$6.8 million

Highlights -

- Placement successfully completed reflecting **significant positive progress on the Maniry Graphite Project** and the overall critical commodities market
- Funds shall be applied towards completing the **Company's Definitive Feasibility Study ("DFS")**
- Funding will also allow the Company to recommence extensive drilling and **exploration programs at its High Grade Razafy North West area**
- Allocation of funding to be used in **advancing downstream processing development** in India with Joint Venture partner, Metachem
- Following the Placement, the Company's holds a very strong cash balance of \$9.30 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 existing and new domestic and international institutional and sophisticated investors to subscribe for approximately 50.7 million new fully paid ordinary shares (New Shares) in the Company, to raise gross proceeds of approximately A\$6.84 million (Placement) before costs. Argonaut Securities Pty Ltd was appointed as Lead Manager to the Placement.

Placement details

The Company will issue 50,650,955 New Shares at an issue price of \$0.135 per share (a 12.9% discount to last close on 19 January 2022 of \$0.155 per share) to raise gross proceeds of \$6,837,879 before costs.

The New Shares will be placed within the placement capacity under ASX Listing Rule 7.1 and 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 31 January 2022.

Use of proceeds

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

- Continue an extensive drilling and exploration program at the Maniry Project's high grade Razafy NW area to potentially further increase the Project's economics
- Add to the Company's current quality Resource inventory both at Razafy and Razafy NW
- Development of its downstream expandable graphite project plans in India
- Front End Engineering and Design (FEED) and the purchasing of long lead items post the completion of the Maniry DFS

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, reflective of the strong current thematic in the graphite sector .

Following recent releases on the progress of the Maniry Project together with the significantly enhanced financials, we are seeing substantial interest in our project by both local and overseas institutional investors, who participated in the raising, including those focused on ESG.

Management remains excited with the development progress of both its Maniry Graphite Project and its Indian JV expandable graphite plans, and the key milestones that will be reached in 2022."

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.

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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/>
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