

BLACK ROCK MINING SIGNS MAJOR OFFTAKE AGREEMENT UP TO 90,000 TONNES PER ANNUM IN YEAR THREE

HIGHLIGHTS

- Black Rock Mining signs Offtake Agreement with Heilongjiang Bohao Graphite Company Limited (“Heilongjiang Bohao”) for up to three years to supply 30,000 tonnes in Year 1; 50,000 tonnes in Year 2; and up to 90,000 tonnes in Year 3 of blended graphite concentrate (“Offtake Agreement”)
- 90,000 tonnes per annum is the largest Offtake Agreement signed by any graphite developer by an order of magnitude and underwrites the Company’s proposed three phase construction strategy accounting for approximately 37.5% of proposed steady state annual production of 240,000 tonnes per annum
- Heilongjiang Bohao are one of China’s largest suppliers of graphite for a variety of industrial purposes including batteries and currently mine graphite in Heilongjiang Province
- Pricing to be agreed under the terms of a formal agreement to be entered into within 12 months of execution of the Offtake Agreement and will be set quarterly with reference to the prevailing market price for flake size and concentrate grade
- Initial Offtake Agreement demonstrates benefit of completing substantial pilot plant run of 90 tonnes of ore enabling the Company to place significant volumes of concentrate in the hands of 24 potential customers
- Black Rock continues to have positive discussions with additional potential customers with respect to signing binding supply contracts for the balance of its annual production

Tanzanian graphite developer Black Rock Mining Limited (BKT: ASX) (“Black Rock” or “the Company”) is pleased to announce the signing of its first offtake agreement (“Offtake Agreement”) for natural flake graphite from its Mahenge Graphite Mine in Tanzania. The Offtake Agreement is with Heilongjiang Bohao Graphite (“Heilongjiang Bohao”), one of the largest vertically integrated graphite producers in China.

The Offtake Agreement with Heilongjiang Bohao is the largest offtake agreement signed by any developer by an order of magnitude and covers approximately 37.5% of proposed steady state annual production of 240,000 tonnes per annum. The Offtake Agreement has been signed via Black Rock’s 100% owned Tanzanian subsidiary, Mahenge Resources Limited.

Commenting on the significance of the signing, Black Rock Mining CEO, John de Vries, said the Company was extremely pleased to have finalised a foundation sales agreement for its graphite concentrate with one of the world’s leading consumers and traders of natural graphite flake.

“The signing of this offtake agreement vindicates our pilot plant strategy that saw us producing around eight tonnes of graphite concentrate from a 90 tonne run, which enabled us to deliver meaningful volumes of product to 24 potential customers around the world. 90,000 tonnes per annum is the largest offtake agreement signed by any developer by an order of magnitude and substantially underwrites our steady state operations of 240,000 tonnes per annum.

Heilongjiang Bohao Graphite Company Limited is a great offtake partner being one of China’s largest fully integrated graphite producers. They have an operation targeting the consumption of up to 100,000 tonnes of flake graphite annually. The partnership between Black Rock and Heilongjiang Bohao will be key for both parties in the coming years.”

Black Rock Mining Ltd
ACN 094 551 336
ASX: BKT

Issued Capital
521.8m Shares
63.9m Options
2.6m Performance
Rights

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Dar es Salaam Tanzania

Directors
Richard Crookes
John de Vries
Stephen Copulos
Gabriel Chiappini

Key terms of the Offtake Agreement

The key terms of the Offtake Agreement can be summarised as follows

- Up to three-year Offtake Agreement to supply 30,000 tonnes in Year 1; 50,000 tonnes in Year 2; and up to 90,000 tonnes in Year 3.
- Pricing to be agreed under the terms of a formal agreement to be entered into by the parties within 12 months of execution of the Offtake Agreement (and on terms consistent with the Offtake Agreement) and will be set quarterly with reference to market price for flake size and concentrate grade.
- Either party may terminate the Offtake Agreement by the giving of 60 days written notice to the other party.

The Offtake Agreement and the obligation to deliver product is subject to Black Rock completing construction of the Mahenge mine and associated infrastructure, and commencement of operation of the Mahenge mine in Tanzania.

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About Heilongjiang Bohao Graphite Company Limited

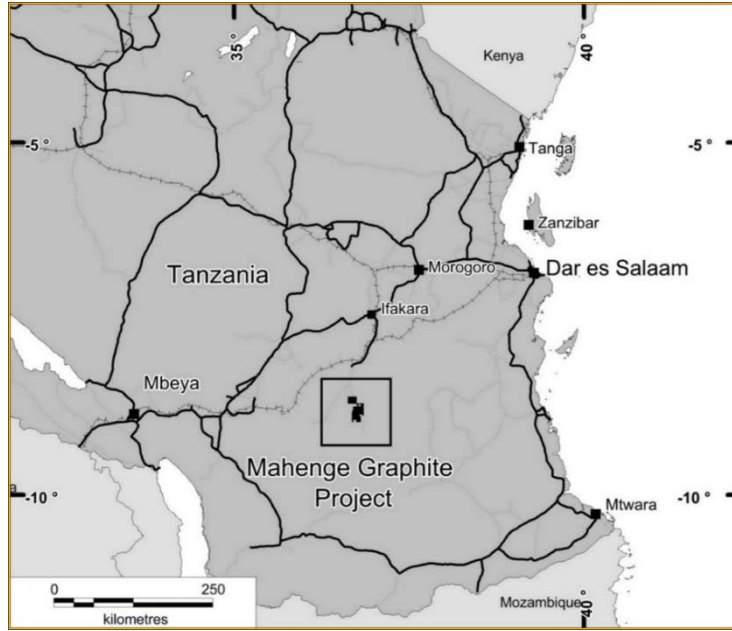
Established in 2011, Heilongjiang Bohao Graphite Company is located in Mudanjiang, Heilongjiang Province in the north east of China. Heilongjiang Bohao is one of the largest integrated graphite producers in China from mining its own graphite in Heilongjiang Province to manufacturing a range of graphite products including graphite paper, expandable graphite and spherical graphite. Heilongjiang Bohao's range of graphite products are exported to North America, Japan, Korea, Taiwan and the European Union.

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 and is in accordance with the company's previous announcement on its Measured & Indicated Resource released on 20 July 2017. The Company confirms that it is not aware of any new information that materially affects the resources estimate.

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>.



Location of Black Rock's Mahenge Graphite Project within Tanzania