



ASX ANNOUNCEMENT

21 June 2017

Black Mountain secures \$1 million in funding from new cornerstone investor

- **New funds raised at \$0.04 per share from experienced resource sector investor group Investmet Limited**
- **Funds to be immediately deployed to improve performance at Namekara Vermiculite Mine in Uganda**
- **Black Mountain reconfirms continued sales of its large and medium grade vermiculite to multiple markets**

Black Mountain Resources Limited (**ASX: BMZ**) (**Black Mountain** or the **Company**) is pleased to advise that it has raised A\$1,000,000 through placement of 25,000,000 fully paid ordinary shares at \$0.04 per share to new cornerstone investor, Investmet Limited (Investmet).

The Board of Black Mountain is pleased to welcome Investmet to its register. Headed by Mr Michael Fotios, Investmet is a well-regarded and very experienced resources sector investor, and their team of highly capable executives with both operational and corporate skills have delivered significant value to a number of ASX-listed resources companies where Investmet has taken a substantial shareholding.

The funds from this placement will be immediately deployed to delivering operational improvements at the Namekara Vermiculite Mine in Uganda. Investmet has conducted numerous site visits to the Namekara Mine and undertaken extensive due diligence over the project and the Company. It has identified key areas of improvement in mining and processing activities that will lead to a major reduction in operating costs at the mine.

As well, Investmet has undertaken a review of Namekara's overall geology and believes further value can be realised from broader exploration initiatives.

BMZ is also pleased to reconfirm that demand for its large and medium grade vermiculite continues to grow across multiple international markets, and that sales are materialising from the Company's established stockpiles located at warehouse facilities in Uganda and Europe.

It is expected that the first tranche of funding by Investmet, being \$400,000, will be received by Black Mountain later this week which will coincide with the appointment of two additional Directors to the Company's Board. Black Mountain will provide details on these appointments then. The placement of shares will be made using the Company's existing issuance capacity under ASX Listing Rules 7.1 (9,683,228 shares to be placed under Listing Rule 7.1) and 7.1A (15,316,772 shares to be placed under Listing Rule 7.1A) and no costs have been incurred for the placement.

Further information, please contact:

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