

ASX Release  
16 October 2017

## BLACK ROCK APPOINTS RICHARD CROOKES AS CHAIRMAN

### HIGHLIGHTS

- Respected mining industry leader, Richard Crookes appointed Chairman effective 16 October 2017
- Richard Crookes to join the Board with immediate effect
- Current Chairman, Stephen Copulos to move into non executive director role

Tanzanian graphite developer **Black Rock Mining Limited (ASX:BKT)** ("**Black Rock**" or the "**Company**"), is pleased to announce the appointment of Richard Crookes as a Director with immediate effect and Chairman of the Board of Directors from 16 October 2017. Importantly, this rounds out the organisation's transition from explorer to developer of the Company's Mahenge Graphite Project in Tanzania.

Mr. Crookes joins Black Rock with 30 years' experience in the resources and investments industry and as such has a unique blend of broad resources industry experience coupled with a successful career in investment management. Mr. Crookes, a geologist by background, is an Investment Director at leading private equity resources fund, EMR Capital, which has successfully raised two funds with more than US\$2 billion of asset and capital under management.

Mr. Crookes started his career in mineral exploration and mining with MIM Holdings Ltd. His prior roles include being the Chief Geologist and Mining Manager of Ernest Henry Cu-Au Mine in Australia (now Glencore). Throughout his career in resources, Richard has been deeply involved in all aspects of mining projects, including exploration, mineral resource development, mine operations, environmental management, project finance and project management.

After 15 years in this sector, Richard then worked for Macquarie Group Ltd for 12 years (where he has been prior to joining EMR), becoming an Executive Director in the Metals Energy Capital Division, where he managed all aspects of the Bank's principal investments in mining and metals companies including deal origination, evaluation, structuring, post-acquisition management, client relationship management, marketing and execution of investment entry and exits for both private and public resources companies in Australia and overseas. Richard managed the provision of capital to junior to mid-tier resources companies from early equity through mezzanine loans to project finance facilities across a wide range of commodities and jurisdictions, including several African countries.

Incoming Black Rock Mining Chairman, **Richard Crookes** commented:

"Firstly I would like to thank Stephen Copulos for entrusting me to take over from him at this important point in the Company's growth.

This is an opportunity to help a very capable team, led by John de Vries, to take an outstanding asset through the later stages of studies into construction and ultimately into production. The link to the emerging clean technology energy thematic is also exciting for me. I believe the Mahenge Graphite Project is one of best pre-development assets I have seen and I am looking forward to being a part of the growth of the Company from developer to producer."

Black Rock Mining Ltd  
ACN 094 551 336  
ASX: BKT

Issued Capital  
364.7 Shares  
47.2m Options  
9.4m Performance Rights

Australian Registered Office  
Level 1, 35 Havelock Street  
West Perth, WA 6005  
Ph: +61 8 9320 7550  
E: info@blackrockmining.com.au

Tanzanian Office  
**Mahenge Resources Ltd**  
202 Village Walk Building  
Toure Drive, PO Box 80003  
Dar es Salaam Tanzania

Directors  
Richard Crookes  
Stephen Copulos  
John de Vries  
Gabriel Chiappini

In November 2012 Richard joined EMR Capital as an Investment Director whose role includes deal origination and funds management. EMR manages a portfolio of eight projects to date (including one which is subject to completion in the near future). He also serves as a Non-Executive Director of Highfield Resources Limited (ASX: HFR) and other unlisted EMR Capital investee entities.

Richard is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM), Member of the Australian Institute of Company Directors (MAICD) and a Fellow of the Financial Services Institute of Australia (FINSIA).

Black Rock Mining's existing Chairman, **Stephen Copulos** commented:

"I am delighted to be handing over to Richard Crookes. There are few global mining executives with such a diverse and rounded skill set; from resource identification to investment management and everything in between. Importantly Richard has also been a key part of teams involved in taking five mines into production. It is exactly the skill set we need at this important juncture in the growth of Black Rock Mining. I look forward to continuing to support Black Rock Mining as a Non Executive Director and major shareholder."

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**For more information:**

John de Vries  
**Chief Executive Officer**  
**Black Rock Mining**

+61 438 356 590  
jdv@blackrockmining.com.au

Simon Hinsley  
**Investor Relations**  
**NWR Communications**

+61 401 809 653  
simon@nwrcommunications.com.au

Charlie Bendon  
**Partner**  
**Tamesis Partners LLP (UK)**

+44 7968 167 030  
cbendon@tamesispartners.com

## About Black Rock Mining

Black Rock Mining Limited is an Australian-based company listed on the Australian Securities Exchange. The Company owns graphite tenure in the Mahenge region of Tanzania.

The Company announced a JORC compliant Mineral Resource Estimate of 211.9m tonnes at 7.8% TGC for 16.6m tonnes of contained Graphite, making the Mahenge Graphite Project one of the largest JORC compliant flake graphite Mineral Resource Estimates globally. Over 50% of the Mineral Resource is in the Measured and Indicated categories. In April 2017, Black Rock announced results of a Preliminary Feasibility Study (PFS) for its Mahenge Graphite Project which confirmed its potential as a long-life, low capex, high margin operation.

The PFS estimated a post-tax, unlevered, internal rate of return ("IRR") for the Project of 48.7%; and a net present value (NPV) using a discount rate of 10% (NPV10) of US\$624m. Black Rock confirms, that except for the proposed legislative changes relating to 16% free carry position of the Tanzanian Government and the royalty fee increasing to 4.3%, the key assumptions used in the PFS have not materially changed and that the material assumptions continue to apply per the PFS announcement released to the ASX on 24 April 2017. Subject to clarification on Tanzanian legislative changes, Black Rock is moving towards commencing a Definitive Feasibility Study (DFS). With a successful DFS and associated financing, construction could commence in 2018 with first production in 2019.

For further information on the company's development pathway, please refer to the company's website at the following link: <http://www.blackrockmining.com.au> and the corporate video presentation at <http://www.blackrockmining.com.au/#video>.



**Figure 1: Location of Black Rock's Mahenge Graphite Project within Tanzania**

## Appendix A – Board Composition and Background

### **Mr. Richard Crookes (Non Executive Chairman – Independent Director)**

Mr. Crookes started his career in the resources sector, with his prior roles including being the Chief Geologist and Mining Manager of Ernest Henry Mining in Australia (now Glencore). Throughout his career in resources, Richard has been deeply involved in all aspects of mining projects, including exploration, mineral resource development, mine operations, environmental management, mine fleet selection, project finance and project management.

After 15 years in the resources industry, Richard then worked for Macquarie Bank for 12 years (where he has been prior to joining EMR), becoming an Executive Director in the Metals Energy Capital (MEC) Division, where he managed all aspects of the Bank's principal investments in mining and metals companies including deal origination, evaluation, structuring, post-acquisition management, client relationship management, marketing and execution of investment entry and exits for both private and public resources companies in Australia and overseas. Richard managed the provision of capital to junior to mid-tier resources companies from early equity through mezzanine loans to project finance facilities across a wide range of commodities and jurisdictions.

### **Mr. John de Vries (Executive Director and Chief Executive Officer)**

Mr de Vries, was appointed Black Rock's current Chief Operating Officer, 13 March 2017, and CEO on 23rd August 2017. Since joining Black Rock, Mr de Vries has been responsible for the completion of the Mahenge Graphite Mine PFS released in April 2017, followed by the Optimised PFS released in August 2017. He has played an integral part in planning of the Definitive Feasibility Study and selection of the Engineering Contractor. Mr de Vries' immediate task is securing a State Investment Agreement and recommencing the Definitive Feasibility Study leading into construction and commissioning of the Mahenge Graphite Project.

Mr de Vries, a Mining Engineer with over 30 years' experience in the mining industry, started his career in 1984 working for WMC Resources and held roles including Manager Mining, Underground Manager and Senior Financial Analyst. In 1998, he moved to AMC Consultants as Principal Mining Engineer responsible for the mine optimisation business. In 2003, he joined Orica Mining Services as Global Business Manager, Advanced Mining Solutions, before moving to BHP Billiton NiWest in 2007 as the Manager Strategic Mine Planning. Most recently from 2011 to 2015 he acted as General Manager Technical Services for St Barbara and was integral in turning the gold operations of St. Barbara around.

### **Mr. Stephen Copulos (Non-Executive Director)**

Stephen Copulos is the Managing Director of the Copulos Group of Companies, a private investment group, since 1997 and has extensive experience as a company director of both listed and unlisted public companies in Australia, the UK and USA. He is the Company's major shareholder and financial supporter. Stephen has had over 35 years of experience in a variety of businesses and investments across a wide range of industries including mining, manufacturing, property development, food and hospitality.

Stephen is an active global investor. In addition to his role with the Company, Stephen is also a Director of the following public listed companies - Chairman of Crusader Resources Ltd, Chairman of Consolidated Zinc Ltd and Non-Executive Director of Restaurant Brands Limited (NZ)

### **Mr. Gabriel Chiappini (Non-Executive Director and Company Secretary - Independent Director)**

Gabriel is an experienced ASX director and has been active in the capital markets for 17 years. Gabriel has assisted in raising in excess of AUD\$400m in funding and has provided investment and divestment guidance to a number of companies. Gabriel specializes in Start-Up companies and assists companies with their growth and strategic direction. Gabriel is a member of the Australian Institute of Company Directors (GAICD) and a member of the Chartered Accountants Australia & New Zealand.

Recently Gabriel has managed and assisted with the growth and strategic direction of Fastbrick Robotics Ltd (ASX:FBR) from IPO to its current stage of development and was part of the board that secured and then managed and developed the corporate strategy for the Rhyolite Ridge Lithium-Boron Project in Nevada, USA for Global Geoscience Ltd (ASX:GSC). Gabriel has had a diverse and successful career both as CFO and as a Governance Officer. Gabriel has a wide range of offshore corporate structuring experience in USA, Europe and Middle East.

## Appendix B – Board Long Term Equity Plan

The company is proposing the following equity plan to align shareholder interests with the board's strategic objectives to increase value and shareholder wealth as the company moves towards development of its Mahenge Graphite Project.

Each current director<sup>(i)</sup> to receive the following at risk and share price performance linked long term equity plan:

### Unlisted Options

It is agreed that the Company will grant 5,000,000 Options (**Options**) that will entitle the holder to subscribe for ordinary fully paid shares in the capital of the Company on the following terms and conditions:

1. Each option entitles the holder to one ordinary share in the Company by paying 10c per share to the Company.
2. Subject to paragraph 4 below, the options held by the optionholder are exercisable in whole or in part at any time on or before 31 August 2020 (**Exercise Period**). Options not exercised before the expiry of the Exercise Period will lapse.
3. Mr Copulos, Mr de Vries and Mr Chiappini agrees subject to relevant laws and regulations, to the cancellation of previously issued performance rights
4. (**Vesting Conditions**) The Options may only be exercised where the following vesting conditions have been satisfied:
  - o in relation to the first 1,250,000 Options – the Company's shares have traded at 10c or over for 10 trading days;
  - o in relation to the next 1,250,000 Options - the Company's share have traded at 20c or over for 10 trading days;
  - o in relation to the next 1,250,000 Options - the Company's share have traded at 30c or over for 10 trading days; and
  - o in relation to the last 1,250,000 Options - the Company's share have traded at 40c or over for 10 trading days.

(i) *Options to be awarded to Mr de Vries, Mr Copulos and Mr Chiappini will be subject to shareholder approval*