

13 November 2019

ASX Announcement

Trial Mining Commences at Maniry with Bulk Sample to be Dispatched to BGRIMM

- As planned, the Company has commenced a 60+ tonne bulk mining trial at the Maniry Graphite Project in southern Madagascar.
- The bulk material will be shipped to the Beijing General Research Institute of Mining and Metallurgy (Beijing), forming part of the Company's Stage 2 pilot plant program.
- The outcomes from the Stage 2 pilot plant program are pivotal in finalising the Company's process development work and Bankable Feasibility Study, which is due to be completed in H2 2020.

BlackEarth Minerals NL (**ASX: BEM**) ("**BlackEarth**", the "**Company**") is pleased to announce that it has commenced the excavation of 60 tonnes of bulk material from the Maniry Graphite Project (the "**Project**") in southern Madagascar, as part of its trial mining / large scale pilot program.

The mining and excavation activities on site are expected to be completed by late November, and the 60+ tonnes bulk sample is expected to arrive at Beijing General Research Institute of Mining and Metallurgy ("**BGRIMM**") in early January 2020. An initial 250kg of Maniry material has already been received at BGRIMM's facility in China, with testing expected to commence shortly, with the aim of establishing optimal operating conditions for the large scale pilot plant program ("**Stage 2**").



Image 1 – Pre-strip completed at the Maniry graphite project in Madagascar

Mining from the defined Razafy Resource has commenced with the full cooperation and involvement of the local community. The full program involving trial mining and piloting will provide BEM with:

- Greater understanding of early mining conditions
- Final Process Design Criteria (“PDC”)
- Final equipment sizing and power draws
- Analysis and test work on the final tailings
- Sufficient concentrate sample to finalise binding offtake arrangements prior to the commencement of construction



Image 2 – Excavation underway



Image 3 – Material to be sent to BGRIMM

BlackEarth Minerals Managing Director, Mr Tom Revy, commented: “BlackEarth continues to meet the milestones required to progress the Company from graphite developer to producer. With 250kgs of Maniry concentrate already in China and testing to commence shortly, the further 60 tonnes of bulk material currently being mined, will be shipped to China as part of the Stage 2 large scale pilot plant program, which will provide valuable information and data to the Company. BlackEarth continues to take consistent steps towards formalising binding offtake agreements and the completion of the bankable feasibility study. We look forward to continuing to advance the Maniry graphite project over the coming period.”

CONTACTS

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BlackEarth encourages investors to update their contact details to stay up to date with Company news and announcements here: <http://www.blackearthminerals.com.au/update-details/>

About BlackEarth Minerals NL

BlackEarth Minerals NL (ASX:BEM) is an ASX listed company focussed primarily on the development of its 100% owned Madagascan Maniry and lanapera graphite projects. For more information, visit <https://www.blackearthminerals.com.au/>.



Project Life	10 Years
NPV @ 10% pre-tax	US\$ 103M
IRR pre-tax	42%
Project CAPEX Stage 1	US\$ 41M (500ktpa ore)
Project CAPEX Stage 2	US\$ 29M (1Mtpa ore)
Payback for Stages 1 & 2	3.7 years (Stage 1 - Only 2.7 years)
Annual graphite production	Av 30ktpa (Stage 1 – Years 1-3) Av 60ktpa (Stage 2 – Years 4+)

Project	Deposit	Tonnes (Mt)	TGC Grade (%)	Contained Tonnes (t)
Razafy	Indicated	8	7.22	677,600
	Inferred	3.2	6.8	217,600
	Razafy -Total	11.2	7.1	795,200
Maniry	Haja - Inferred	9	5.79	521,100
	Haja Total	9	5.79	521,100
Total Resources		20.2	6.51	1,316,300

Above: Maniry Graphite Project Scoping Study Results
Left: Location of BEM's Maniry & lanapera graphite projects

The Razafy Resources (both indicated and inferred) are reported at 6% TGC with cut off constraining wireframe solids defined at a nominal 3% cut off grade.

The Haja Resource is reported at 5% TGC cut off with cut off constraining wireframe solids defined at a nominal 1.5% cut off grade.

The indicated mineral resource at Razafy was first reported in the announcement of 14 August 2018 entitled "Update – Maiden Resource Estimation for Razafy at Maniry Project".

The inferred mineral resource at Razafy was first reported in the announcement of 14 August 2018 entitled "Update – Maiden Resource Estimation for Razafy at Maniry Project".

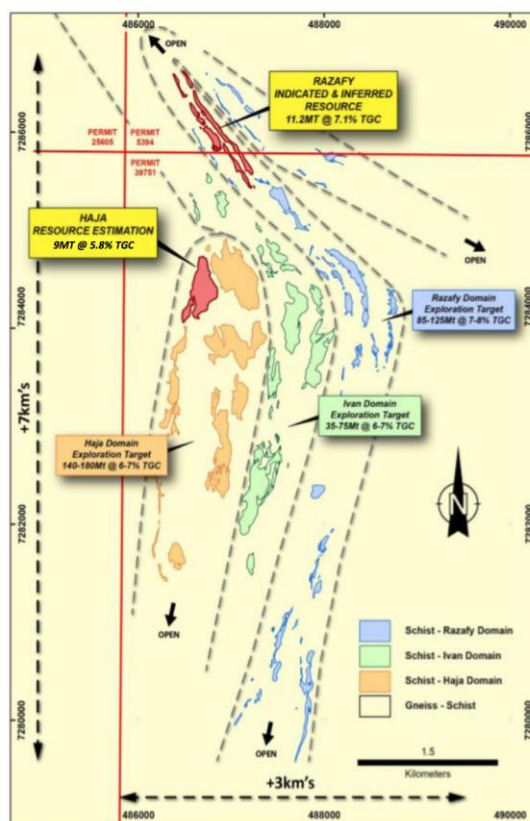
The inferred mineral resource at Haja was first reported in the announcement of 27 December 2018 entitled "Maiden Resource Estimation for Haja at Maniry Graphite Project".

There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.

The potential quantity and grade of an exploration target is conceptual in nature, there has been insufficient exploration to determine a mineral resource and there is no certainty that further exploration work will result in the determination of mineral resources or that the production target itself will be realised.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement in respect of the scoping study results (see the announcement of 30 January 2019 entitled "BlackEarth announces positive Scoping Study results for the Maniry Graphite Project") and that all material assumptions and technical parameters underpinning the estimates of forecast financial information continue to apply and have not materially changed.

Additionally, the Company confirms that it is not aware of any new information or data that materially affects the information regarding the indicated mineral resource at Razafy in the announcement of 14 August 2018 entitled "Update – Maiden Resource Estimation for Razafy at Maniry Project", which forms the basis of the production targets outlined in the table above.



Maniry Graphite Project – Overview

For further information regarding the Maniry exploration target, please refer to the announcement entitled "Exploration Target Update" dated 14 August 2018 "Update Maniry Exploration Target"