

## Black Rock Debt Process Update

### Potential lenders have submitted proposals to their internal credit committees

Tanzanian graphite developer **Black Rock Mining Limited** (ASX: **BKT**) (**Black Rock**, **BKT** or the **Company**) is pleased to provide an update on the debt process being run as part of the potential funding solution for the Mahenge Graphite Project (**Mahenge** or the **Project**).

Several potential lenders, including Development Finance Institutions and Tanzanian commercial banks, have progressed through the substantive part of the due diligence process, including site visits, and are progressing indicative term sheets based on their due diligence and the eDFS Update outcomes<sup>1</sup>. Short listed debt providers are now in the process of providing term sheets to their internal credit committees. Black Rock has received notification of an initial stage credit committee approval from a wholly owned subsidiary of the Government of South Africa. The Company notes that while it does not consider notification of an initial stage credit committee approval material in and of itself, the debt financing process is continuing on track, and initial stage credit committee approval is a pre-condition to receiving final approval.

The Company expects lender Board approvals from several lenders to be notified to the Company during Q4 2023. Once those Board approvals are received, Black Rock will then seek to negotiate and execute full form facility agreements with successful lenders, and confirm the structuring of the project financing package. Such approvals and facilities are expected to contain terms and conditions usual for facilities of this type, but there is no guarantee of the conditions lenders may seek to impose, or that facility agreements will ultimately be entered into.

Ultimately, funding for the Project to reach production will require a combined debt and equity project finance package and the Company is targeting up to 50% debt via traditional project finance. POSCO has entered into a MOU for a potential cornerstone equity position of up to US\$40m<sup>2</sup> and the debt component is anticipated to require a combination of lenders. The debt funding is intended to fund Module 1 and other infrastructure, including a 220kV powerline and associated switchyards at Mahenge townsite<sup>3</sup>. The debt funding component is progressing well and the Company continues to target first production from Module 1 in 2025.

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

John de Vries, Managing Director & CEO

<sup>1</sup> See ASX announcement on 10 October 2022.

<sup>2</sup> See ASX announcement on 4 September 2023.

<sup>3</sup> See ASX announcement on 5 December 2022.

**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

**Forward looking statements disclaimer**

This announcement contains certain “forward-looking statements” and comments about future matters. Forward-looking statements can generally be identified by the use of forward-looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “estimate”, “target”, “outlook”, and other similar expressions and include, but are not limited to, the timing, outcome and effects of the financing process. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this release speak only as of the date hereof, are preliminary views and are based on assumptions and contingencies subject to change without notice. Forward-looking statements are provided as a general guide only. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. Any such forward looking statement also inherently involves known and unknown risks, uncertainties and other factors and may involve significant elements of subjective judgement and assumptions that may cause actual results, performance and achievements to differ. Except as required by law the Company undertakes no obligation to finalise, check, supplement, revise or update forward-looking statements in the future, regardless of whether new information, future events or results or other factors affect the information contained in this announcement.

## 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. In October 2018, the Company released a Definitive Feasibility Study (**DFS**) for Mahenge. 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, Black Rock announced a Strategic Alliance with POSCO for the development of Mahenge. This included an equity investment of US\$7.5M, followed by an offtake agreement for the fines for Module 1 (32% of volume) plus a US\$10M prepayment facility. POSCO has also signed an MOU for 6ktpa of large flake graphite (7% of volume) increasing POSCO's offtake interest to almost 40% of Module 1. In September 2023, Black Rock signed an MOU with POSCO for the fines for Module 2 for an equity investment in Black Rock of up to US\$40m or 19.9% (whichever is lower).

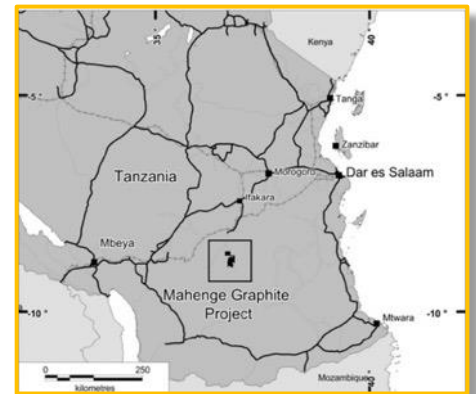
In December 2021, Black Rock signed a Framework Agreement with the Government of Tanzania confirming a 16% Free Carried Interest shareholding, agreed to consolidate its Mining Licences into a Special Mining Licence (**SML**). The SML for Mahenge was issued in September 2022. The Company is now construction-ready 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 eDFS Update<sup>1</sup>. The eDFS Update 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<sup>2</sup>;
- *1<sup>st</sup> quartile on the global cost curve*: Adjusted C1 Cash cost of US\$359/t<sup>3</sup>
- *Attractive projected returns*: Unlevered IRR post-tax, post free carry of 36%<sup>4</sup>
- *Substantial upside potential*: NPV<sub>10 nominal</sub> post-tax, post free carry of A\$2.1bn or US\$1.4bn<sup>4</sup>

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<sup>5</sup></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)

1 Refer market announcement dated 10 October 2023: Black Rock Completes Front End Engineering Design, Reconfirming Mahenge as Tier 1 scale project with compelling projected returns. The Company confirms that all the material assumptions underpinning the production target, or forecast financial information derived from the production target, in the original market announcement continue to apply and have not materially changed.

2 Excludes US\$33m for the power line upgrade on behalf of TANESCO, the Tanzanian Govt power authority. This outlay is essentially a prepayment of power costs, which are expected to be ~US8c/kWh less a meaningful rebate to recoup the power line cost. Forecast Capex has been classified as a Class 2 estimate with accuracy of ±10% as defined by AAACE.

3 Adjusted for larger proportion of higher value large flake compared to global peers. Access to low-cost, hydro-dominated grid power is one of BKT's key competitive advantages.

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

5 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. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and that all material assumptions and technical parameters underpinning the estimates of Mineral Resources or Ore Reserves in the original market announcements continue to apply and have not materially changed.