

## Black Rock Mining Awarded Special Mining Licence for Mahenge

### HIGHLIGHTS

- **A new Special Mining Licence (SML) has been awarded to Black Rock's Tanzanian subsidiary Faru Graphite Corporation, delivering a number of positive outcomes for Black Rock:**
  - **Grant of SML extends tenure from 10 to 26 years;**
  - **Existing Environmental Permits, Resettlement Action Plans and operating permits will be grandfathered to the new SML; and**
  - **Cabinet approval of the SML means the terms of the Framework Agreement have now been signed off by all senior ministers of the Govt of United Republic Tanzania**
- **SML provides certainty and is the final key regulatory permit required to finance development**

**Tanzanian graphite developer Black Rock Mining Limited (ASX:BKT) (Black Rock or the Company)** is pleased to announce that a new Special Mining Licence (SML) 676/2022 has been awarded for the Mahenge Graphite Project (**Mahenge**), as agreed in the Framework Agreement signed with the Government of Tanzania on the 13th of December 2021.

### Special Mining Licence Overview

The SML for Mahenge, along with the exemptions granted, was reviewed and approved by Cabinet of United Republic Tanzania (**Government of Tanzania**), which comprises the President, Vice President, President of Zanzibar, Prime Minister and all the Ministers. The SML awarded covers an area of 35km<sup>2</sup> (see figure 1) which has been granted to Faru Graphite Corporation (**Faru**), the Joint Venture (**JV**) company established to develop the Mahenge Graphite Project. Faru is 16% owned by the Government of Tanzania and 84% owned by Black Rock via its wholly owned UK subsidiary company, Mahenge Resources Limited (UK). The SML is valid for 26 years, up from the 10 years attached to the existing Mining Licence.

In addition, the existing approved Environmental Permits and Resettlement Action Plans and operating permits granted to Mining Licences 611 and 612 held by Black Rock's wholly owned Tanzanian subsidiary Mahenge Resources Limited, will be grandfathered and unified under the new SML.

Black Rock has also been granted an exemption from the provisions of the Mines Act 2017 requiring SML developers to issue 5% of stock to local interests and listing of 30% of stock on the Dar es Salaam Stock Exchange.

### Black Rock MD and CEO, John de Vries said:

*"The awarding of a new SML for the Mahenge Graphite Project area provides permit coverage for the entire mining operation, and importantly confirms the Tanzanian Government's commitment to seeing the Mahenge Graphite Project advanced into production."*

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#### Tanzanian Office

#### Mahenge Resources Ltd

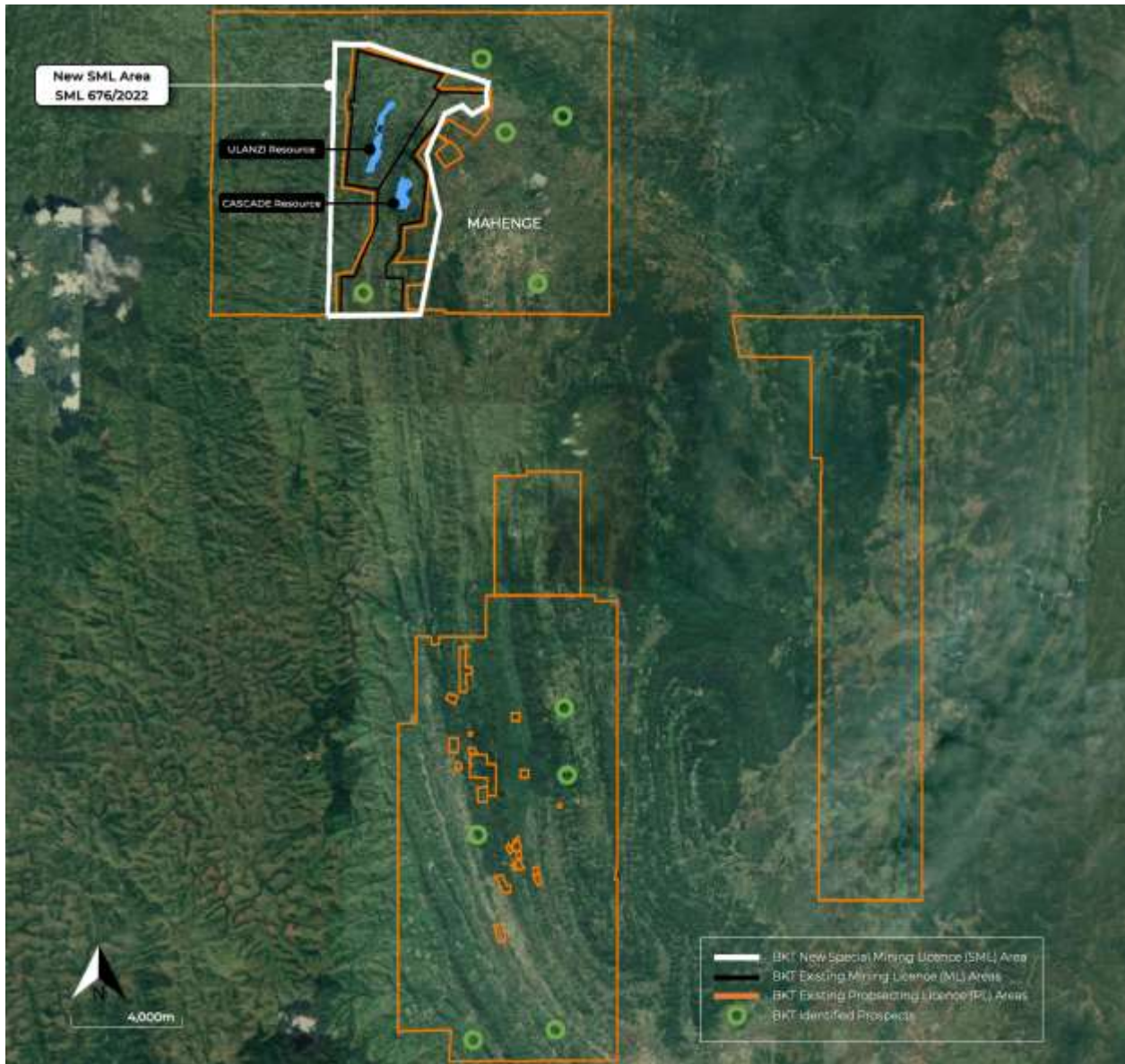
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#### Directors

Richard Crookes	Chairman
John de Vries	Managing Director & CEO
Gabriel Chiappini	Non-Executive Director
Ian Murray	Non-Executive Director

*This is an important milestone for Black Rock and represents the final key regulatory hurdle, derisks our financing process and enables commencement of construction.*

*The Company is now focused on progressing the project development financing process alongside its customer and project execution activities."*



**Figure 1 – Map of the Mahenge Graphite Mine area showing the new Special Mining Licence boundary**

**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 an 84% interest in the world-class Mahenge Graphite Project (**Mahenge**) located in Tanzania. Mahenge has a JORC compliant Mineral Resource Estimate of 213m tonnes at 7.8% TGC and 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.

In October 2018, the Company released a Definitive Feasibility Study (**DFS**) for Mahenge, which was based on strong customer demand. This was enhanced (**eDFS**) in July 2019 (ASX Announcement 25 July 2019), and demonstrated 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 600 tonnes; and
- *Superior Economics*: IRR of 44.8% with NPV<sub>10 nominal</sub> of US\$1.5bn (A\$2.1bn\*\*)

Black Rock is completing a FEED process (Front End Engineering Design) and re-estimating the capital and operating costs at Mahenge as part of financing process. The costs, process constraints and ESG are currently subject to peer review from an Independent Technical Expert (**ITE**) as part of this process. Black Rock will update the market once the ITE review is complete and updated estimates are finalised.

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 Mahenge. This included an equity investment of US\$7.5M, signed in February 2021, followed by an offtake agreement, with a US\$10M prepayment facility. In December 2021, Black Rock signed a Framework Agreement with the Government of Tanzania confirming their 16% Free Carried Interest shareholding, agreed to consolidate its Mining Licences into a Special Mining Licence (SML) and committed to jointly develop Mahenge. The SML for Mahenge was awarded in September 2022. The Company is construction-ready subject to financing.

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).

<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	70.5	8.5	6.0
<b>Total Ore Reserves</b>	<b>70.5</b>	<b>8.5</b>	<b>6.0</b>
<b>Mineral Resources</b>			
- Measured	31.8	8.6	2.7
- Indicated	84.6	7.8	6.6
<b>Total M&amp;I</b>	<b>116.4</b>	<b>8.0</b>	<b>9.3</b>
- Inferred	96.7	7.4	7.2
<b>Total M, I&amp;I</b>	<b>213.1</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 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. All material assumptions underpinning the Resource Estimate and Ore Reserve Estimate continue to apply and have not materially changed.

\*\*\*\* Refer ASX announcement released on 25 July 2019. All material assumptions underpinning the eDFS continue to apply and have not materially changed. BKT is currently completing a FEED process and re-estimating the capital and operating costs at Mahenge as part of financing process and will update the market once complete

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