

# Black Rock Signs MOU for Rail Transport from Mahenge

## HIGHLIGHTS

- **Black Rock has signed a non-binding MOU with Tanzania Zambia Railway Authority (TAZARA) to collaborate for the transportation of graphite from the Mahenge Graphite Project by existing railway to the Port of Dar es Salaam**
- **Having direct access to rail provides significant logistics advantages to Black Rock:**
  - **Allows for a sustained lower cost operation which should position the Mahenge Graphite Project in the lowest quartile of the cost curve;**
  - **Rail transportation is faster, cheaper and safer; and**
  - **Direct access through the Dar es Salaam high-volume container port gives the Company optionality with respect to high frequency shipping to key customer destinations.**

Tanzanian graphite developer **Black Rock Mining Limited** (ASX: **BKT**) (**Black Rock** or the **Company**) is pleased to announce that it has signed a non-binding Memorandum of Understanding (**MOU**) with Tanzania Zambia Railway Authority (**TAZARA**) for the transportation of graphite products from the Mahenge Graphite Project (**Mahenge or the Project**).

### TAZARA Rail Transportation MOU

An MOU has been executed between Faru Graphite Corporation Limited (**Faru**) (Black Rock's Tanzanian subsidiary) and TAZARA. The agreement establishes a framework for a binding agreement to transport graphite produced by Black Rock at Mahenge to the Port of Dar es Salaam, via an existing railway siding and rail lines owned by TAZARA. The agreement includes provision for track rights as well freight haulage.

The objectives of the MOU are designed to support cost-effective key logistics requirements for Black Rock's planned operations at Mahenge, with key terms including:

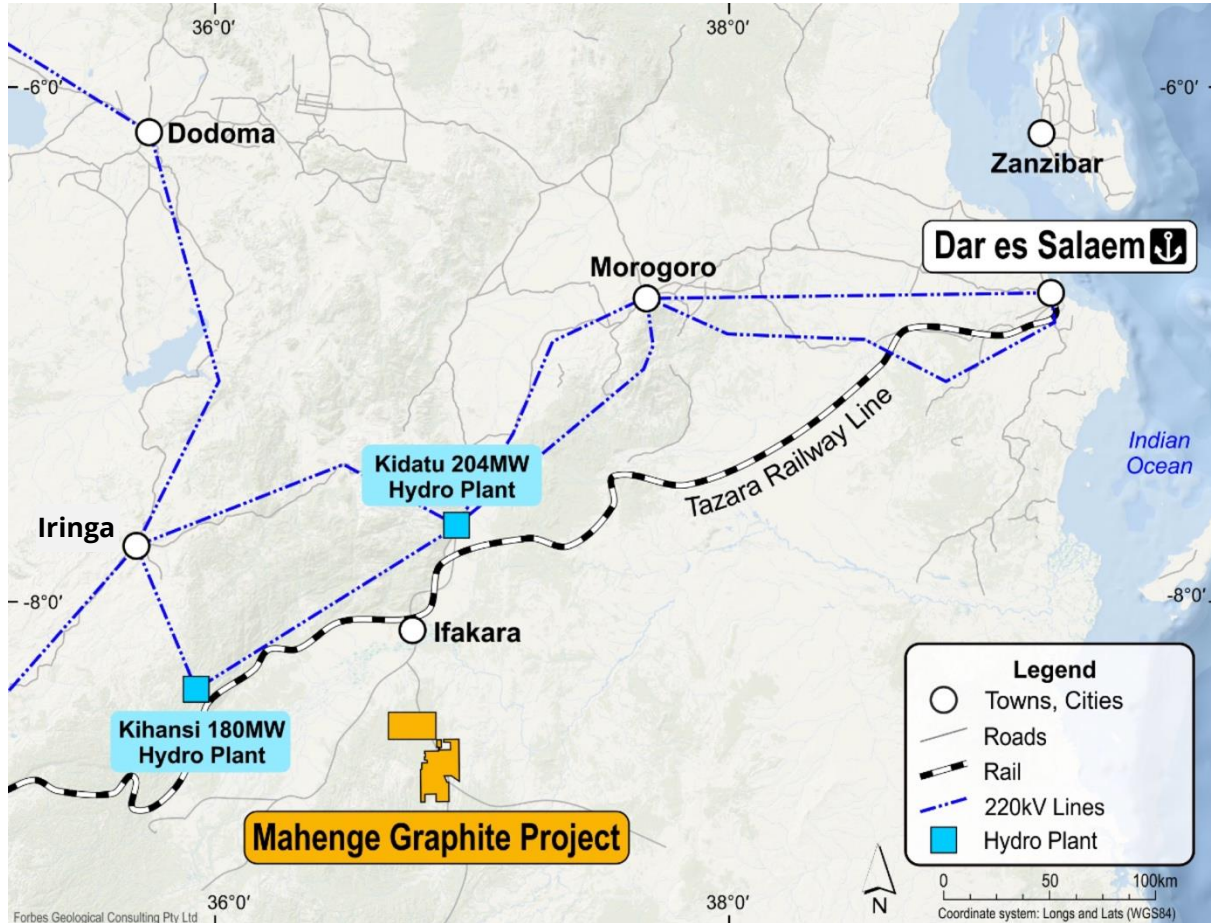
- Ability for TAZARA to transport 89,000 metric tons of graphite produced from Module One, ramping up to 344,000 metric tons in full production from Module Four;
- Rail transportation and access for graphite products to the high-volume container port of Dar es Salaam via the existing railway and sidings;
- Determine an appropriate operating regime (run-when-ready or dedicated train path) that will best support Black Rock's intended operation at Mahenge; and
- Provide secure storage facilities.

### Commenting on the MOU with TAZARA, Black Rock CEO, John de Vries, said:

*"Direct access to rail will give Black Rock a tremendous advantage when it comes to running a lower cost and sustainable operation. Having rail on our doorstep clearly demonstrates this unique competitive advantage that ultimately enables Black Rock to access key customer destinations from the deep-water port of Dar es Salaam."*



*This rail infrastructure is already in place, and with the recent MOU with Tanzania Electric Supply Company Limited (TANESCO) for grid power, Black Rock continues to focus on establishing the building blocks required as part of our long-term plan to deliver a world-class, sustainable and responsible graphite operation at Mahenge."*



**Figure 1: The location of Black Rock’s Mahenge Graphite Project adjacent to the TAZARA railway line with direct access to the deep water port of Dar es Salaam**

**This ASX release was authorised on behalf of the Black Rock Board by:**  
John de Vries, Managing Director & CEO

**For more information:**

John de Vries  
**Chief Executive Officer**  
**Black Rock Mining**  
+61 438 356 590  
jdv@blackrockmining.com.au

Steuart McIntyre  
**GM Corporate Development**  
**Black Rock Mining**  
+61 413 555 609  
sm@blackrockmining.com.au

Elvis Jurcevic  
**Investor Relations**  
**IRX Advisors**  
+61 408 268 271  
ej@blackrockmining.com.au

## 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. 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 Resource Estimate.

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). Black Rock has obtained all Environmental approvals, Mining Licences and its Resettlement Action Plan with clear title to the eDFS project area.

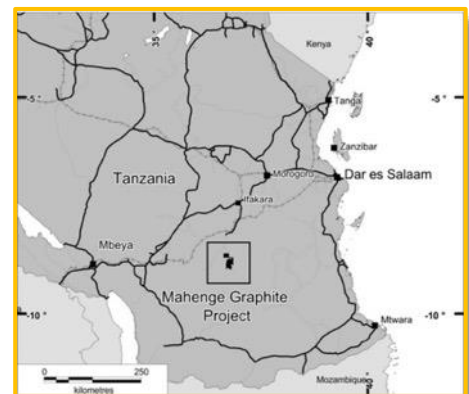
In June 2020, the Company announced a Strategic Alliance with POSCO Group for the development of Mahenge. This included an equity investment of US\$7.5M, signed in February 2021, followed by an offtake agreement, with a US\$10M prepayment facility. In December 2021, Black Rock signed a Framework Agreement 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 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 debt financing process. The FEED work 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 2<sup>nd</sup> largest graphite reserve globally
- *Modular development approach:* Module 1 Capex of US\$182m\*;
- *1<sup>st</sup> quartile on the global cost curve:* Adjusted C1 Cash cost of US\$359/t\*\*
- *Attractive projected returns:* Unlevered IRR post-tax, post free carry of 36%\*\*\*
- *Substantial upside potential:* NPV<sub>10 nominal</sub> post-tax, post free carry of A\$2.1bn or US\$1.4bn\*\*\*

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 2 estimate with accuracy of ±10% as defined by AACE

\*\* Adjusted for larger proportion of higher value large flake compared to global peers

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

\*\*\*\* 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