



Exploration update: Mahenge, Tanzania. Highly encouraging early stage results

Highlights

- Spectacular coarse flake graphite drilled at Epanko northeast lode. Assays awaited
- Two drill rigs infill drilling to establish a resource
- Cascade area prospectivity significantly upgraded with strike length doubled to 1,200m and up to 700m width
- Multiple drill targets and prospects being evaluated

Black Rock Mining Limited (ASX:BKT) is pleased to provide an update of exploration activities at its Mahenge project, Tanzania. The Company mobilised two drilling rigs and its largest field team since commencing exploration at Mahenge 11 months ago.

Early stage drilling is confirming extensive graphite mineralisation at Epanko north and Epanko northeast. Mapping and sampling at the Cascade prospect has significantly increased the strike length and width of the graphitic mineralised zone, prompting a comprehensive sampling programme.

The 22km long Kituti structure is being mapped/sampled in detail to determine drilling targets and metallurgical samples are being collected from Epanko north for testing.





Programme Summary

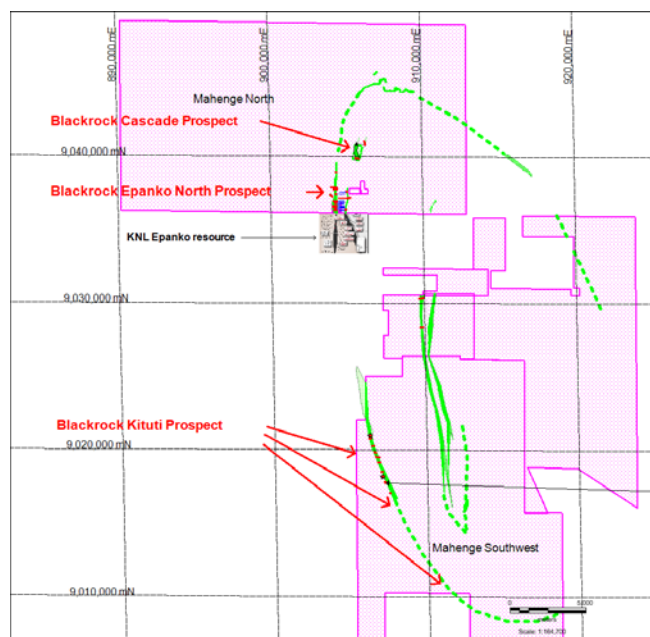
Work is focused on infill drilling the western lode of **Epanko North** to determine its bulk tonnage graphite potential. The first infill hole of this programme (RC16) drilled a highly encouraging 120m graphitic schist interval from 10m down-hole. This indicates that the broad zone of graphite underneath RC01 has good potential to add substantial tonnes.

Maiden drilling at the **Epanko Northeast** lode returned zones of exceptionally coarse graphite from the first few drill holes, as shown in photos 1 and 4. The graphite flakes are up to 8mm x 8mm, despite being pulverised by the RC hammer when drilled. High grades are expected from this section. Epanko Northeast (600m east of, and parallel to Epanko North) is a narrower, higher-grade graphite structure with >10% TGC trench grades. This lode is being drilled with the objective of defining a higher-grade source of graphite mineralisation in a separate pit. Similar to Epanko North, the eastern lode is located on top of a ridge, offering potentially low ore to waste ratios.

The **Cascade** lode is the most exciting prospect at Mahenge. Originally a 400m x 600m zone of graphite mineralisation when found last year, recent work has almost doubled these dimensions. An intensive mapping, sampling and trenching programme is underway with multiple crews to define the surface extent and grade of this unusually wide zone. Cascade has potential to be larger in size than Epanko north – the current sampling programme will provide a guide to surface graphite grades, strike length and widths.

The 22km long **Kituti** structure is being traversed, mapped and trenched in more detail to determine wider drill targets for testing. To date, this structure has not been comprehensively mapped. The two drill holes completed at the Kituti prospect indicate that graphite mineralisation is near vertical in two parallel lodges with potential for significant tonnage along the 22km strike of the structure.

Managing Director, Steven Tambanis commented: *“We have an excellent exploration team on the ground at Mahenge who are capably managing two drill rigs at Epanko North and two separate exploration programmes at Cascade and Kituti. This team has solid logistics support and all resources required to efficiently deliver a maiden resource from Epanko North and new drill targets from other areas”.*



**Map 1. Location of
Black Rock projects
within Mahenge**

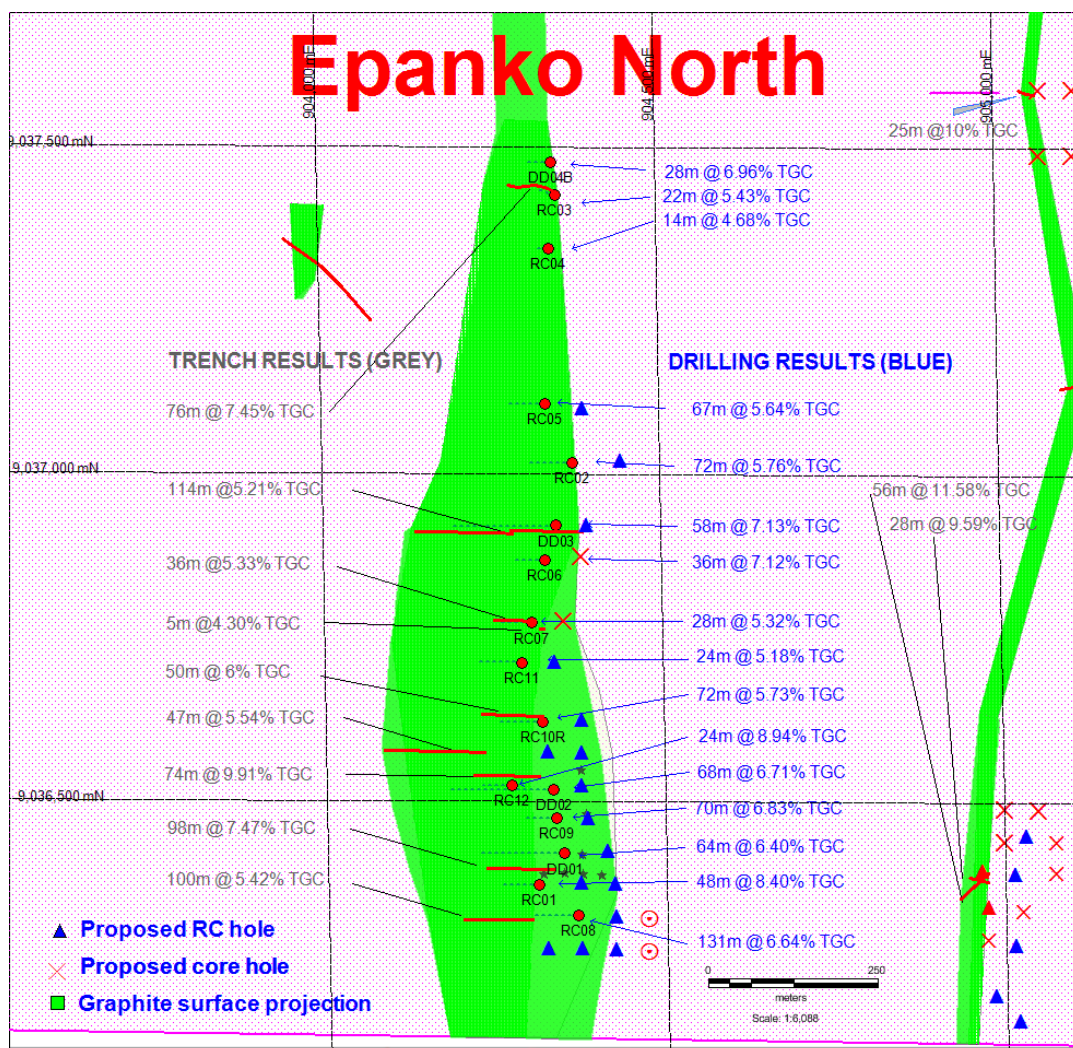


Epanko North

Infill drilling has commenced to provide drill data with 50m x 50m hole spacing along the southern 1000m of strike of the tenement, which is contiguous to Kibaran Resources' (ASX:KNL) Epanko orebody. The first hole of this programme, RC16, intersected 120m of graphitic schist from 10m downhole, for which assays are awaited. RC16 is 50m east of RC01 which intersected 48m @8.4% TGC, reported earlier this year. An adjacent hole will be added to this section line, which is expected to deliver significant graphite tonnes.

The infill holes will provide valuable information on the geometry and grade of graphite mineralisation around each drillhole – which collectively should be sufficient to allow the calculation of an inferred resource.

Two, possibly three lines of holes are planned to be located south of the southernmost line we drilled earlier this year, the RC08 line, which returned 131m @ 6.64% TGC from surface to end of hole, ending in mineralisation. We consider the 250m zone immediately to the north of our southern tenement boundary to have good potential for wider zones of graphite mineralisation.



Map 2. Epanko north – 2014 trench results and 2015 drill holes plotted with proposed holes for current programme. Epanko northeast lode can be seen to the east.



Photos 2, 3. RC rig drilling at Epanko north and logging RC samples.





Epanko northeast

The Epanko northeast lode is 600m to the east of, and parallel to Epanko North. The structure is narrower and higher-grade than Epanko north – trenching and outcrop sampling last year typically returned >10% TGC. This lode is being drilled with the objective of defining a higher-grade source of graphite mineralisation.

Three RC holes and one diamond hole were drilled during June with samples submitted for assay. A second diamond hole is underway. Visually, graphite within this lode is coarser and higher grade than Epanko north, as shown in the following photo with spectacular coarse graphite flakes up to 8mm x 8mm found in chip samples of RC15 from 50–51m downhole.

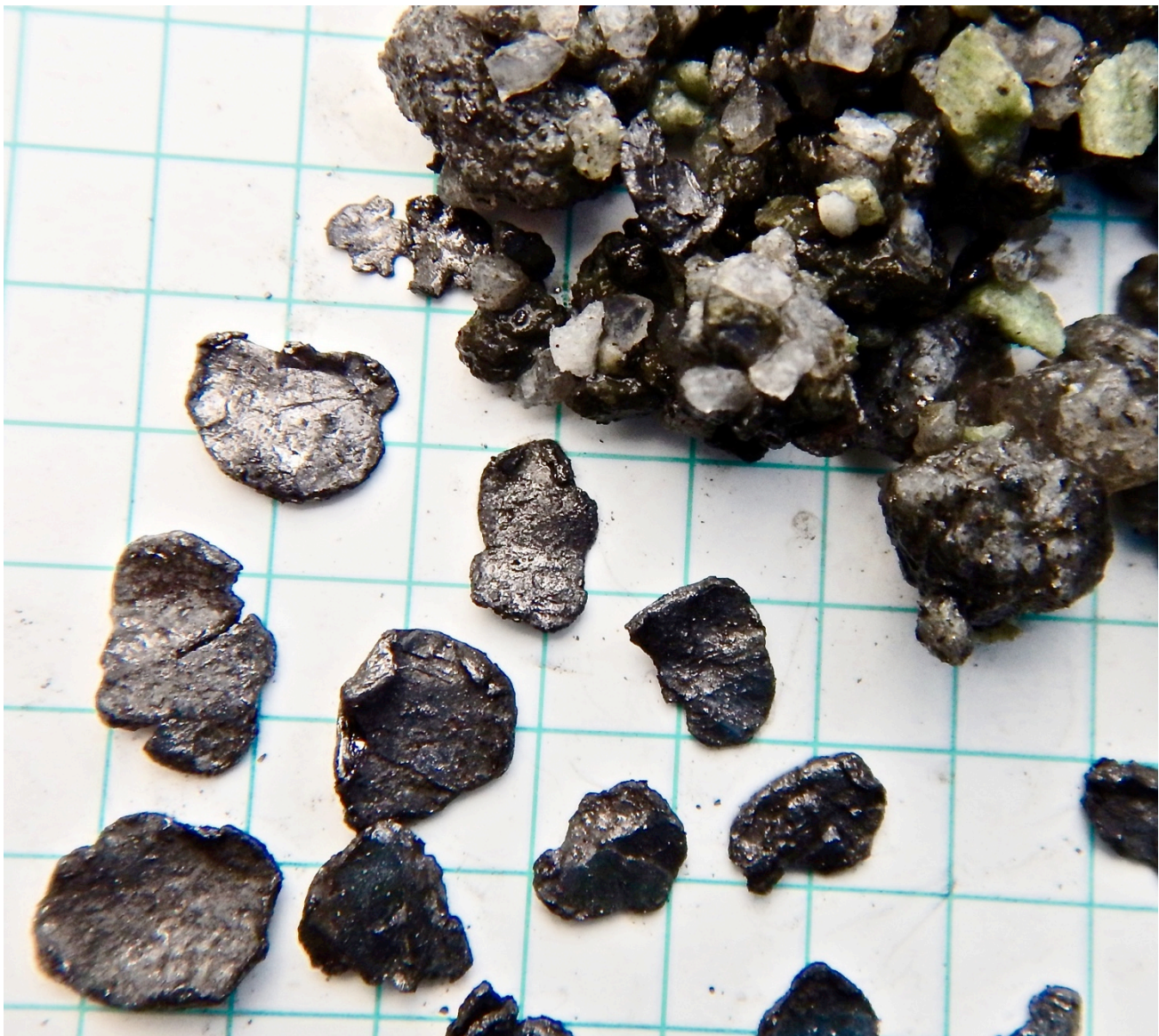


Photo 4. RC drill chip cuttings from hole RC15 at Epanko Northeast. Graph paper is 5mm², showing coarse graphite flakes up to 8mm x 8mm.



Photos 5,6. Diamond drill at DD06, Epanko northeast. Core from DD06. Graphite intersection from 45m to 73m.





Cascade prospect update

The Cascade zone (4km north of Epanko North) returned a highly encouraging set of results from trenching completed in 2014. Within the **186m @ 5.95% TGC** total trench interval at trench C1, two higher grade zones were encountered: **24m @ 7.89% TGC** from 51m and **86m @ 8.34% TGC** from 115m. In addition, an east/west trending creek in the centre of the zone contains at least 200m of exposed graphitic basement, for which 5 chip samples taken in 2014 averaged 10.06% TGC. The Cascade prospect area was interpreted to have widths of 200–400m and strike of 600m, open to the north and south.

Mapping and sampling the cascade lode during June has substantially enlarged the surface mineralised zone to 700m in width by over 1,200m of strike length, from test pits locating basement graphitic schists along strike. This is an incredible width of mineralised ground for this district.

An intensive field programme has commenced to channel sample the creek outcrops of two creeks in the central mineralised zone, conduct a systematic test pit sampling programme on a 50mx50m grid, then trench where possible. Positive assay results from this programme could rapidly see this prospect elevated to drill-ready status. We expect sampling to be mainly complete within two to three weeks and assay results taking another three weeks.





Photo 8. Setting up sampling lines at creeks within the central zone of cascade. Main creek is trending east-west and mineralisation is striking north, so this 200m zone of surface exposure provides an excellent view of mineralisation perpendicular to strike. Mineralisation is interpreted to be vertical or near vertical.

Photo 9. Graphite mineralisation being mapped and sampled at 1m intervals along creek exposure. Five outcrop samples taken along this creek in 2014 averaged 10.06% TGC. The current sample programme will provide much more detail about the geology, width and grade of this graphite mineralised zone



Photo 10. Entire rock sequence in this photo is graphite mineralised.



Summary

"Following the annual wet season, exploration activities have resumed smoothly at Mahenge, with highly encouraging initial results from drilling areas and Cascade. Two rigs are drilling Epanko north and Epanko northeast to develop a resource. Other crews are assessing Cascade and Kituti with the objective of developing additional stand-alone drill targets. The large field team is ensuring considerable progress and news flow over the next three months" said Steven Tambanis, Managing Director.

The current exploration programme continues to both confirm and enhance the prospectivity of BKT's Mahenge tenure. Epanko north and Epanko northeast have potential to deliver graphite resources this year, validating the current exploration and drilling programme. Following the successful capital raising in March, the Company is well funded to conduct this work.

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About Black Rock Mining

Black Rock Minerals Limited is an Australian based company listed on the Australian Securities Exchange. The Company has graphite tenements in the Mahenge region, Tanzania and is drilling it Epanko North prospect to determine a JORC compliant resource.

The company is building a skill and knowledge base to become an explorer, developer and diversified holder of graphite resources.

Shareholder value will be added by:

- *identifying and securing graphite projects with economic potential*
- *focussing on ground that can be commercialised quickly by converting into JORC compliant resources; and*
- *taking these resources into production*

Our focus is on establishing a JORC resource at Epanko North, Mahenge, whilst further exploring and drilling the Kituti, Cascade and Ndololo prospects.

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Steven Tambanis, who is a member of the AusIMM. He is a full time employee of Black Rock Mining Limited. Steven Tambanis has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Steven Tambanis consents to the inclusion in the report of the matters based on their information in the form and context in which it appears. Prior drilling results refer to BKT's Jan-Mar2015 drilling programme, for which all results have previously been reported.