

17 May 2018

DRILLING RETURNS HIGH GRADE GRAPHITE RESULTS AT THE RAZAFY PROSPECT IN MADAGASCAR

- **First diamond drill holes at Razafy, return high grade graphite results from surface including:**
 - **37 metres at 8.8%TGC (including 24 metres at 10.3%TGC)**
 - **33 metres at 8.3%TGC (including 16 metres at 10.4%TGC)**
 - **26 metres at 8.5%TGC (including 12 metres at 10.4%TGC)**
- **Assay results confirm consistency of high grade graphite mineralisation in two parallel lenses over 900 metres laterally with widths of 25-50 metres, from surface**
- **Assay results from the remaining 800kg of initial samples at Intertek to be released to the market next week**

BlackEarth Minerals NL (ASX: BEM) (the **Company** or **BlackEarth**) is pleased to advise on assay results (see **Appendix 1 & 2** and **Table 1** for full drill hole data and assay results) from its diamond drilling program at the Company's 100% owned Maniry Graphite Project, Madagascar – See **Figure 1**. **Figure 2** outlines the location of completed drill holes as well as proposed holes yet to be drilled. BEM is on target to complete the Razafy program as per its original schedule, in June 2018.



Figure 1 – Drilling continues at the Razafy prospect, Maniry Project in Madagascar

The current drill program which commenced in March 2018 is designed to establish a maiden Indicated Resource by July 2018 over the Razafy prospect located in the north west of the Maniry Project. This Resource will be used as part of the Company's fast track to cash flow strategy, which aims to complete a scoping study over the prospect by the end of the calendar year.

The Company continues undertaking geological mapping (see **Figure 3**) to further understand the significant geological potential of the Razafy prospect whilst preparing future drill sites at the Haja prospect. On completion of the Razafy drill program next month, the 2 diamond drill rigs will be relocated to Haja to focus on defining a further Inferred Resource. See **Figure 4** for the location of both the Razafy and Haja prospects within the Maniry Graphite Project.

BlackEarth is very encouraged by the results being received from the Razafy drill program, which continue to reinforce the significance of the high grade graphitic mineralisation identified from previous rock chip sampling and trenching results as outlined in the Company's Replacement Prospectus dated 24 November 2017.

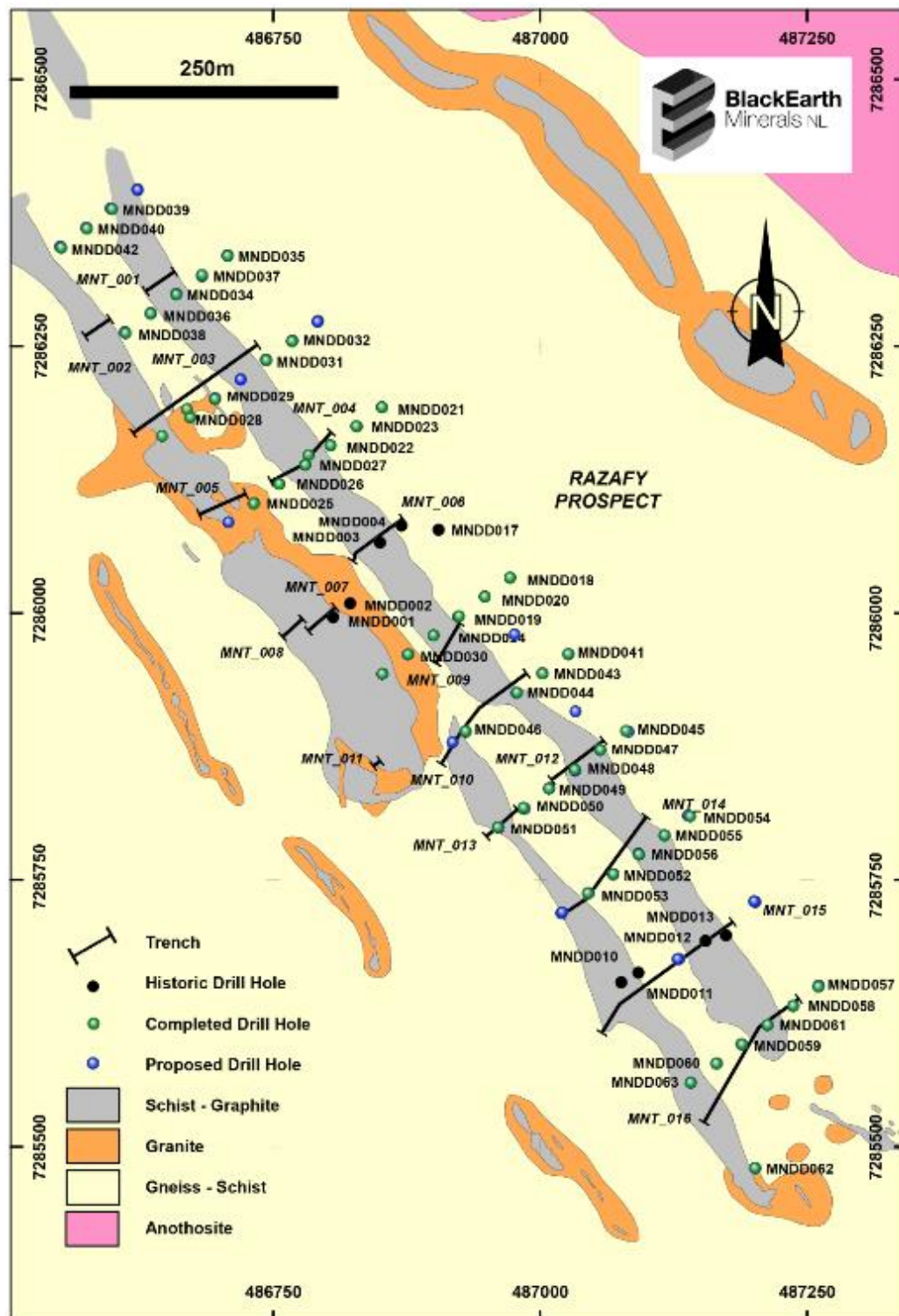


Figure 2 - Location of Razafy Drill Holes completed and planned as of 15/5/18



Figure 3 – Geologists mapping the Maniry Project for additional Resource potential

Based on the assays received, significant drill results to date (Total Graphitic Carbon - %TGC) include:

Prospect	Hole_Id	From (m)	To (m)	Interval (m)	%TGC
Razafy	MNDD018A	64	102.4	38.4	7.45
	<i>inc.</i>	80	84	4	10.15
Razafy	MNDD019	9	41.9	32.9	8.28
	<i>inc.</i>	13	29	16	10.35
Razafy	MNDD020	35	71.65	36.65	8.76
	<i>inc.</i>	24	40	16	10.31
Razafy	MNDD021	66	95.5	29.5	6.9
	<i>inc.</i>	70	77	7	10.04
Razafy	MNDD022	2	37.4	35.4	7.41
	<i>inc.</i>	10	18	8	10
Razafy	MNDD023	27.76	38	10.24	7.47
	<i>inc.</i>	42	54	12	10.8
Razafy	MNDD024	75	101.45	26.45	8.47
	<i>inc.</i>	81	93	12	10.4

The Company expects to receive the remaining assays from the first tranche of samples sent to (Intertek) Australia next week. The second shipment of samples has arrived in Australia and is expected to clear customs and sent to the laboratory by the end of this week.

Managing Director, Tom Revy commented:

BlackEarth Minerals is very pleased with these results as it places the Project in the “high grade” category of global graphite developers. Work is currently in progress to transport sufficient sample for commencement of mineralogical and comprehensive metallurgical test work which we expect to commence next month.

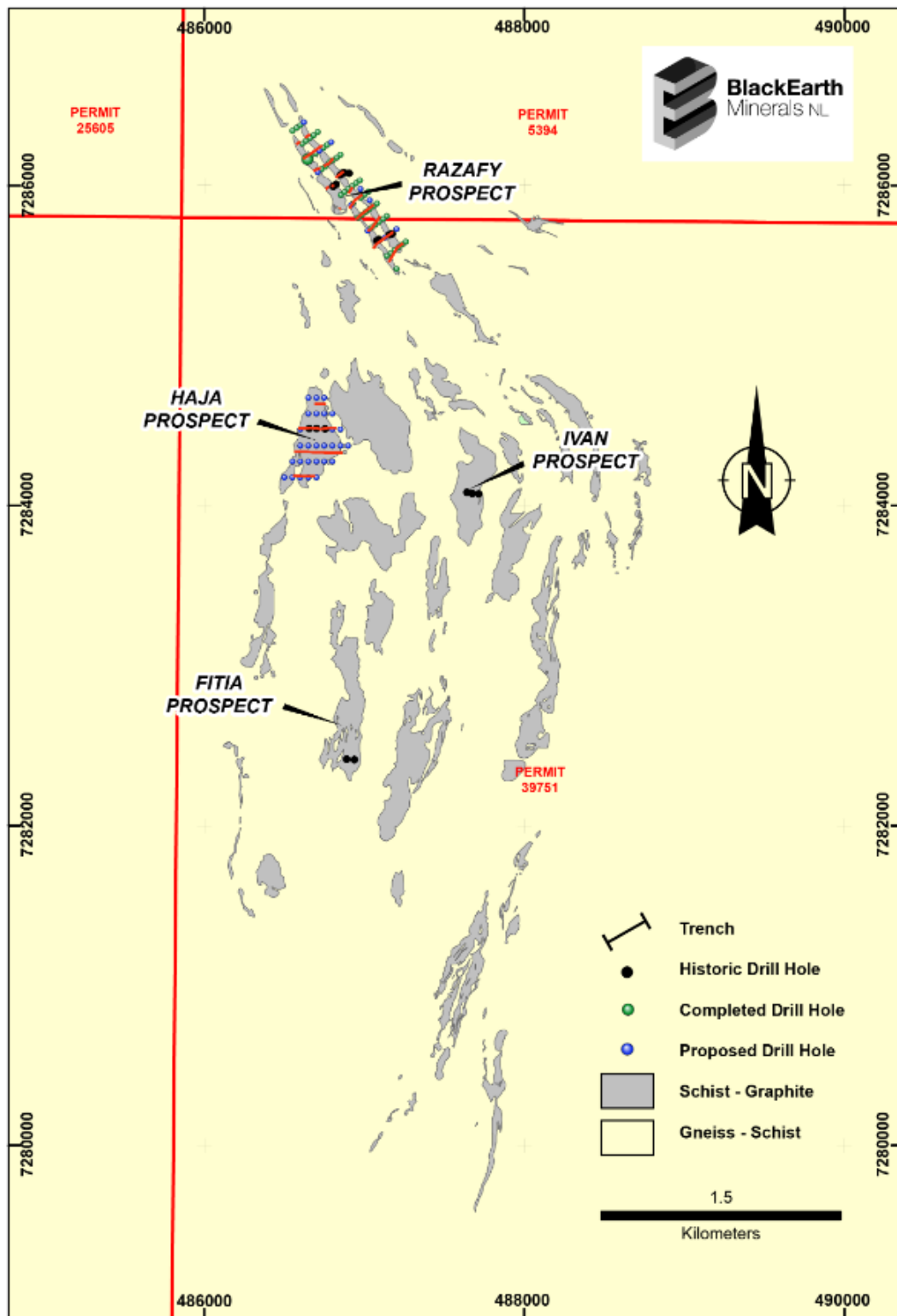


Figure 4 – Maniry Graphite Project Drill Targets

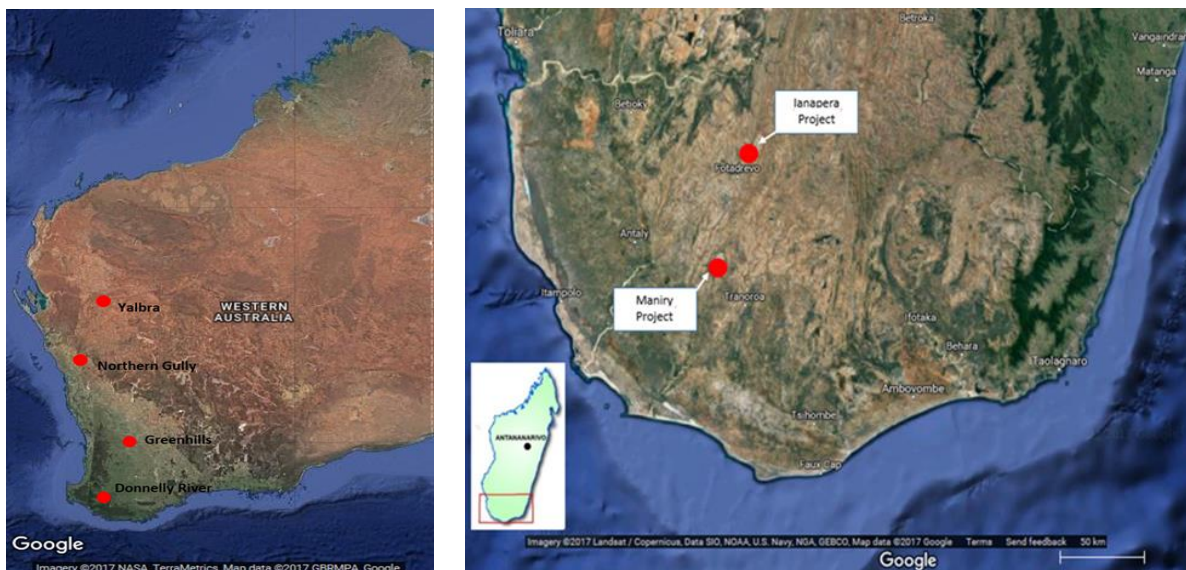
MEDIA CONTACTS

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About BlackEarth Minerals NL

BlackEarth Minerals NL (ASX: BEM) ("Company") is an ASX listed company focused on the exploration and development of its 100% owned Madagascan and Western Australian graphite projects.



The location of the Company's graphite projects: Madagascar (Maniry & Ianapera - above), Western Australia (Yalbra, Northern Gully, Greenhills & Donnelly River - left)

The Company's Madagascan projects consist of two primary exploration areas: the main Maniry project ("Maniry") in the south, and the Ianapera project ("Ianapera") in the north. Maniry is highly prospective for large-scale, high-quality graphite deposits and is currently at an advanced evaluation stage pending additional work to establish an initial resource, which is expected to be completed by mid-2018. Results, from samples taken within 50m of surface, have been received of 10m at 10.2% TGC, 12m at 11.6% TGC and 14m at 11.3% TGC, as disclosed in the Company's Replacement Prospectus dated 24 November 2017.

Ianapera is located within 10 km of NextSource Material Inc's (TSX: NEXT) Molo graphite deposit. It consists of a series of high-grade outcrops, up to 800m long and 30m wide, of graphite mineralisation within a broader graphite trend. These high-grade (15%+ TGC), near-surface exposures of graphite mineralisation lie over the top of a large conductive body, which indicates the potential presence of a large graphitic mineralised system.

The Company's Western Australian graphite assets include project areas that have been partially explored by a number of companies in the past, with encouraging results reported from several locations. The Company researched graphite data via the extensive historical Western Australian Mineral Exploration (WAMEX) database, which has already led to the identification of targets which will be the focus of initial exploration activities.

Competent Person's Statement

The information contained in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. Peter Langworthy, a member of The Australasian Institute of Mining and Metallurgy. Mr. Langworthy has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr. Langworthy consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

For more information – www.blackearthminerals.com.au

Appendix 1 - Table outlining drilling status of Razafy drill holes

Hole_ID	Prospect	Depth	Easting	Northing	RL	Status	Dip	Azi
MNDD018	Razafy	104.12	486,972	7,286,033	297	Complete	-60	233
MNDD019	Razafy	49.06	486,924	7,285,997	297	Complete	-60	233
MNDD020	Razafy	77.25	486,948	7,286,015	297	Complete	-60	233
MNDD021	Razafy	99.86	486,852	7,286,193	297	Complete	-60	233
MNDD022	Razafy	42.84	486,804	7,286,157	296	Complete	-60	233
MNDD023	Razafy	75.56	486,828	7,286,175	297	Complete	-60	233
MNDD024	Razafy	103.93	486,900	7,285,979	294	Complete	-60	233
MNDD025	Razafy	41.51	486,732	7,286,103	293	Complete	-60	233
MNDD026	Razafy	74.64	486,756	7,286,121	293	Complete	-60	233
MNDD027	Razafy	43.72	486,783	7,286,148	296	Complete	-60	233
MNDD028	Razafy	104.83	486,669	7,286,191	297	Complete	-60	233
MNDD029	Razafy	76.72	486,696	7,286,201	295	Complete	-60	233
MNDD030	Razafy	74.08	486,876	7,285,961	291	Complete	-60	233
MNDD031	Razafy	49.97	486,743	7,286,237	299	Complete	-60	233
MNDD032	Razafy	75.22	486,767	7,286,255	297	Complete	-60	233
MNDD033	Razafy	41.03	486,852	7,285,943	293	Complete	-60	233
MNDD034	Razafy	113.77	486,659	7,286,299	297	Complete	-60	233
MNDD035	Razafy	86.49	486,707	7,286,335	297	Complete	-60	233
MNDD036	Razafy	66.82	486,635	7,286,281	295	Complete	-60	233
MNDD037	Razafy	48.22	486,683	7,286,317	297	Complete	-60	233
MNDD038	Razafy	34.31	486,611	7,286,263	295	Complete	-60	233
MNDD039	Razafy	55.72	486,599	7,286,379	297	Complete	-60	233
MNDD040	Razafy	80.32	486,575	7,286,360	297	Complete	-60	233
MNDD041	Razafy	90.35	487,026	7,285,962	297	Complete	-60	233
MNDD042	Razafy	37.72	486,551	7,286,342	297	Complete	-60	233
MNDD043	Razafy	65.52	487,002	7,285,943	297	Complete	-60	233
MNDD044	Razafy	28.72	486,978	7,285,925	295	Complete	-60	233
MNDD045	Razafy	99.22	487,080	7,285,890	297	Complete	-60	233
MNDD046	Razafy	75.18	486,930	7,285,889	291	Complete	-60	233
MNDD047	Razafy	54.67	487,056	7,285,872	298	Complete	-60	233
MNDD048	Razafy	23.17	487,032	7,285,854	296	Complete	-60	233
MNDD049	Razafy	100.07	487,008	7,285,835	293	Complete	-60	233
MNDD050	Razafy	66.18	486,984	7,285,817	292	Complete	-60	233
MNDD051	Razafy	32.37	486,960	7,285,799	289	Complete	-60	233
MNDD052	Razafy	96.07	487,069	7,285,756	291	Complete	-60	233
MNDD053	Razafy	69.18	487,045	7,285,738	289	Complete	-60	233
MNDD054	Razafy	87.87	487,140	7,285,810	297	Complete	-60	233
MNDD055	Razafy	65.37	487,116	7,285,792	297	Complete	-60	233
MNDD056	Razafy	31.02	487,093	7,285,774	294	Complete	-60	233
MNDD057	Razafy	101.50	487,261	7,285,650	297	Complete	-60	233
MNDD058	Razafy	69.74	487,237	7,285,632	293	Complete	-60	233
MNDD059	Razafy	104.43	487,189	7,285,596	288	Complete	-60	233
MNDD060	Razafy	81.18	487,165	7,285,578	287	Complete	-60	233
MNDD061	Razafy	30.97	487,213	7,285,614	291	Complete	-60	233
MNDD062	Razafy	43.30	487,201	7,285,480	297	Complete	-60	233

MNDD063	Razafy	48.20	487,141	7,285,560	285	Complete	-60	233
MNDD064	Razafy	27.20	486,646	7,286,166	296	Complete	-60	233
MNDD065	Razafy		486,708	7,286,085	297	Current	-60	233
	Razafy		486,637	7,286,404	292	Planned	-60	233
	Razafy		487,021	7,285,719	286	Planned	-60	233
	Razafy		486,719	7,286,219	297	Planned	-60	233
	Razafy		486,791	7,286,273	297	Planned	-60	233
	Razafy		487,129	7,285,676	290	Planned	-60	233
	Razafy		487,201	7,285,730	297	Planned	-60	233
	Razafy		486,906	7,285,872	290	Planned	-60	233
	Razafy		486,998	7,285,996	297	Planned	-60	233
	Razafy		487,055	7,285,924	297	Planned	-60	233

Appendix 2 - Table of assay results from Razafy drill holes

Hole_ID	Sample_ID	From	To	Sample_Method	Date_Sampled	C/GRA_%
MNDD018	MNDS000814	63	64.95	HQQC	26/03/2018	2.2
MNDD018	MNDS000815	64	66	HQQC	26/03/2018	5.3
MNDD018	MNDS000816	66	68	HQQC	26/03/2018	2.6
MNDD018	MNDS000818	68	70	HQQC	26/03/2018	5.2
MNDD018	MNDS000819	70	72	HQQC	26/03/2018	11.2
MNDD018	MNDS000820	72	74	HQQC	26/03/2018	8.6
MNDD018	MNDS000821	74	76	HQQC	26/03/2018	9.2
MNDD018	MNDS000822	76	78	HQQC	26/03/2018	8.3
MNDD018	MNDS000823	78	80	HQQC	26/03/2018	8.8
MNDD018	MNDS000824	80	82	HQQC	26/03/2018	9
MNDD018	MNDS000825	82	84	HQQC	26/03/2018	11.3
MNDD018	MNDS000826	84	86	HQQC	26/03/2018	8.8
MNDD018	MNDS000827	86	88	HQQC	26/03/2018	6
MNDD018	MNDS000829	88	90	HQQC	26/03/2018	5.8
MNDD018	MNDS000830	90	92	HQQC	26/03/2018	9.4
MNDD018	MNDS000831	92	94	HQQC	26/03/2018	7.4
MNDD018	MNDS000832	94	96	HQQC	26/03/2018	4.4
MNDD018	MNDS000833	96	97.3	HQQC	26/03/2018	3.4
MNDD018	MNDS000834	97	99	HQQC	26/03/2018	9.4
MNDD018	MNDS000835	99	101	HQQC	26/03/2018	6.5
MNDD018	MNDS000836	101	102.4	HQQC	26/03/2018	6.7
MNDD018	MNDS000837	102	103.2	HQQC	26/03/2018	3.4
MNDD018	MNDS000839	103	104.12	HQQC	26/03/2018	0.05
MNDD019	MNDS000840	0	1.7	HQQC	27/03/2018	0.6
MNDD019	MNDS000841	1	3	HQQC	27/03/2018	1.8
MNDD019	MNDS000842	3	5	HQQC	27/03/2018	2.4
MNDD019	MNDS000844	5	6	HQQC	27/03/2018	5.1
MNDD019	MNDS000845	6	8	HQQC	27/03/2018	5.3
MNDD019	MNDS000846	8	9.06	HQQC	27/03/2018	1.6
MNDD019	MNDS000847	9	11	HQQC	27/03/2018	5.2
MNDD019	MNDS000848	11	13	HQQC	27/03/2018	7.3
MNDD019	MNDS000849	13	15	HQQC	27/03/2018	7.8
MNDD019	MNDS000850	15	17	HQQC	27/03/2018	12.6
MNDD019	MNDS000851	17	19	HQQC	27/03/2018	11.6
MNDD019	MNDS000852	19	21	HQQC	27/03/2018	11.8
MNDD019	MNDS000854	21	23	HQQC	27/03/2018	11.2
MNDD019	MNDS000855	23	25	HQQC	27/03/2018	11.1
MNDD019	MNDS000856	25	27	HQQC	27/03/2018	9.1
MNDD019	MNDS000857	27	29	HQQC	27/03/2018	7.6
MNDD019	MNDS000858	29	31	HQQC	27/03/2018	7.4
MNDD019	MNDS000859	31	33	HQQC	27/03/2018	7
MNDD019	MNDS000860	33	35	HQQC	27/03/2018	4.5
MNDD019	MNDS000861	35	37	HQQC	27/03/2018	6.8
MNDD019	MNDS000862	37	39	HQQC	27/03/2018	8.6
MNDD019	MNDS000864	39	41	HQQC	27/03/2018	4.1
MNDD019	MNDS000865	41	41.9	HQQC	27/03/2018	5.7
MNDD019	MNDS000866	41	43	HQQC	27/03/2018	3

MNDD019	MNDS000867	43	45	HQQC	27/03/2018	1.6
MNDD019	MNDS000868	45	47	HQQC	27/03/2018	1.2
MNDD019	MNDS000869	47	49.06	HQQC	27/03/2018	1.6
MNDD020	MNDS000870	31	32.6	HQQC	27/03/2018	0.9
MNDD020	MNDS000871	32	34.6	HQQC	27/03/2018	4
MNDD020	MNDS000872	34	35.3	HQQC	27/03/2018	2.1
MNDD020	MNDS000873	35	36	HQQC	27/03/2018	8.1
MNDD020	MNDS000874	36	38	HQQC	27/03/2018	6.6
MNDD020	MNDS000875	38	40	HQQC	27/03/2018	5.6
MNDD020	MNDS000876	40	42	HQQC	27/03/2018	11.2
MNDD020	MNDS000878	42	44	HQQC	27/03/2018	10.5
MNDD020	MNDS000879	44	46	HQQC	27/03/2018	11.4
MNDD020	MNDS000880	46	48	HQQC	27/03/2018	10.6
MNDD020	MNDS000881	48	50	HQQC	27/03/2018	11
MNDD020	MNDS000882	50	52	HQQC	27/03/2018	11.6
MNDD020	MNDS000883	52	54	HQQC	27/03/2018	11.5
MNDD020	MNDS000884	54	56	HQQC	27/03/2018	11.7
MNDD020	MNDS000885	56	58	HQQC	27/03/2018	10.9
MNDD020	MNDS000886	58	60	HQQC	27/03/2018	7.7
MNDD020	MNDS000888	60	62	HQQC	27/03/2018	8.2
MNDD020	MNDS000889	62	64	HQQC	27/03/2018	7.4
MNDD020	MNDS000890	64	65.9	HQQC	27/03/2018	4.5
MNDD020	MNDS000891	65	67	HQQC	27/03/2018	3.6
MNDD020	MNDS000892	67	69	HQQC	27/03/2018	8
MNDD020	MNDS000893	69	70	HQQC	27/03/2018	7.2
MNDD020	MNDS000894	70	71.65	HQQC	27/03/2018	6
MNDD021	MNDS000895	64	66.7	HQQC	28/03/2018	1
MNDD021	MNDS000897	66	68	HQQC	28/03/2018	5.4
MNDD021	MNDS000898	68	70	HQQC	28/03/2018	4.5
MNDD021	MNDS000899	70	71.4	HQQC	28/03/2018	9.5
MNDD021	MNDS000900	71	73	HQQC	28/03/2018	8.1
MNDD021	MNDS000901	73	75	HQQC	28/03/2018	9.8
MNDD021	MNDS000902	75	77	HQQC	28/03/2018	12.6
MNDD021	MNDS000903	77	79	HQQC	28/03/2018	8.7
MNDD021	MNDS000904	79	81	HQQC	28/03/2018	5.7
MNDD021	MNDS000905	81	83	HQQC	28/03/2018	5.4
MNDD021	MNDS000907	83	85	HQQC	28/03/2018	4.3
MNDD021	MNDS000908	85	87	HQQC	28/03/2018	3.6
MNDD021	MNDS000909	87	89	HQQC	28/03/2018	3.2
MNDD021	MNDS000910	89	89.6	HQQC	28/03/2018	8.8
MNDD021	MNDS000911	89	90.1	HQQC	28/03/2018	2.1
MNDD021	MNDS000912	90	92	HQQC	28/03/2018	11.1
MNDD021	MNDS000913	92	94	HQQC	28/03/2018	8.6
MNDD021	MNDS000914	94	95.5	HQQC	28/03/2018	5.4
MNDD021	MNDS000915	95	97	HQQC	28/03/2018	0.7
MNDD021	MNDS000917	97	98	HQQC	28/03/2018	0.1
MNDD022	MNDS000918	0	1	HQQC	28/03/2018	0.9
MNDD022	MNDS000919	1	2.5	HQQC	28/03/2018	1.9
MNDD022	MNDS000920	2	4	HQQC	28/03/2018	4.5
MNDD022	MNDS000921	4	6	HQQC	28/03/2018	6.4

MNDD022	MNDS000922	6	7	HQQC	28/03/2018	6
MNDD022	MNDS000923	7	8	HQQC	28/03/2018	9.4
MNDD022	MNDS000924	8	10	HQQC	28/03/2018	9.1
MNDD022	MNDS000925	10	12	HQQC	28/03/2018	8.6
MNDD022	MNDS000927	12	14	HQQC	28/03/2018	11.7
MNDD022	MNDS000928	14	16	HQQC	28/03/2018	7
MNDD022	MNDS000929	16	18	HQQC	28/03/2018	12.7
MNDD022	MNDS000930	18	20	HQQC	28/03/2018	7.6
MNDD022	MNDS000931	20	22	HQQC	28/03/2018	5.3
MNDD022	MNDS000932	22	24	HQQC	28/03/2018	6.1
MNDD022	MNDS000933	24	26	HQQC	28/03/2018	5.2
MNDD022	MNDS000934	26	28	HQQC	28/03/2018	5.1
MNDD022	MNDS000935	28	30	HQQC	28/03/2018	10.4
MNDD022	MNDS000937	30	32	HQQC	28/03/2018	4.3
MNDD022	MNDS000938	32	34	HQQC	28/03/2018	8.5
MNDD022	MNDS000939	34	36	HQQC	28/03/2018	7.2
MNDD022	MNDS000940	36	37.4	HQQC	28/03/2018	5.4
MNDD022	MNDS000941	37	39.1	HQQC	28/03/2018	1.3
MNDD022	MNDS000942	39	40	HQQC	28/03/2018	0.5
MNDD022	MNDS000943	40	40.7	HQQC	28/03/2018	1.1
MNDD022	MNDS000944	40	41.34	HQQC	28/03/2018	0.7
MNDD022	MNDS000945	41	42	HQQC	28/03/2018	0.7
MNDD022	MNDS000947	42	42.84	HQQC	28/03/2018	2.3
MNDD023	MNDS000948	36	38	HQQC	29/03/2018	2.2
MNDD023	MNDS000950	38	40.5	HQQC	29/03/2018	4.3
MNDD023	MNDS000951	40	42	HQQC	29/03/2018	5.5
MNDD023	MNDS000952	42	44	HQQC	29/03/2018	8.5
MNDD023	MNDS000953	44	46	HQQC	29/03/2018	12.1
MNDD023	MNDS000954	46	48	HQQC	29/03/2018	11.6
MNDD023	MNDS000955	48	50	HQQC	29/03/2018	12.4
MNDD023	MNDS000956	50	52	HQQC	29/03/2018	12.3
MNDD023	MNDS000957	52	54	HQQC	29/03/2018	7.9
MNDD023	MNDS000958	54	56	HQQC	29/03/2018	4.5
MNDD023	MNDS000960	56	57.75	HQQC	29/03/2018	9
MNDD023	MNDS000961	57	58.45	HQQC	29/03/2018	1.1
MNDD023	MNDS000962	58	58.9	HQQC	29/03/2018	5.6
MNDD023	MNDS000963	58	59.66	HQQC	29/03/2018	0.9
MNDD023	MNDS000964	59	61	HQQC	29/03/2018	7.1
MNDD023	MNDS000965	61	62.5	HQQC	29/03/2018	6
MNDD023	MNDS000966	62	64	HQQC	29/03/2018	0.3
MNDD023	MNDS000967	64	65	HQQC	29/03/2018	0.2
MNDD023	MNDS000968	65	66.3	HQQC	29/03/2018	0.8
MNDD023	MNDS000970	66	67	HQQC	29/03/2018	4.8
MNDD023	MNDS000971	67	68.6	HQQC	29/03/2018	8.3
MNDD023	MNDS000972	68	69.5	HQQC	29/03/2018	3.6
MNDD023	MNDS000973	69	71	HQQC	29/03/2018	6.9
MNDD023	MNDS000974	71	71.8	HQQC	29/03/2018	9.3
MNDD023	MNDS000975	71	73.16	HQQC	29/03/2018	0.9
MNDD024	MNDS000976	72	74.5	HQQC	29/03/2018	0.2
MNDD024	MNDS000977	74	75	HQQC	29/03/2018	2.2

MNDD024	MNDS000978	75	77	HQQC	29/03/2018	8.6
MNDD024	MNDS000979	77	79	HQQC	29/03/2018	7.1
MNDD024	MNDS000981	79	81	HQQC	29/03/2018	6.6
MNDD024	MNDS000982	81	83	HQQC	29/03/2018	10.3
MNDD024	MNDS000983	83	85	HQQC	29/03/2018	9.3
MNDD024	MNDS000984	85	87	HQQC	29/03/2018	11.4
MNDD024	MNDS000985	87	89	HQQC	29/03/2018	9.9
MNDD024	MNDS000986	89	91	HQQC	29/03/2018	10.9
MNDD024	MNDS000987	91	93	HQQC	29/03/2018	10.6
MNDD024	MNDS000988	93	95	HQQC	29/03/2018	5.4
MNDD024	MNDS000989	95	97	HQQC	29/03/2018	8.1
MNDD024	MNDS000991	97	99	HQQC	29/03/2018	4.4
MNDD024	MNDS000992	99	100	HQQC	29/03/2018	10.2
MNDD024	MNDS000993	100	101.45	HQQC	29/03/2018	5.9
MNDD024	MNDS000994	101	103	HQQC	29/03/2018	0.9
MNDD024	MNDS000995	103	103.93	HQQC	29/03/2018	0.8
MNDD025	MNDS000996	0	1	HQQC	29/03/2018	0.05
MNDD025	MNDS000997	1	2.5	HQQC	29/03/2018	0.05
MNDD025	MNDS000998	2	4.5	HQQC	29/03/2018	0.2
MNDD025	MNDS000999	4	6	HQQC	29/03/2018	5.3
MNDD025	MNDS001000	6	6.6	HQQC	29/03/2018	6.6
MNDD025	MNDS001001	6	8	HQQC	29/03/2018	1.3
MNDD025	MNDS001002	8	9	HQQC	29/03/2018	0.3
MNDD025	MNDS001003	9	10.7	HQQC	29/03/2018	0.7

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<p>Diamond drilling program - Sampling will consist of 2m composite samples of quarter core. Samples will be cut using a diamond blade core saw. Duplicate samples will be collected every 20th sample for QAQC purposes. CRM's will be inserted every 20th Sample for QAQC purposes. Sampling is considered to be comprehensive and representative. Remaining core was retained as a permeant reference. Graphitic Carbon content is measured at a laboratory using a CS analyser.</p>
Sampling techniques		
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<p>Diamond drilling. Core size is HQ and NQ typically in 0.5-1.5m runs. Core from a select number of holes will be orientated.</p> <p>Core recovery is routinely recorded every metre by a trained geologist. No bias or relationship is observed at this point between recovery and grade. Recovery is typically +80% within weathered rock, and +95% in fresh rock in nearly all instances.</p> <p>All holes are logged by a qualified and experienced geologist. All logging included descriptions of geotechnical, mineralisation, structural and lithological aspects of the core and was digitally recorded using an industry standard code system. Core is formally photographed. Data collected offers sufficient detail for the purpose of interpretation and further studies.</p> <p>Quarter core will be cut using a diamond core saw and collected for assay. 2 metre composite sampling are deemed to be comprehensive and representative for the style/type of mineralisation under investigation. Duplicate samples are taken (remaining quarter core) every 20th sample for QAQC purposes</p>
Drill sample recovery		
Logging		
Sub-sampling techniques and sample preparation		

Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<p>Assaying is undertaken by Intertek Genalysis in Perth (Aus). Samples are pulverised to 75 micron, roasted to 420deg and digested with a weak acid. Final analysis is undertaken by CS analyser (Code: C73/CSA). This method is considered total. Standards and duplicates are routinely inserted every 20th sample by the BEM technical team as well as internal QAQC from the laboratory. No issues have been observed with QAQC.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<p>Significant intersections have been verified by alternative company personnel. No twin holes have been undertaken. All date is recorded digitally using a standard logging system and files are stored in a industry standard database.</p>
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<p>The position of drill collars are recorded using a handheld GPS (accurate to 3m), these will be picked up using a DGPS once the drill program is complete. Projection and grid systems used: UTM (WGS84 Z38S). The down hole azimuth and dip is recorded using a Magshot instrument (Accurate to 1deg)</p>
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<p>Sample intervals are typically between 0.5-2.0m. Data has not been used for Resource estimation at this point.</p>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<p>The orientation of the drilling is not expected to introduce sampling bias. Most drill holes have intersected the mineralisation at near perpendicular angles to the strike and dip of the mineralised units.</p>
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<p>Samples are cut and sampled on site before being transported to the company sample preparation facility in Antananarivo for preparation. Samples will then be freighted by DHL to Intertek Genalysis in Perth (Aus) for assay. It is reasoned that the samples will be under sufficient security.</p>
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<p>Sampling procedure has been reviewed by an external auditor (Sigma Blue Pty. Ltd.)</p>

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<p><i>Mineral tenement and land tenure status</i></p>	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<p>Work was undertaken upon permits 5394 & 3432</p> <ul style="list-style-type: none"> The tenements are located within the inland South West of Madagascar approximately centred on the township of Ampanihy. Tenements are held 100% by Mada-Aust SARL Ultimately a wholly owned subsidiary of Black Earth Minerals Ltd. through Madagascar Graphite. No overriding royalties are in place There is no native title agreement required Tenure does not coincide with any historical sites or national parkland Semi-arid, thinly vegetated, relatively flat to low lying hills with sub-cropping rock. Tenements are currently secure and in good standing.
<p><i>Exploration done by other parties</i></p>	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p>Regional mapping by BRGM, Historical diamond drilling and trenching by Malagasy Minerals. Ltd. (2014-2016)</p>
<p><i>Geology</i></p>	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<p>The project overlies a prominent 20km wide zone consisting of a folded assemblage of graphite and quartz-feldspar schists (<60% graphite), quartzite and marble units, with lesser intercalated amphibolite and leucogneiss. This zone, termed the Ampanihy Belt is a core component of the Neoproterozoic Graphite System. The belt is interpreted as a ductile shear zone accreted from rocks of volcanic and sedimentary origins.</p>
<p><i>Drill hole Information</i></p>	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<p>Refer to table within text</p>
<p><i>Data aggregation methods</i></p>	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<p>Significant results reported are weighted averages based upon sample length and grade. No cut offs applied.</p>
<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<p>Drilling has intersected the mineralised units at a near perpendicular angle, however at this point the true width of mineralisation is not known.</p>

Diagrams	<ul style="list-style-type: none"> · Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	Refer to figures within text
Balanced reporting	<ul style="list-style-type: none"> · Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	All significant results
Other substantive exploration data	<ul style="list-style-type: none"> · Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	Refer to BEM Prospectus.
Further work	<ul style="list-style-type: none"> · The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). · Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	Further assay results to be received.