

BLACK ROCK MINING DELIVERS PROJECT MILESTONE WITH PROOF OF CONCEPT RAIL HAULAGE OF SECOND BULK SAMPLE

HIGHLIGHTS

- Second bulk sample of 530 tonnes has been rail hauled from Ifakara to Port of Dar es Salaam as proof of concept for viability of rail haulage for Mahenge production
- Celebration held to recognise significant project milestone attended by Teresa Ntuke, Commissioner of Mines Morogoro as representative of Deputy Minister of Mines The Honourable Dotto Biteko Deputy Minister for Mines and Australian High Commissioner, for Tanzania Ms Alison Chartres
- Rail haulage materially lower cost than road haulage with a provisional cost advantage of USD\$40/tonne
- Second bulk sample composed of drill core and bulk samples from the recently completed program to be exported to Canada to validate pilot plant design, optimise operating parameters and continue product qualification with off takers
- Production from second pilot plant will be distributed to off-takers to continue pre-qualification
- Confirmation of new Mining Commission with the appointment of Professor Idris Suleiman Kikula as Chairman of the Mining Commission

Tanzanian graphite developer Black Rock Mining Limited (BKT: ASX) ("Black Rock" or "the Company") is pleased to report that a proof of concept rail haulage from Ifakara to the Port of Dar es Salaam has been successfully completed. Ifakara is approximately 60km from Black Rock's Mahenge Graphite project. The project demonstrated the viability of Tazara (Tanzanian Zambia Railway Authority), as a logistics partner, and materially showcases the excellent infrastructure available to the Tanzanian Graphite Industry. The shipment comprised over 500 tonnes of sample and drill core destined for a second pilot plant to be run in August/September in Canada.

A ceremony to celebrate the event was attended by the Teresa Ntuke, Commissioner of Mines, Morogoro Region representing Deputy Minister of Mines The Honourable, Mr Dotto Biteko, and Australian High Commissioner to Tanzania Ms Alison Chartres.

Black Rock's CEO John de Vries commented "We thank the government of Tanzania for the presence of Commissioner of Mines Morogoro, representing the Deputy Minister for Mines at today's celebration. Her presence sends a clear message to the Tanzanian graphite industry with respect to the need to pursue economic integration and share the benefits of mineral development with the wider community. Ever more reason to ensure community engagement and social development programs are effective and recognised for the contribution they make.

Demonstrating the viability of rail haulage from Ifakara is a significant step for the Tanzanian graphite industry. Not only does it demonstrate the compelling economics of rail verses road haulage, it also visibly demonstrates how we, as miners can integrate into the broader Tanzania and deliver benefits to the whole of the economy through integration and the use of infrastructure already in place. This is absolutely consistent with government policy. We are also delighted to see the formation of the new Mining Commission with the appointment of Professor Idris Kikula as Chairman and the appointment of eight new commissioners.

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ACN 094 551 336
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Issued Capital
443m Shares
67.2m Options
2.4m Performance
Rights

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John de Vries
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Gabriel Chiappini

At a bit over 500 tonnes this is a large bulk sample. The sample will be used to validate the mill flowsheet developed by our first pilot plant, and importantly test variability limits of product and operating parameters. All up we hope to have around 250 hours of operations from the plant. We expect approximately 40 tonnes of concentrate to be produced. This concentrate will be distributed to customers to continue product qualification.

Over the last quarter Black Rock and our 100% owned Tanzanian subsidiary Mahenge Resources have delivered significant progress on the Definitive Feasibility Study. We have completed the metallurgical drilling program, completed the bulk sample program, lodged a draft Environmental and Social Impact Assessment, and commence running the first of two, pilot plant runs.

The recent appointment of the Mining Commission is a significant event. The formation of the Commission creates a pathway for the approval of Mining Licences.”



Figure 1 Teresa Ntuke, Commissioner of Mines Morogoro sending off first shipment of Mahenge graphite ore from Ifakara



Figure 2 John de Vries CEO Black Rock displaying drill core and concentrate samples



Figure 3 Inspecting composited drill core prior to containerisation.

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About Tazara

The Tanzania Zambia Railway Authority, popularly known as TAZARA, is a bi-national railway linking the Southern Africa Regional transport network to Eastern Africa's seaport of Dar es Salaam, offering both freight and passenger transportation services between and within Tanzania and Zambia.

The railway was the result of a trilateral agreement in 1967 between China, Tanzania and Zambia for a railway to bypass Rhodesia and provide an alternative for copper exports from Zambia. Construction commenced in 1970 with commissioning of the 1,860km line in July 1976.

Tazara operates both freight and passenger services.

<https://tazarasite.com/>

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's 100%-owned Mahenge Graphite Project is one of the largest JORC-compliant flake graphite Mineral Resource Estimates globally, with a Mineral Resource Estimate of 211.9m tonnes at 7.8% TGC for 16.6m tonnes of contained graphite. Importantly, more than 50% of the Mineral Resource is in the Measured and Indicated categories.

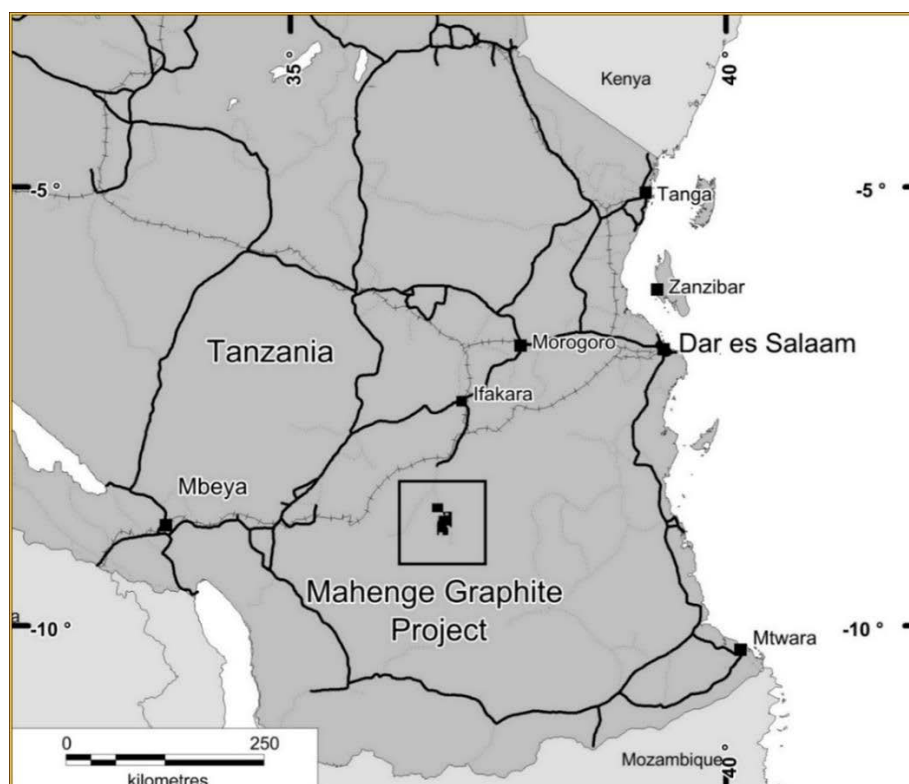
Black Rock released an exceptional optimised Preliminary Feasibility Study (PFS) for the Mahenge Graphite Project, which considered a three-stage construction to deliver up to 250,000 tonnes per annum of 98.5% graphite concentrate for 31 years. The Company plans to fund stages two and three from free cash flow. The pre-production capex is US\$90.1m to deliver a post-tax unlevered project NPV₁₀ of US\$905m incorporating the proposed 16% Government free carry and increased royalty rate.

The optimised PFS confirmed Black Rock has the potential for a long-life, low capex, high margin operation. Black Rock is moving towards commencing a Definitive Feasibility Study (DFS). Following the successful completion of the DFS and the associated financing, construction is expected to commence late-2018 with first production in 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>.

PROSPECT	CATEGORY	TONNES (MILLIONS)	TGC (%)	CONTAINED TGC (MILLIONS TONNES)
Ulanzi	Measured	13.3	8.9	1.2
	Indicated	49.7	8.2	4.1
	Inferred	50.2	8.1	4.1
	Sub-total	113.3	8.2	9.3
Epanko	Measured	12.1	8.3	1.0
	Indicated	20.8	8.3	1.7
	Inferred	27.3	7.9	2.2
	Sub-total	60.2	8.1	4.9
Cascades	Measured			
	Indicated	17.6	6.4	1.1
	Inferred	20.8	5.9	1.2
	Sub-total	38.4	6.1	2.4
COMBINED	MEASURED	25.5	8.6	2.2
	INDICATED	88.1	7.9	6.9
	INFERRED	98.3	7.6	7.4
	TOTAL	211.9	7.8	16.6

Resource breakdown by prospect and total combined global resource



Location of Black Rock's Mahenge Graphite Project within Tanzania