

RESPONSE TO ASX PRICE QUERY

Tanzanian graphite developer Black Rock Mining Limited (BKT: ASX) (“Black Rock” or “the Company”) further to the query from the ASX received today at 11.41am querying the change in the price of the Company’s securities from a closing price of \$0.037 on Tuesday, 15 January 2019 to an intra-day high at the time of writing of \$0.056 today, Monday 21 January 2019, the Company’s responses are noted below. The sequence to the response to the queries follows the same sequence as outlined in the ASX’s price query.

1. No – the company is not aware of any information concerning it that has not been announced to the market which, if known by some in the market could explain the recent price movement.
2. Not Applicable
3. Other potential reasons for the recent price movement in the company’s securities and recent trading include:
 - i. **Orior Capital Company Commissioned Research Report** – on Friday 19 January 2019, the Company released a paid for report prepared by Orior Capital via email and via its website www.blackrockmining.com.au

The email covering note confirmed that the report was commissioned by the Company and “was part of our financing strategy and post the release of our stunning Definitive Feasibility Study, Orior Capital was commissioned by Black Rock Mining to undertake a review of the business and graphite sector.”

For further information please refer to the Orior Capital report on Black Rock Mining’s website.

- ii. **Offtake Agreements** – on 7 January 2019, the Company announced it had secured a third binding offtake agreement. The Combined tonnage of all three offtake agreements is up to 205k tonnes per annum of product by year three as outlined in the table below:

	Year 1	Year 2	Year 3
Heilongjiang Bohao	30,000	50,000	90,000
Qingdao Fujin	15,000	15,000	15,000
Taihe Soar	37,500	80,000	100,000
Total	82,500	145,000	205,000

As outlined in the ASX release on 7 January 2019 and in light of strong market demand for Mahenge Premium and Ultra products, the Company has commenced work on optimising its mine plan to compress its development schedule and increase ultimate production by adding a fourth self-funding module.

- iii. **Mining Licence** – The Company was granted its Environmental Approvals by way of a positive Environmental Impact Assessment (EIA) for the development of its Mahenge Graphite Project as announced to the ASX on 5 September 2018. As part of the EIA announcement Black Rock confirmed that post Definitive Feasibility Study (DFS) completion, the Company would lodge a Mining Licence application. The Mining Licence applications were lodged 9 November 2018, through the Tanzanian Mining Cadastre Portal [HTTPS://Portal.Madini.go.tz](https://portal.madini.go.tz). The licence status was upgraded from submitted to recommended on 10 January 2019.

The Company notes that post the announcement of the Tanzanian Mining Code update to the mining regulations during 2017/2018, the Tanzanian authorities have commenced routine processing and approval of new and renewal of mining licences including those submitted by Australian mining companies. The Company understands there are meetings scheduled this week in Tanzania where new mining licences may be issued, which may or may not include Black Rock's application.

4. The Company confirms that it is in compliance with the ASX Listing Rules and in particular ASX Listing Rule 3.1.
5. The Company confirms that the responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Entity with delegated authority from the board to respond to ASX on disclosure matters.

Yours sincerely

Gabriel Chiappini

Non Executive Director & Company Secretary



21 January 2019

Mr Gabriel Chiappini

Company Secretary
Black Rock Mining Limited

By email

Dear Mr Chiappini

Black Rock Mining Limited (the “Entity”): price query

We note the change in the price of the Entity’s securities from a closing price of \$0.037 on Tuesday, 15 January 2019 to an intra-day high at the time of writing of \$0.056 today, Monday 21 January 2019.

We also note the significant increase in the volume of the Entity’s securities traded today.

In light of this, ASX asks the Entity to respond separately to each of the following questions and requests for information:

1. Is the Entity aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is “yes”:
 - a) Is the Entity relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in the Entity’s securities would suggest to ASX that such information may have ceased to be confidential and therefore the Entity may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?

Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is “no”, is there any other explanation that the Entity may have for the recent trading in its securities?
4. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that the Entity’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of the Entity with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **1:30 pm (WST) today, Monday 21 January 2019**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity’s securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity’s obligation is to disclose the

information “immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me copying in TradingHaltsPerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to the Entity’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that the Entity’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is “yes” and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Entity’s securities under Listing Rule 17.1.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Kind regards

[Sent electronically without signature]

Sandra Wutete
Senior Adviser, Listings Compliance (Perth)