



September 2015 Quarterly Report

Highlights

30 October 2015

- Infill drilling completed at Epanko North Prospect
- Discovery of the 5.5km long Ulanzi graphite lode
- Initial drilling of Cascade and Ulanzi Lodes returned excellent results, with all assayed holes returning $>10\%$ intervals
- Mahenge JORC resource expected late December 2015
- Completes \$5m equity funding

Black Rock Mining Limited (ASX:BKT) ("Black Rock Mining" or "the Company") is pleased to present its September Quarterly report.

The Company delivered its best results to date from Mahenge with the discovery of the 5.5km long Ulanzi prospect. This prospect was discovered, mapped, sampled and drilled within three short months, an excellent effort from the exploration team. Seventeen holes were drilled with assay results returned from the laboratory for twelve holes to date. Every hole returned significant intervals with greater than 10% TGC with the highest grade interval of 10m @ 17.74% TGC from RC53. The cascade prospect was drilled with four holes all returning intervals greater than 10% TGC, another excellent result.



Photo 1. RC drilling at Mahenge



Ulanzi drill results

Assay results were returned for twelve of seventeen drill holes completed in the first phase of Ulanzi drilling. All assayed holes have returned greater than 10% TGC intervals. A 10m interval of 17.74% TGC from RC53 returned the highest grades that the Company has drilled to date at Mahenge. Assay results for the remaining five holes of the initial seventeen-hole programme are expected in early November. The initial drill programme has tested 1km strike length of 5.5km of mineralised strike at Ulanzi.

Additional drill pads have been prepared for the next phase of drilling planned for late October (Figure 2). Thirty planned holes will result in over 2km of the Ulanzi structure being drill tested and should provide sufficient information to generate a maiden JORC compliant resource for the prospect by late December.

Mineralisation at Ulanzi is steeply dipping to the east at about 70 degrees and is located on a steep ridge that sits 100–120m above adjacent valleys. This indicates potential for low strip ratios and the ability to mine up to 100m vertical depth.

ULANZI DRILLING						
	Hole			0		
Diamond Holes	depth m	From	To	metres	INTERVAL	INCLUDING
DD14	155.2	0	92	92	92m@ 8.5%	14m@11.00% and 12m@14.00%
DD15	149.5	0	16	16	16m@ 8.09	8m@11.64% from 8-16m
DD15 (Cont'd)		54	118	64	64m@ 7.6%	56m@ 8.02% from 62-118m
RC holes						
RC45	100	0	80	80	80m@ 9.07%	28m@ 10.12% from 52-80m
RC46	44	0	32	32	32m@ 9.25%	10m@ 16.32% from 8-18m
RC48	65	2	62	60	60m@ 9.89%	12m@ 13.00% from 50-62m
RC49	55	0	34	34	34m@ 10.57%	
RC50	67	0	52	52	52m@ 10.4%	8m@13.81% from 44-52m
RC51	59	0	54	54	54m@ 10.08%	14m@12.48% from 40-54m
RC52	79	0	68	68	68m@ 9.07%	56m@ 10.04% from 2-58
RC53	66	0	54	54	54m@ 9.79%	10m@ 17.74% from 2-12m
RC54	73	0	52	52	52m@ 8.95%	18m@ 10.28 from 0-18m
RC55	88	0	70	70	70m@ 9.53%	54m@ 10.06% from 16-70m
RC56	86				assays awaited	
RC57	73				assays awaited	
RC58	91				assays awaited	
RC59	68				assays awaited	
RC60	80				assays awaited	
total metres	1,399					

Table 1. Ulanzi drill results

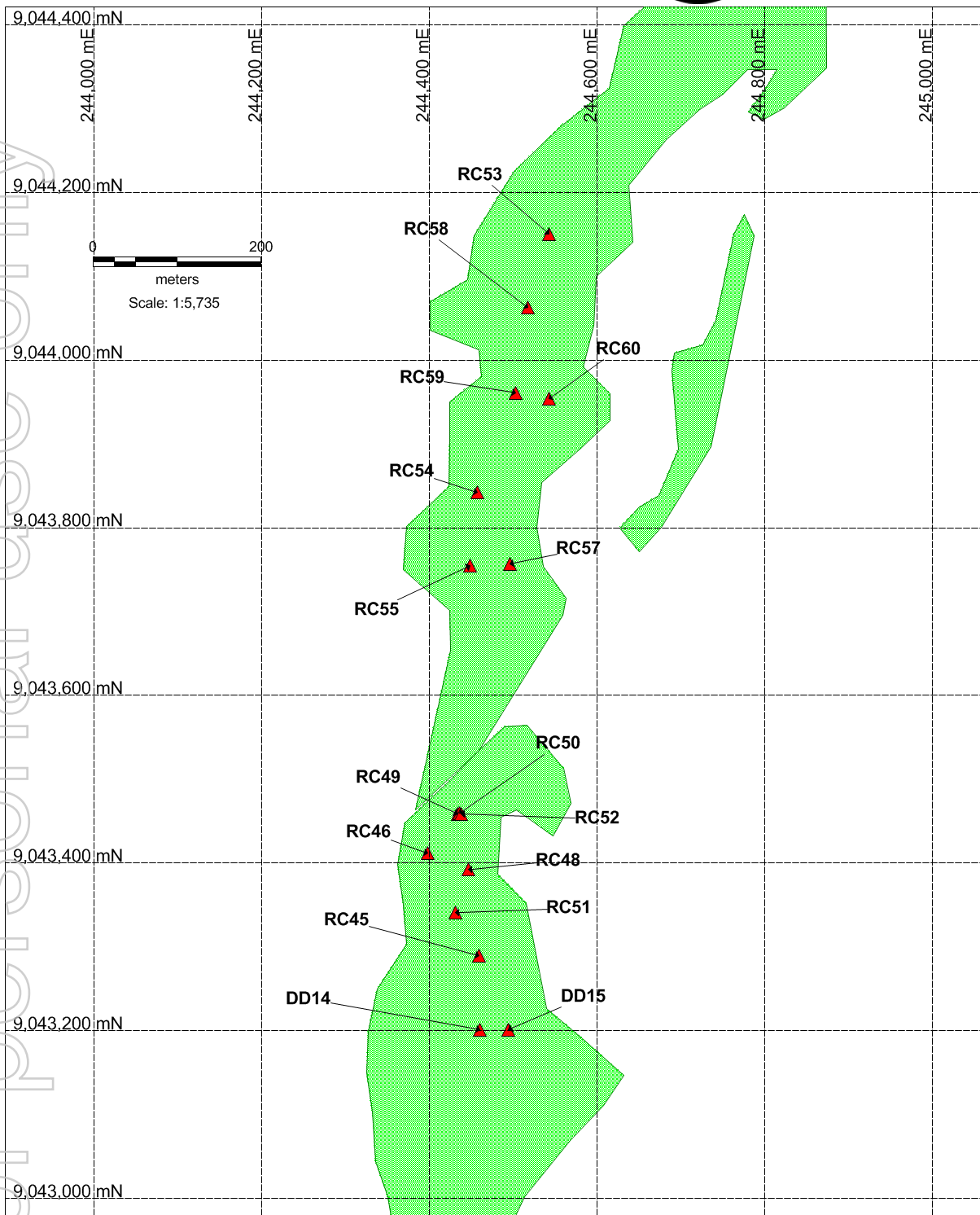


Figure 1: Ulanzi drill collars completed during September

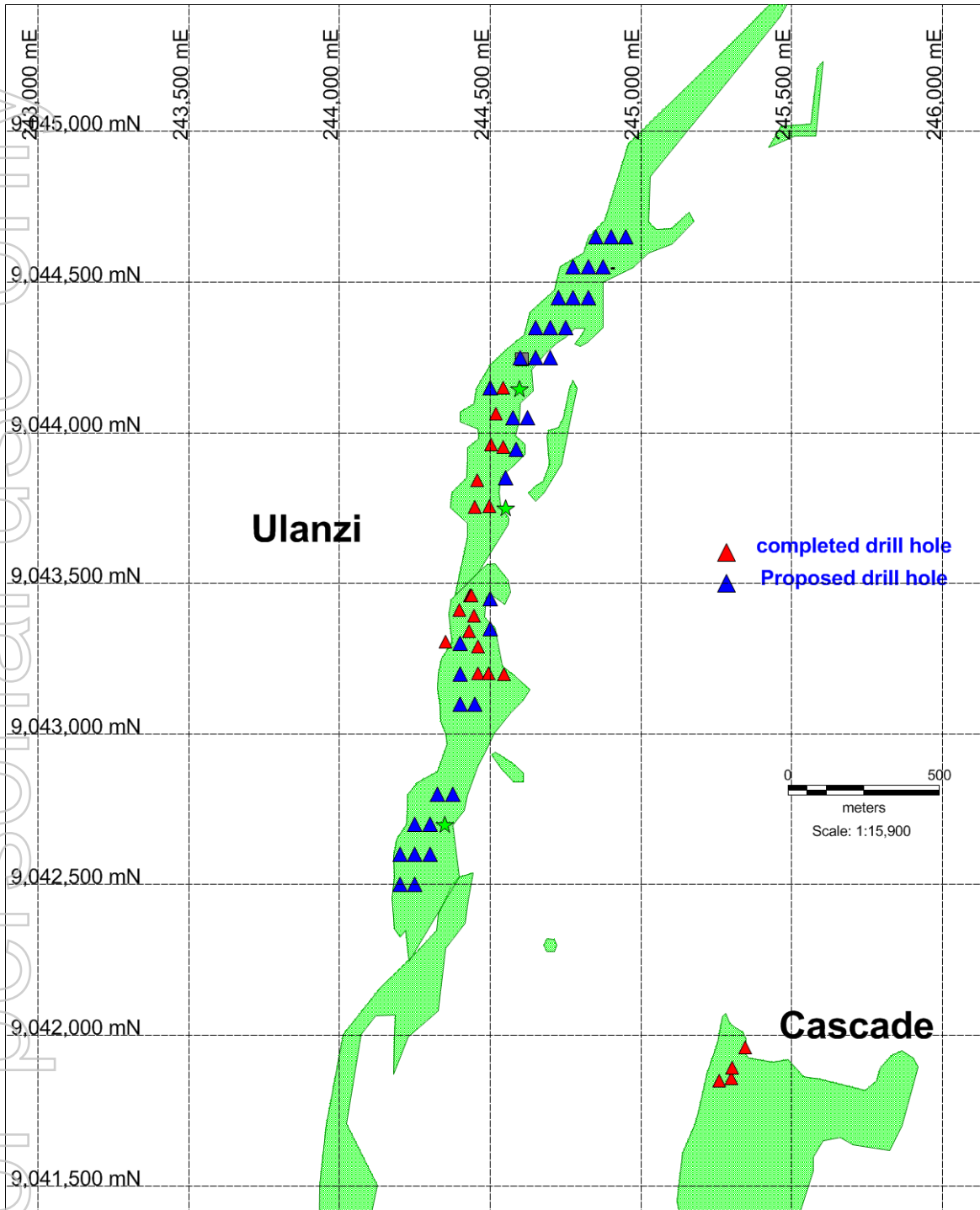


Figure 2. Drill hole plan for Ulanzi Stage II drilling.



Cascade Prospect

The Cascade zone is located 4km to the north of Epanko North. Mapping and sampling during the quarter substantially enlarged the surface mineralised zone to 800m in width by over 1,300m of strike length. Within this mineralised footprint, three zones of north-south trending mineralisation have been interpreted, validated by trenching and basement rock sampling.

A four drill hole programme was completed during September. All holes returned graphitic gneiss intervals with good visual graphite throughout the hole. Assay results for these four drill holes returned:

CASCADE DRILLING				
	from	to	Interval	Including
RC41	0	88	88m@ 9.68%	44m@ 11.09% from 32-76m
RC42	0	64	60m@ 10.00%	22m@ 11.46% from 4-26m
RC43	2	100	98m@ 8.92%	40m@ 10.18% from 2-42m
RC44	2	100	98m@ 9.04	62m@ 10.07% from 2-64m

Table 2: Cascade Drill hole results

This is an excellent result from Cascade with consistent thickness and grade from all holes. As all eastern holes began in graphite mineralisation, additional holes will be drilled from further east to determine the full width of lode, which is currently over 70m. We expect the overall width of mineralisation to increase with additional drilling. The four holes are on the western Cascade lode, interpreted to be over 1km in strike length and between 60-120m in width. A previous trench result 250m to the south of the recent drill holes returned a result of **98m @ 10.3% TGC**, complementing **60m @ 9.47% TGC** further to the south.

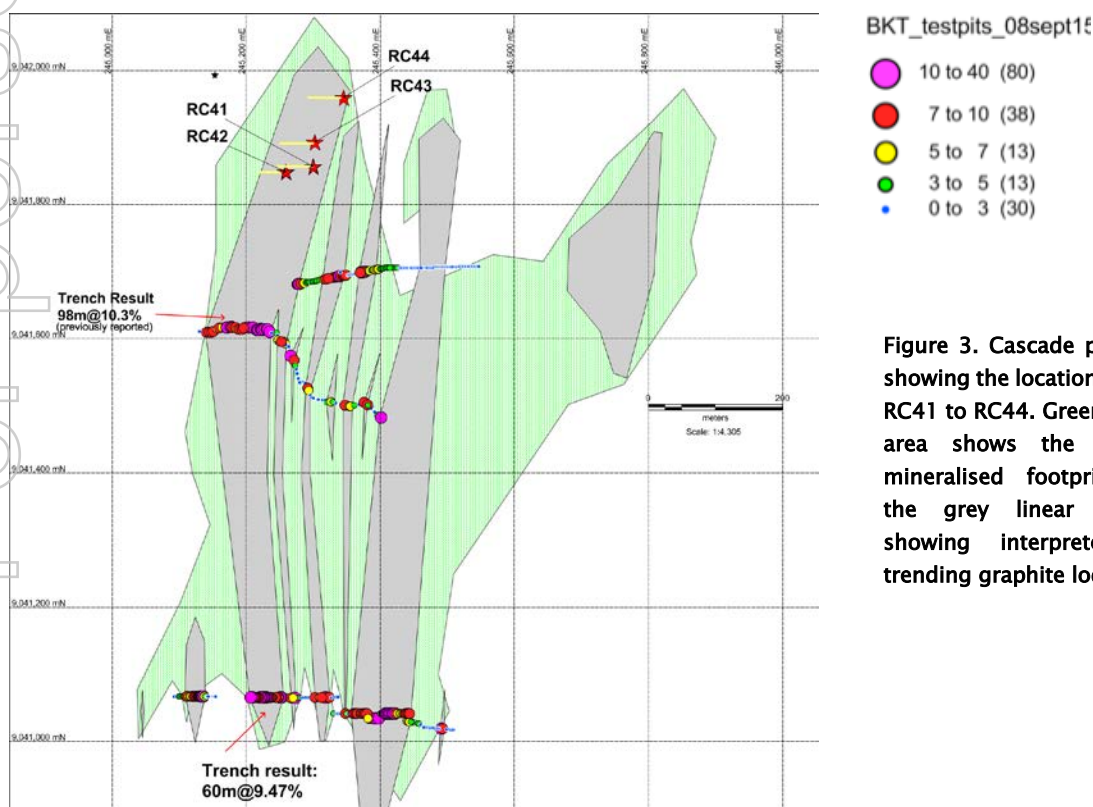


Figure 3. Cascade plan view showing the location of holes RC41 to RC44. Green shaded area shows the graphite mineralised footprint with the grey linear features showing interpreted N-S trending graphite lodes.



Corporate

During the September quarter, Black Rock Mining Corporate Highlights include:

- (i) Completion of Sale of Unmarketable Parcel of Shares
- (ii) Management of the Company's USD\$ commitments with average AUD\$ FX rate of Exploration USD\$ commitments at approximately USD\$0.77
- (iii) Initiation of Tanzanian back office to provide in country support

Events subsequent to the September Quarter

- (i) The acquisition of the Bagamoyo Graphite Project was announced on 14 October 2015
- (ii) The company announced an updated exploration target* on 19 October 2015. The new exploration target* is 84Mt–115Mt at a grade of 8.66%–10.34% TGC
- (iii) Completion of AUD\$5m placement at an issue price of \$0.075 per share with a free attaching one-for-two option expiring on 30 November 2018.

*The Exploration Target's potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a mineral resource and it is uncertain if further exploration will result in the estimation of a mineral resource.

Summary

"The Company has delivered what is clearly its best quarter to date with the completion of infill drilling at Epanko north, discovery and first drilling of the Ulanzi prospect, drilling at Cascade prospect and announced the intention to deliver a JORC resource from Epanko and Ulanzi by the end of 2015. The recent Bagamoyo Prospect acquisition broadens Black Rock's graphite portfolio and adds significant upside potential." commented Steven Tambanis, Managing Director.

The current exploration programme continues to both confirm and enhance the prospectivity of BKT's Mahenge tenure, as validated by recent drill results. Epanko north and Ulanzi are expected to deliver a JORC compliant graphite resource this year, which will achieve a significant milestone in the 12 months since starting exploration.

On behalf of the Board, we wish to thank our investors for their continued support.

The December 2015 quarter plans to to deliver:

- A Mahenge JORC resource
- Continuing exploration work at Ulanzi
- Commencement of exploration at Bagamoyo with the intention of drilling in December



BLACK ROCK
MINING LIMITED

For further information please contact:

Mr. Steven Tambanis

Managing Director, Melbourne

Office: +61 8 9320 7550

Email: st@blackrockmining.com.au

Mr Gabriel Chiappini

Director, Perth

+61 8 9320 7550

Email: gabriel@blackrockmining.com.au

About Black Rock Mining

Black Rock Mining Limited is an Australian based company listed on the Australian Securities Exchange. The Company has graphite tenure in the Mahenge and Bagamoyo regions, Tanzania, a country which hosts world-class graphite mineralisation. Drilling of the Epanko north prospect was completed in August 2015 and drilling of two new graphite discoveries, the Ulanzi and Cascade prospects, is currently underway. The Company plans to announce a Mahenge JORC compliant resource by the end of 2015.

The newly discovered Bagamoyo project in Tanzania hosts very coarse flake graphite and is being mapped and sampled in preparation for a drilling.

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 tenure 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 from three advanced prospects at Mahenge, whilst further adding resource upside through exploration at both Mahenge (Kituti) and Bagamoyo.

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 an 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. The drill, trench, outcrop and pit sample exploration results included in this announcement have previously been released to the ASX, including the Exploration Target discussion on 19 October 2015

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Rock chip samples taken from outcrop or from surface float thought to be derived from shallow buried cover within 15m radius Pit samples are excavated to in-situ basement rock where possible. If the pit did not reach basement and sampled cover/float/scree, then this is noted in the sample log. Trench samples were taken at 1-3m intervals along the floor of the trench Trenches range in depth from 1.0m to 2.5 with an average depth of 1.8m. Trenches have an average width of 1m Surface rockchip and trench samples range between 0.5kg and 2.5kg in weight The Company has taken all care to ensure no material containing additional carbon has contaminated the samples All samples are individually labeled and logged Drill sampling consisted of quarter core sampling of diamond core on a 2m sample interval. RC samples were riffle split on an individual 1m interval then composited as two x 1m samples per sample submitted to the laboratory.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Both diamond core (HQ double tube) and reverse circulation (5" face sampling) drilling methods have been used
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Drill sample recoveries have been measured for all holes and found to be good
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. Drill logging of diamond core and RC 	<ul style="list-style-type: none"> Surface rockchip samples were described in basic terms – lithology, degree of weathering, flake size and an estimate of grade Trench rockchip samples were described in basic terms – lithology, degree of weathering, flake size and an estimate of grade in 1m intervals All drill holes have been comprehensively logged for lithology, mineralisation, recoveries, orientation, structure and RQD (core). All drill holes have been

Criteria	JORC Code explanation	Commentary
		photographed. Sawn diamond core has been retained for a record in core trays. RC chips stored in both chip trays and 1-3kg individual metre samples as a record.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • The surface rockchip samples have not undergone any field splitting or composition • Trench samples were taken in 1m intervals with sampling techniques used to ensure representivity of the target rocktype. • No splitting or compositing of the trench samples was undertaken • Diamond core samples were halved with one half then quartered. A quarter core sample was taken for laboratory analysis. The remaining quarter core sample is retained for a record and a half core sample retained for metallurgical testwork. • RC samples were collected for every down-hole metre in a separate RC bag. Each metre sample was split through a three-tier riffle splitter and a 1.5kg sample taken of each meter. Two one-metre samples, totaling 3kg in weight were composited for assay submission.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • The samples were sent to Mwanza in Tanzania for preparation and pulps were then sent to Brisbane for TGC analysis for Total Graphitic Carbon (TGC) C-IR18 LECO Total Carbon. • Graphitic C is determined by digesting sample in 50% HCl to evolve carbonate as CO₂. Residue is filtered, washed, dried and then roasted at 425C. The roasted residue is analysed for carbon by high temperature Leco furnace with infra red detection. Method Precision: ± 15% Reporting Limit: 0.02 - 100ppm • Some of the surface rockchip samples were analysed for Multi-elements using ME-ICP81 sodium peroxide fusion and dissolution with elements determined by ICP. • Some of the surface rockchip samples were analysed for Multi-elements using ME-MS61 for 48 elements using a HF-HNO₃-HClO₄ acid digestion, HCl leach followed by ICP-AES and ICP-MS analysis. • Some of the surface rockchip samples were analysed for Multi-elements using ME-MS81 using lithium borate fusion and ICP-MS determination for 38 elements. • All analysis has been carried out by certified laboratory – ALSchemex. TGC is the most appropriate method to analyse for graphitic carbon and it is total analysis. ALSchemex inserted its own standards and blanks and completed its own QAQC for each batch of samples • BKT inserted certified standard material at a rate of 5%. BKT inserted a field duplicate at a rate of 5% • BKT is satisfied the TGC results are accurate and precise
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. 	<ul style="list-style-type: none"> • The data has been manually updated into a master spreadsheet which is considered to be appropriate for this early stage in the exploration program •

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> A handheld GPS was used to identify the positions of the pits in the field The handheld GPS has an accuracy of +/- 5m The datum is used is ARC 1960 UTM zone 37
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> The trenches were excavated from the general lode of graphite mineralization outlined by first pass mapping No sample compositing has been applied. The project is considered too early stage for Resource Estimation
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Trenches were designed to sample across a section of the known strike of the mineralization where the cover was not too deep Trench samples was undertaken in general in a direction across the strike of the graphite schist apart from TREP01 which was sub-parallel to the strike of the schist The representivity of the surface rock chip samples cannot be assessed given the lack of continuous outcrop in these areas. These samples are only indicative results of the local geology and no claim to the volume or extent of this sample material is made Additional sampling and mapping is required to fully understand the mineralization and its grades in relation to controlling structures
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> The rockchip and trench samples were taken under the supervision of an experienced geologist employed as a consultant to BKT The samples were transferred under BKT supervision from site to the local town of Mahenge The samples were then transported from Mahenge to Dar es Salaam and then transported to Mwanza where they were inspected and then delivered directly to ALSChemex process facility. Chain of custody protocols were observed to ensure the samples were not tampered with post sampling and until delivery to the laboratory for preparation and analysis Transport of the pulps from Tanzania to Australia was under the supervision of ALSChemex
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> Trenching and drilling information collected by BKT has been evaluated for sampling techniques, appropriateness of methods and data accuracy by an external geological consultant.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The rock chip and trench sampling was undertaken on granted license PL 7802/2012 It has an area of 293km² The license is 100% owned by BKT Subsistent landowners of the affected villages were supportive of the recently completed sampling and exploration program.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Some previous explorers completed some limited RC drilling and rockchip sampling but the original data has not been located apart from what has been announced via ASX release by Kibaran Resources during 2011 and 2013
<i>Drill hole Information</i>	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> All drill hole information has been retained and compiled into a drilling database. At this early stage of exploration only the assay data has been released together with hole length, a plan locality map of drill holes and down hole intervals.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No data aggregation methods have been carried out on the data.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Due to the potentially large strike length of the mineralization the trench sampling program has been selective and trench sampling has only assessed the local grade distribution of the graphitic zones from surface to shallow depths (<2.5m). The trenches were located between 500 and 1000m along strike depending on the thickness of the surface cover Further additional widespread surface sampling, mapping and drilling is required to understand the geometry of the graphite mineralisation

Criteria	JORC Code explanation	Commentary
<i>Diagrams</i>	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • Figures show plan location of trenches and drill holes, appropriately scaled and referenced.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • All surface and trench rock chip samples have been reported. • All drilling results have been reported for graphite
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • 1 in 10 samples from the drill programme were assayed for deleterious elements using a 40 element ICP method. No deleterious elements were observed, with background levels of uranium and thorium.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Further surface sampling techniques that may include pitting & trenching with mapping and drilling (diamond core and RC). Continuation of infill and extensional drill programme at Epanko north. • Initial metallurgical testwork – flotation and particle sizing • Data compilation and analysis, target generation and ranking prior to drilling.

Criteria	JORC Code explanation	Commentary
Exploration Target	<i>In any statement referring to potential quantity and grade of the target, these must both be expressed as ranges and must include</i>	Exploration target is a combined 84 to 115.5 Mt at a grade range of 8.66-10.34% TGC for 4 prospects within GRK's Mahenge North tenure package: Epanko North lodes, Cascade and Ulanzi prospects
	<i>a detailed explanation of the basis for the statement, including specific description of the level of exploration activity already completed, and</i>	GRK's exploration program is at a relatively early stage and has involved the mapping of graphite-rich lithological units, rock chip sampling/analysis, trenching/pitting analysis and two phases of RC and DD drilling over the 4 main prospect areas. The trenching and pitting programs have been a valuable tool in highlighting areas of either sub-cropping or buried graphite schist that has allowed the company to focus its drill metres and increase the success rate of intersecting graphite mineralisation. The Exploration Target has been derived as a range for the 4 Mahenge prospects using a number of parameters/variables (varying width and depth with a consistent strike and a density of 2.6t/m ³ . The grade ranges are only based on RC and DD drill assay information and the lower grade has been determined using a 2.5% TGC cut off and the upper grade has been determined using a 7.5% TGC cut-off. The range of tonnages has been determined using a consistent strike length and varying schist thickness and a range of depths The grade ranges for each prospect were calculated by using the drill datasets available at each prospect (refer to Table 2) and then calculating the weighted average for each population above a 2.5% TGC cut-off and also for a 7.5% TGC cut off using the mid point tonnage for each range as the average tonnage
	<i>a clarification statement within the same paragraph as the first reference of the Exploration Target in the Public Report, stating that the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.</i>	At Mahenge the potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource
	<i>If a Public Report includes an Exploration Target the proposed exploration activities designed to test the validity of the exploration target must be detailed and the timeframe within which those activities are expected to be completed must be specified</i>	The Company is currently in the process of planning and executing additional RC and DD program into the prospects defined at Mahenge. The drill program is designed to infill and confirm the depth extents of the mineralisation and gain further understanding of the potential width and grades. The drilling will continue to provide a three dimensional view of the graphite mineralisation and will potentially assist in defining future JORC 2012 Mineral Resource Estimations over the prospects. It is anticipated the initial drill program will continue into October 2015 up until the end of the year. The Company also intends to use core samples to continue density measurements and to commence a phase of metallurgical test work to firm up potential recoveries, flake sizing and initial processing flow sheets to confirm the Company. It is anticipated the initial drill program will continue into October 2015 up until the end of the year. The Company also intends to use core samples to continue density measurements and to commence a phase of metallurgical test work to firm up potential recoveries, flake sizing and initial processing flow sheets to confirm the Company has a marketable product.
	<i>A Public Report that includes an Exploration Target must be accompanied by a Competent Person statement taking responsibility for the form and context in which the Exploration Target appears</i>	<i>The information in this report that relates to Exploration Results is based on information compiled by Brendan Cummins, who is a member of the Australian Institute of Geoscientists. He is a consultant to Black Rock Mining Limited. Brendan Cummins 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'. Brendan Cummins consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.</i>

For an Exploration Target based on Exploration Results, a summary of the relevant exploration data available and the nature of the results should also be stated, including a disclosure of the current drill hole or sampling spacing and relevant plans or sections

Table 1 Surface Exploration activity summary

Exploration Activity	Number of Activity	Trench Samples	Pit Samples
Mahenge North total rock chip sampling	66	-	-
Epanko North: West zone		435	
Epanko North: Middle zone		132	
Cascade	1	437	168
Ulanzi		24	483

Table 2 Drill statistics by each prospect from Mahenge North prospect

Drilling activities	Type of Activity	Holes	Metres drilled	Average depth
Epanko North: West zone	RC	36	3262	88
	DD	9	1219.3	135.5
Epanko North: Middle zone	RC	4	158	40
	DD	3	194.06	64.69
Cascade	RC	4	399	100
	DD			
Ulanzi	RC	16	1106	69
	DD	3	360.94	120.31
Total		75holes	6700m	Ave 88m

- Drill spacing at Epanko North West zone has been completed on a 50 x50m grid extending over 800m of strike with the remaining strike restricted to isolated drill positions every few hundred metres depending on access
- Drill spacing at Epanko North East zone has been restricted to areas of access and has not had any systematic drilling
- Drill spacing at Cascade has been restricted to areas of access and has not had any systematic drilling. The strike extent covered by drilling is 300m
- Drill spacing at Ulanzi has been completed on a 100x50m grid extending over 1000m of strike



Mining exploration entity and oil and gas exploration entity quarterly report

Rule 5.5

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Black Rock Mining Limited

ABN

59 094 551 336

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	0	0
1.2 Payments for (a) exploration & evaluation – graphite	(1,011)	(1,011)
(b) development	0	0
(c) production	0	0
(d) administration	(155)	(155)
1.3 Dividends received	0	0
1.4 Interest and other items of a similar nature received	2	2
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	0	0
1.7 Other (provide details if material) – employee entitlement for annual leave and long service leave for redundant employee	0	0
1.8 Other (provide details if material) – research and development incentive received	0	0
Net Operating Cash Flows	(1,164)	(1,164)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	0	0
(b) equity investments	0	0
(c) other fixed assets	0	0
1.9 Proceeds from sale of: (a) prospects	0	0
(b) equity investments	0	0
(c) other fixed assets	0	0
1.10 Loans to other entities	0	0
1.11 Loans repaid by other entities	0	0
1.12 Other (provide details if material)	0	0
Net investing cash flows	0	0
1.13 Total operating and investing cash flows (carried forward)	(1,164)	(1,164)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,164)	(1,164)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	0	0
1.15	Proceeds from sale of forfeited shares	0	0
1.16	Proceeds from borrowings	0	0
1.17	Repayment of borrowings	0	0
1.18	Dividends paid	0	0
1.19	Other (share issue costs)	(9)	(9)
	Net financing cash flows	(9)	(9)
	Net increase (decrease) in cash held	(1,173)	(1,173)
1.20	Cash at beginning of quarter/year to date	2,490	2,490
1.21	Exchange rate adjustments to item 1.20	(25)	(25)
1.22	Cash at end of quarter	1,292	1,292

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	113
1.24	Aggregate amount of loans to the parties included in item 1.10	0

1.25 Explanation necessary for an understanding of the transactions

Director related payments relate to both Executive and Non-Executive Director fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A



Mining exploration entity and oil and gas exploration entity quarterly report

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	0	0
3.2 Credit standby arrangements	0	0

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation – Graphite	1,025
4.2 Development	0
4.3 Production	0
4.4 Administration	50
Total	1,075

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,292	2,490
5.2 Deposits at call	0	0
5.3 Bank overdraft	0	0
5.4 Other (Funds held within Trust Account)	0	0
Total: cash at end of quarter (item 1.22)	1,292	2,490

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	Nil	Nil		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	Nil	Nil		
7.3 +Ordinary securities	207,835,612	207,835,612		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	Nil	Nil		
7.5 +Convertible debt securities (description)	Nil	Nil		

+ See chapter 19 for defined terms.



Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil	Nil		
7.7	Options (description and conversion factor)	Listed Options GRKOB 35,000,000 5,145,000 Total Listed 40,145,000 Unlisted Options 95,000 100,000 375,000 3,330,003 Total Unlisted 52,000,000	35,000,000 5,145,000 Nil Nil Nil Nil	Exercise price 5 cents 5 cents 0.40 cents 0.16 cents 0.06 cents 0.20 cents	Expiry date 25 March 2017 25 March 2017 15 November 2015 11 June 2016 28 November 2016 19 January 2018
7.8	Issued during quarter	Listed Options Nil Unlisted Options Nil			
7.9	Exercised during quarter	Listed Options Nil Unlisted Options Nil			
7.10	Expired during quarter	Listed Options Nil Unlisted Options Nil			
7.11	Debentures (totals only)	Nil			
7.12	Unsecured notes (totals only)	Nil			

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Mr Gabriel Chiappini
Director
30 October 2015

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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