

ASX: BFE, BFEO

SHARE INFORMATION

Issued Shares: 109.5m

Listed 20c Options: 30.8m

Unlisted Options: 12.5m

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28th April 2010

KARIBIB LITHIUM PROJECT:
RUBICON DIAMOND DRILLING PROGRAM – FIRST ASSAY RESULTS

Summary

- 12 diamond drill holes for 1,169m completed at the Rubicon Prospect during March – April 2010 with the aim of broadly defining the geometry, thickness and mineralogical zoning within the “host” pegmatite dyke, down dip from the historic lithium mining areas.
- Visible lithium mineralisation logged in most holes, however its intensity is erratic and the stronger mineralisation appears to have a northerly plunge towards Rubicon 2 as distinct to the northeasterly dip of the host pegmatite dyke.
- The assay results for the first 9 holes (RDD-01 to RDD-07 & RDD09 to RDD-10) drilled down dip of the Rubicon 1 & 2 pits have been received. While four of the nine holes intersected encouraging lithium grades (+1% Li₂O), broadly in line with expectations and consistent with the rock chip geochemistry results, the mineralised widths in these holes were less than expected based on open pit observations. Instead, broader, lower grade (+0.1% Li₂O) halos were defined around the narrower +1% Li₂O zones.
- Drill intersections using a 0.5% Li₂O cut-off included 0.9m @ 1.06% Li₂O from 45.95m and 0.69m @ 1.43% Li₂O in hole RDD-01, 3.5m @ 0.62% Li₂O from 26.5m and 2m @ 0.73% Li₂O in hole RDD-04, 1.36m @ 0.68% Li₂O from 64m and 0.68m @ 1.11% from 74.32m in hole RDD-05, 1.16m @ 0.82% Li₂O from 17.64m in hole RDD-06, 2.33m @ 1.14% Li₂O from 36.10m and 1.27m @ 1.11% Li₂O from 43.44m in hole RDD-07 and 2m @ 0.70% Li₂O from 93m in hole RDD-09.
- The assay results for the remaining 3 holes at Rubicon are expected in the next 3-4 weeks. Upon receipt exploration efforts at Rubicon will focus on reviewing the detailed geological information collected in the drill core in an attempt to understand the lithostructural controls to the broader higher grade zones observed in the Rubicon open pit.
- Drilling activities have moved to the Helikon Prospect, however a change of drill rig will be required to facilitate access to the steep slopes of this prospect area. During the current quarter, exploration will also commence on the extensive areas of shallow transported cover masking prospective geology that has yet to be assessed for further blind lithium bearing pegmatite units.

The Board of Black Fire Minerals Ltd (ASX: BFE, BFE0) (Black Fire or Company) announces the assay results for the first 9 diamond holes drilled at the Rubicon Prospect of the Karibib Lithium Project located in Namibia (Figure 1).

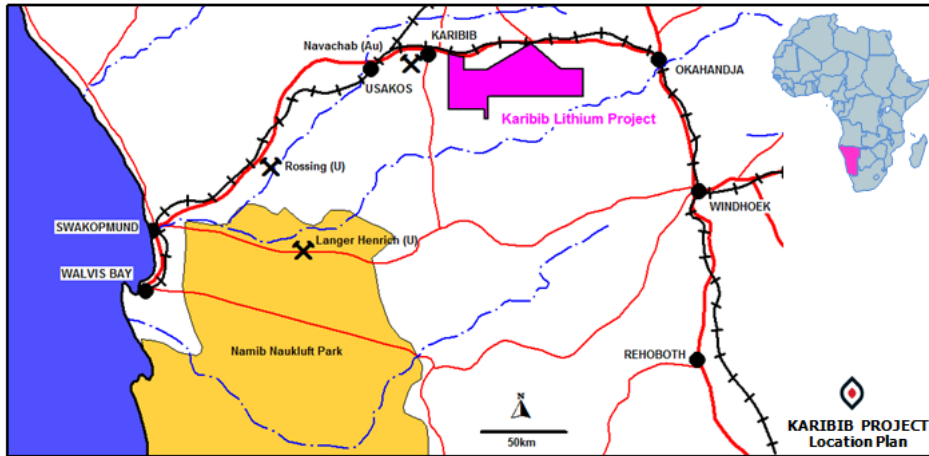


Figure 1 - Karibib Lithium Project – Location Plan

Diamond Drilling Program Details

After a detailed review of the available historic data and the receipt of encouraging rock chip geochemical results, the Company commenced an exploration drilling program in March at the Rubicon Prospect using diamond core to investigate the geometry, thickness and mineralogical zoning within the “host” pegmatite dyke, down-dip from the historic lithium mining areas. Whilst the aim of the drilling program was to intersect lithium - tantalum mineralisation, due to the nature of the mineralogical zoning typical of pegmatite dykes it was expected that not all of the holes would intersect mineralisation. However, the additional geological information that diamond core provides will potentially allow the Company geologists to vector into lithium bearing zones based on the mineralogy intersected in the pegmatite.

A total of 12 holes for 1,169m were drilled at Rubicon during March – April as shown on Figure 2 and detailed in Table 1.

Table 1 - Rubicon Prospect - Diamond Holes Completed March – April 2010

Hole ID	Northing (WGS84)	Easting (WGS)	Azimuth (Mag)	Dip	Final Depth (m)
RDD-01	7555339	602934	227	-70	83.66
RDD-02	7555395	602838	227	-70	94.53
RDD-03	7555443	602751	227	-70	94.38
RDD-04	7555494	602713	227	-70	84.43
RDD-05	7555599	602663	227	-70	106.38
RDD-06	7555620	602446	227	-70	61.48
RDD-07	7555689	602386	227	-70	73.44
RDD-08	7555737	602853	227	-70	139.48
RDD-09	7555430	602934	227	-70	109.47
RDD-10	7555491	602836	227	-70	115.45
RDD-11	7555543	602746	227	-70	100.05
RDD-12	7555605	602547	227	-70	106.37

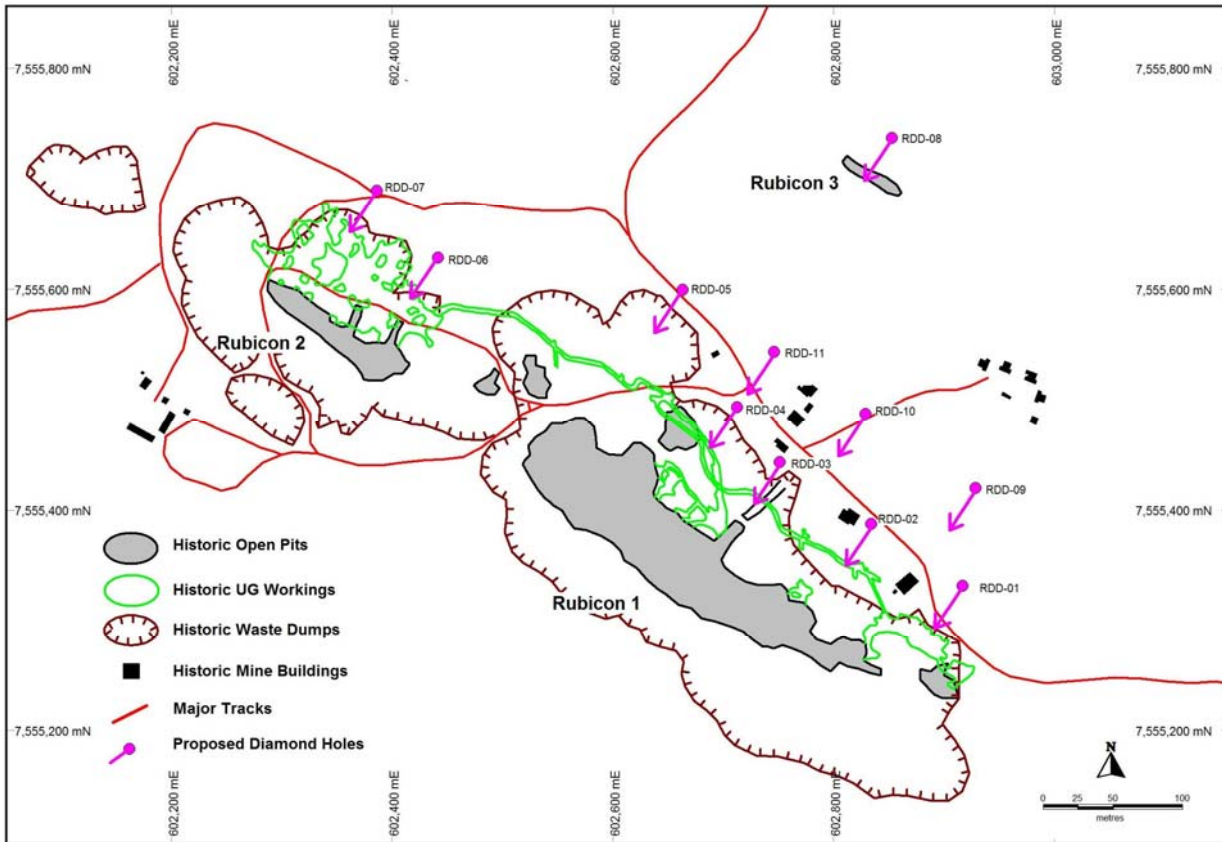


Figure 2 - Rubicon Prospect - Diamond Drilling Program March - April 2010

Each of the holes was geologically logged on site before the pegmatite zones were cut and sampled on geological intervals. The samples were prepared for assay in Johannesburg before being shipped to Perth for assay.

Geological logging identified visible lithium mineralisation, including petalite, lepidolite and hectorite, in a number of holes, however its intensity was found to be somewhat erratic. The better zones of mineralisation occur in the immediate footwall and hangingwall of a quartz unit that “cores” the pegmatite and this quartz core may have a northerly plunge as distinct to the northeasterly dip of the host pegmatite dyke. As a result of this interpretation a 12th hole was added to the original program to test this concept between the Rubicon 1 and Rubicon 2 pits. This hole did intersect the quartz core and visible lithium mineralisation and assays are pending.

The assay results for the first 9 holes (RDD-01 to RDD-07 & RDD-09 to RDD-10) drilled down dip of the Rubicon 1 & 2 pits have been received. While four of the nine holes intersected encouraging lithium grades (+1% Li₂O), broadly in line with expectations and consistent with the rock chip geochemistry results, the mineralised widths in these holes were less than expected based on open pit observations. Instead, broader, lower grade (+0.1% Li₂O) halos were defined around the narrower +1% Li₂O zones.

Table 2 - Rubicon Prospect - Diamond Drilling Results Up To 27th April 2010 (0.5%Li₂O Lower Cut-Off)

Hole ID	From (m)	To (m)	Interval (m)	% Li ₂ O
RDD-01	45.95	46.85	0.90	1.06
	51.13	51.82	0.69	1.43
RDD-02	No Intersections >0.5% Li ₂ O			
RDD-03	No Intersections >0.5% Li ₂ O			
RDD-04	26.50	30.00	3.50	0.62
	39.15	39.59	0.44	1.06
	43.00	45.00	2.00	0.73
RDD-05	64.00	65.36	1.36	0.68
	74.32	75.00	0.68	1.11
RDD-06	17.64	18.80	1.16	0.82
RDD-07	36.10	38.43	2.33	1.14
	43.44	44.71	1.27	1.11
RDD-08	Assays Pending			
RDD-09	93.00	95.00	2.00	0.77
RDD-10	No Intersections >0.5% Li ₂ O			
RDD-11	Assays Pending			
RDD-12	Assays Pending			

The assay results for the remaining 3 holes at Rubicon are expected in the next 3-4 weeks. Upon receipt exploration efforts will focus on reviewing the detailed geological information collected in the drill core in an attempt to understand the lithostructural controls to the broader higher grade zones observed in the Rubicon open pit.

Whilst the mineralised widths reported for the first nine holes at Rubicon were less than observed in the open pit, the +1% Li₂O grades are considered encouraging in that Rubicon is only one of a number of outcropping lithium bearing pegmatite dykes in the 765km² Karibib Project area (Figure 3). Drilling activities have moved to the Helikon Prospect, however a change of drill rig will be required to facilitate access to the steep slopes of this prospect area. During the current quarter, exploration will also commence on the extensive areas of shallow transported cover masking prospective geology that has yet to be assessed for further blind lithium bearing pegmatite units.

Project Background

The Karibib Lithium Pegmatite Project comprises two granted and adjoining Exclusive Prospecting Licences covering 765km² and located approximately 25km east-southeast of the town of Karibib and 120km northwest of Namibia's capital, Windhoek (Figure 1). The project is located on open grazing lands and is proximal to excellent infrastructure including the town of Karibib and the major B2 sealed highway and railway that connects Windhoek to the ports of Swakopmund and Walvis Bay. Karibib is a centre of marble and granite quarrying and also supports the nearby Anglogold Ashanti Navachab gold mine.

Black Fire acquired 100% of the Karibib Lithium Pegmatite Project in November 2009.

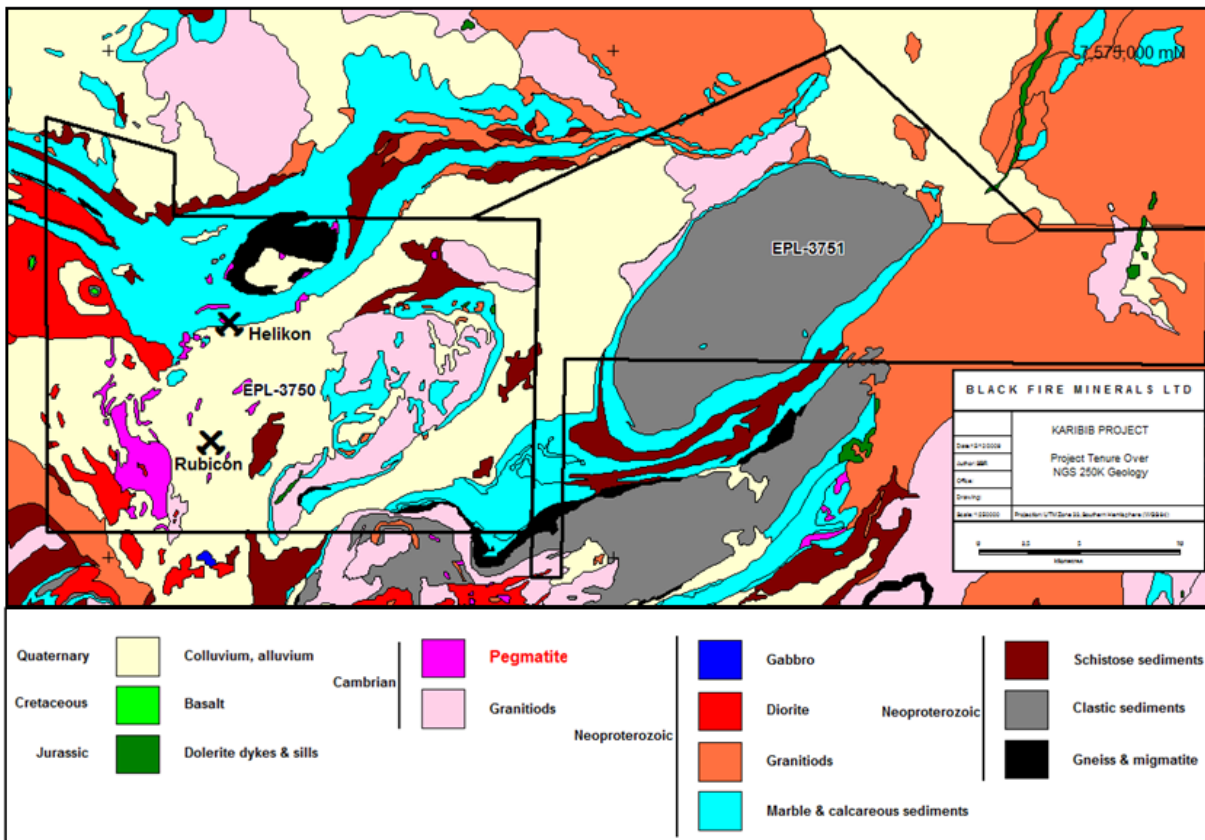


Figure 3 - Karibib Project - Tenure & Regional Geology

The project area covers a portion of the Cambrian Karibib Pegmatite Field with the pegmatite intrusions being hosted in Damaran age (Neoproterozoic) schists, marbles, quartzites, gneisses and granites (Figure 4). The individual lithium bearing pegmatites mapped to date are up to 1.6km long, 5 to 40 metres wide and often show well defined regular internal zoning. Lithium minerals including spodumene ($\text{Li}_2\text{O} \cdot \text{Al}_2\text{O}_3 \cdot 2\text{SiO}_4$), petalilite ($\text{Li}_2\text{O} \cdot \text{Al}_2\text{O}_3 \cdot 8\text{SiO}_4$), lepidolite ($\text{K}(\text{Li},\text{Al})_3(\text{SiAl})_4\text{O}_{10}(\text{OH},\text{F})_2$), amblygonite ($(\text{Li},\text{Na})\text{AlPO}_4(\text{F},\text{OH})$) and their weathering products including hectorite ($\text{Na}_{0.3}(\text{Mg},\text{Li})_3\text{Si}_4\text{O}_{10}(\text{OH})_2$), have been recorded within the pegmatites.

The Karibib Project has not been subjected to any significant modern exploration with only some minor historical drilling being undertaken at Rubicon I, for which there is no record of assay as the operation was in wind-down mode at the time owing primarily to lower prevailing market prices for lithium in the mid 90's. The historic lithium mining activities were largely small scale open pit and underground gouging operations that only exploited small portions of the outcropping pegmatites. This provides a significant opportunity for Black Fire to carry out drilling programs to test the down dip and strike potential of the historic deposits and utilise modern regional exploration techniques to assess the entire project area for new outcropping and/or blind lithium bearing pegmatite targets.

Further project details are available on the company's website at: www.blackfireminerals.com.au

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The information in this report that relates to Exploration Results is based on information compiled by Mr. S. Rigby, who is a Member of the Australian Institute of Geoscientists and has had sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activities which are being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Rigby is an employee of Black Fire Minerals and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.