

12 August 2020

ASX: BEM

## ASX Announcement

### BEM Signs Binding Offtake MOU With Tier 1 Refractory Producer

- **Binding MOU with RHI Magnesita (RHIM).**
- **RHIM and BEM to work together to produce “tailor-made” natural graphite concentrate samples and products for RHI Magnesita.**
- **The MOU follows positive initial test work undertaken by RHI Magnesita on graphite from BEM’s Maniry Project in Southern Madagascar.**

BlackEarth Minerals NL (**ASX: BEM**) (“**BlackEarth**”, the “**Company**”) is pleased to announce that the Company has entered a binding Memorandum of Understanding (“**MOU**”) with the world’s largest refractory group, RHI Magnesita (“**RHIM**”), the leading global supplier of high-grade refractory products, systems and solutions, and a large consumer of natural flake graphite for various refractory products and materials. RHIM’s global procurement office is based in the Netherlands.

Under the MOU with RHIM, BlackEarth will work with RHIM to further explore possibilities to produce “tailor-made” natural graphite concentrate samples and products for RHIM, according to their specification and technical requirements. RHIM will also test and evaluate BlackEarth’s samples in different sizes and at different stages, providing feedback and technical advice to further optimise the BEM “tailor-made” products.

Subject to the final results of product testing and the agreement to commercial terms, BlackEarth intends to sell and RHIM intends to purchase graphite concentrate product from the Maniry Project in Southern Madagascar, with the aim of producing high quality refractory products.

**Commenting on the MOU, BlackEarth Managing Director, Tom Revy, said:** “This Binding Memorandum of Understanding with RHIM is a testament to the quality of BlackEarth’s graphite from the Maniry project. Although our discussions have taken some time, working with tier 1 players in the global graphite industry such as RHIM, provides a significant opportunity for BlackEarth, as we continue to fast track the Maniry graphite project towards first cash flow. We look forward to developing a long-term relationship with RHIM and working collaboratively with their team to produce customised graphite products, which meet their specifications to supply the needs of the market”.

As announced on 5 December 2019, RHIM confirmed that the BlackEarth sample received and tested met all quality specifications and requirements for high-quality refractory products.

### **About RHI Magnesita**

RHI Magnesita is the leading global supplier of high-grade refractory products, systems and solutions which are critical for high-temperature processes exceeding 1,200°C in a wide range of industries, including steel, cement, non-ferrous metals and glass. With a vertically integrated value chain, from raw materials to refractory products and full performance-based solutions, RHI Magnesita serves customers around the world, with around 13,000 employees in 35 main production sites and more than 70 sales offices. RHI Magnesita intends to leverage its leadership in terms of revenue, scale, product portfolio and diversified geographic presence to target strategically those countries and regions benefitting from more dynamic economic growth prospects.

Its shares have a premium listing on the London Stock Exchange (symbol: RHIM) and are a constituent of the FTSE 250 index. For more information please visit: [www.rhimagnesita.com](http://www.rhimagnesita.com)

This announcement is authorised for release by Mr Tom Revy, Managing Director.

### **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/>

For more information – [www.blackearthminerals.com.au](http://www.blackearthminerals.com.au)

## 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 Ianapera graphite projects. For more information, visit <https://www.blackearthminerals.com.au>.



<b>Project Life</b>	10 Years
<b>NPV @ 10% pre-tax</b>	US\$ 103M
<b>IRR pre-tax</b>	42%
<b>Project CAPEX Stage 1</b>	US\$ 41M (500ktpa ore)
<b>Project CAPEX Stage 2</b>	US\$ 29M (1Mtpa ore)
<b>Payback for Stages 1 &amp; 2</b>	3.7 years (Stage 1 - Only 2.7 years)
<b>Annual graphite production</b>	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
	Razafy - Inferred	3.2	6.8	217,600
	<b>Razafy -Total</b>	<b>11.2</b>	<b>7.1</b>	<b>795,200</b>
Maniry	Haja - Inferred	9	5.79	521,100
	<b>Haja Total</b>	<b>9</b>	<b>5.79</b>	<b>521,100</b>
<b>Total Resources</b>		<b>20.2</b>	<b>6.51</b>	<b>1,316,300</b>

Above: Maniry Graphite Project Scoping Study Results  
Left: Location of BEM's Maniry & Ianapera 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".

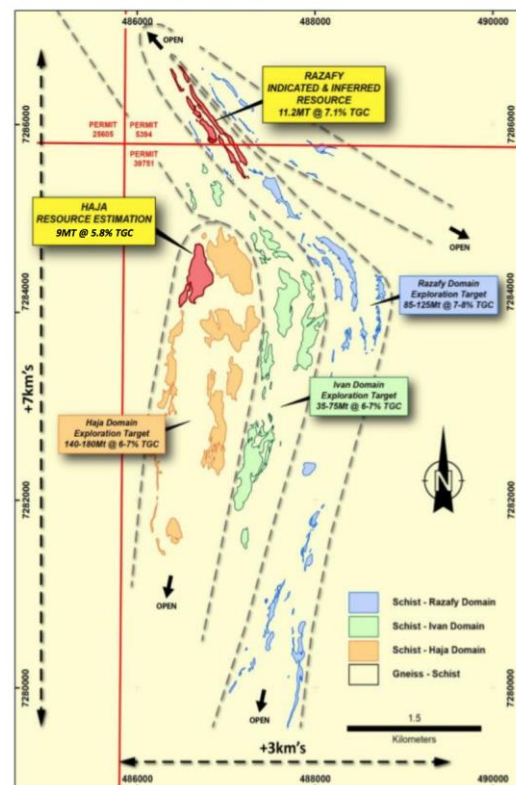
The inferred mineral resource at Haja was first reported in the announcement of 27 December 2018 entitled "Maiden Resource Estimation for Haja at Maniry Graphite Project".

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"