

ASX Release
14 December 2017

BLACK ROCK MINING APPOINTS CPC ENGINEERING AS ENGINEERING CONTRACTOR FOR MAHENGE DEFINITIVE FEASIBILITY STUDY

HIGHLIGHTS

- Black Rock Mining appoints CPC Project Design as Engineering Contractor for Definitive Feasibility Study
- CPC Project Design is a leading mid-tier Perth based engineering company with extensive graphite and Africa experience
- The selection of CPC Project Design was based on detailed tender process covering five bidders
- Scope is for delivery of Definitive Feasibility Study of the first module at Ulanzi and associated infrastructure
- Study is timed for delivery in Q3 CY18 to enable the Company's timeline of commencing production in late 2019 to be met

Tanzanian graphite developer Black Rock Mining (ASX:BKT) ("Black Rock or the "Company") is pleased to announce that it has appointed CPC Project Design as its Engineering Contractor for the Definitive Feasibility Study (DFS) at its 100%-owned Mahenge Graphite Project. The engineering study will commence in early January 2018.

The scope of the study is for the first Module of Ulanzi, Mahenge and the associated infrastructure. The study is scheduled for completion in the second half of CY2018. Full completion and delivery of the study is subject to and conditional upon Tanzania putting in place its new mining code and regulations.

Black Rock Mining's Executive Director and CEO John de Vries commented:

"We are commencing work on delivering the Definitive Feasibility Study, having recommenced drilling, and now commencing the engineering component of the Study. Securing the services of CPC Project Design is important, as they bring highly valued experience given their involvement in Syrah's Balama Project, a wealth of recent graphite and African experience, coupled to the can-do approach of a mid-tier firm.

We are increasingly confident that we will see legislative clarification from the Tanzanian Government in the not too distant future, and are positioning the Company to progress the Mahenge Project to deliver a Definitive Feasibility Study in the second half of CY2018.

With our Mahenge Graphite Project having costs within the lowest quartile costs and importantly a premium high-grade product, we think we have the best undeveloped graphite project in the world, and remain committed to developing it."

Black Rock Mining Ltd
ACN 094 551 336
ASX: BKT

Issued Capital
443m Shares
52.2m Options
9.4m Performance Rights

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About CPC Project Design

CPC Project Design is a leading mid-tier provider of project development, engineering design, and project construction services to the minerals resource sector. CPC have recently completed African mineral process plant engineering and construction projects including in graphite from their West Perth Design office.

CPC Project Design having recently complete comparable DFS and detailed design projects and are well suited to ensure the Mahenge Project DFS outcomes are consistent with international requirements and provide a strong basis for future development.

About Black Rock Mining

Black Rock Mining Limited is an Australian-based company listed on the Australian Securities Exchange. The Company owns graphite tenure in the Mahenge region of Tanzania.

The Company announced a JORC compliant Mineral Resource Estimate of 211.9m tonnes at 7.8% TGC for 16.6m tonnes of contained Graphite, making this one of the largest JORC compliant flake graphite Mineral Resource Estimates globally. Over 50% of the Mineral Resource is in the Measured and Indicated categories. In April 2017, Black Rock announced results of a Preliminary Feasibility Study (PFS) and followed this up with an optimised PFS on 8 August 2017 for its Mahenge Graphite Project which confirmed its potential as a long-life, low capex, high margin operation.

The optimised PFS estimated a post-tax, unlevered, internal rate of return ("IRR") for the Project of 45.1%; and a net present value (NPV) using a discount rate of 10% (NPV10) of US\$905m. Black Rock confirms, the key assumptions used in the PFS have not materially changed and that the material assumptions continue to apply per the Optimised PFS announcement released to the ASX on 8 August 2017. Black Rock confirms that it's optimised PFS has allowed for the proposed Tanzanian legislative changes relating to 16% free carry position of the Tanzanian Government and the royalty fee increasing to 4.3%. Subject to clarification on Tanzanian legislative changes, Black Rock is moving towards commencing a Definitive Feasibility Study (DFS). With a successful DFS and associated financing, construction could commence in 2018 with first production in late 2019.

For further information on the company's development pathway, please refer to the company's website at the following link: <http://www.blackrockmining.com.au> and the corporate video presentation at <http://www.blackrockmining.com.au/#video>.

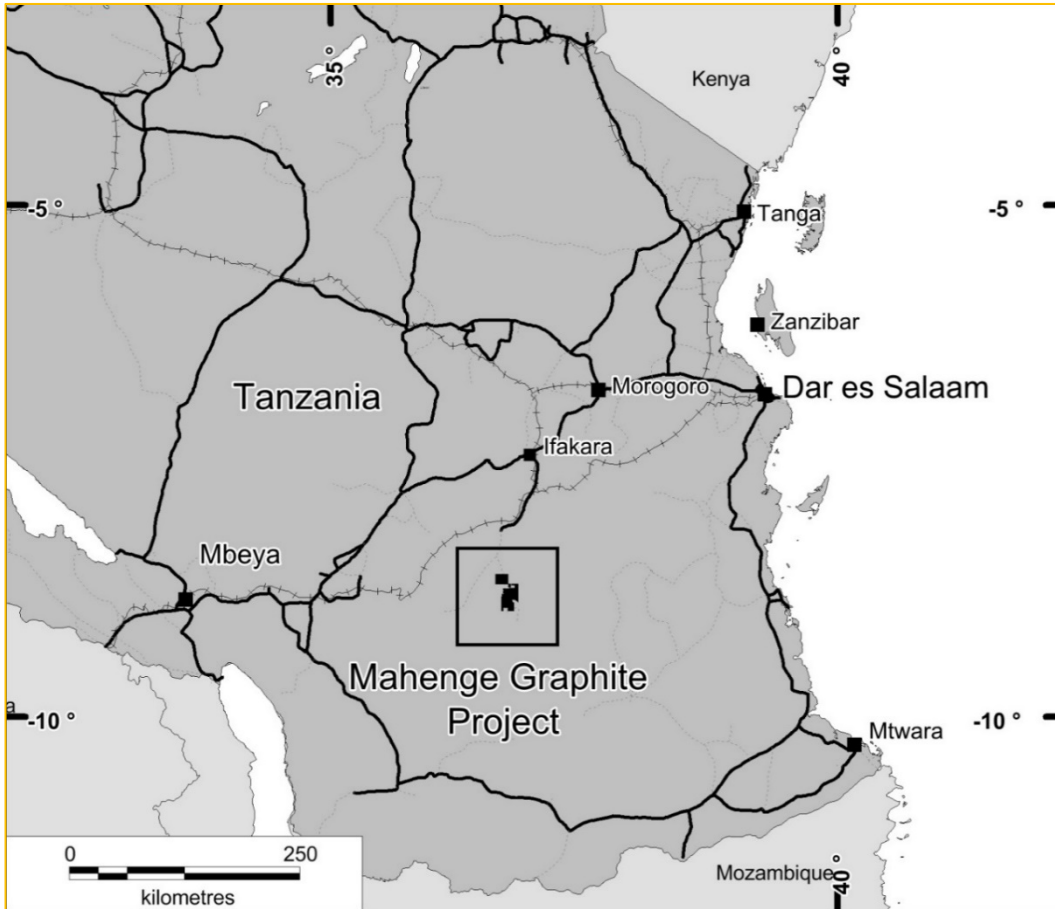


Figure 1: Location of Black Rock's Mahenge Graphite Project within Tanzania