SEPTEMBER 2024 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- **POSCO signed a binding agreement for a US$40m equity investment in Black Rock, which is expected to take place via two tranches:**
  - **Tranche 1: A$9.0m investment in 155.3m shares at a price of A5.8c, a 10% premium to the 10-day volume weighted average price, increasing POSCO's stake in Black Rock from 10.1% to 19.99%**
  - **Tranche 2: The balance of POSCO's US$40m investment will be at the same price as other investors in the final equity raising to build Module 1 on the Final Investment Decision (FID), capped at a maximum stake in Black Rock of 19.99%**
- **POSCO's investment to secure long-term fines offtake for Mahenge Module 2, with the proceeds to be used to fund the development of Module 1**
- **Black Rock signs US$179m Facilities Agreement with DBSA, IDC and CRDB to develop Mahenge**
- **Black Rock signed a mining services contract with TAIFA Mining and Civils Limited (Taifa) for an initial term of 3 years, subject to Final Investment Decision (FID)**
- **Black Rock completed its first Annual Sustainability Report during the quarter**
- **Subsequent to the end of the quarter, the Company announced the appointment of Ms Ursula Phillips as Non-Executive Director of Black Rock**
- **A$5.4m cash at bank at 30 September 2024**

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Tanzanian graphite developer Black Rock Mining Limited (ASX: BKT) (**Black Rock** or the **Company**) is pleased to provide an update on activities at its Mahenge Graphite Project (**Mahenge** or the **Project**) in Tanzania for the quarter ending 30 September 2024 (the **Quarter**).

POSCO Signs Binding Agreement for US$40m investment in Black Rock

Black Rock signed several binding agreements (**Agreements**) with its Strategic Alliance Partner, POSCO International Corporation (**POSCO**), in relation to POSCO investing US$40m in Black Rock. In exchange, Faru Graphite Corporation Limited (**Faru**) (the 84% subsidiary of Black Rock and 100% owner of Mahenge) will grant POSCO the long-term fines offtake of graphite concentrate from Module 2.

The binding subscription agreement for POSCO's US$40m equity investment (**Subscription Agreement**) remains subject to conditions precedent including FIRB approval, approval from the Fair Competition Commission of Tanzania and shareholder approvals as well as confirmation all necessary funding to build Mahenge Module 1 is in place.

The Agreements build on the strategic partnership between Black Rock and POSCO which is working towards developing Mahenge to provide a significant new source of natural graphite into a highly dependent global

market driven by clean energy demand. Importantly, the Agreements also signals further de-risking of the Company's funding strategy to develop Mahenge.

Commenting on the Agreements with POSCO, Black Rock CEO, John de Vries, said:

> *"We are extremely pleased to be further deepening our relationship with POSCO and we believe today's announcement represents a strong endorsement of the promising future of the Mahenge Graphite Project.*
>
> *POSCO's binding offtake agreement for the fines for Mahenge Module 2 also represents a major de-risking milestone for the Company, providing increased confidence for all our stakeholders as well as improved visibility on funding and our pathway to production."*

Photo 1 & 2: The POSCO Signing Ceremony in Perth on 3 September 2024. Attendees from left to right include Senior Executive Vice President of POSCO Holdings Mr Jun Hyung Kim, Chairman Black Rock Mining Mr Richard Crookes, the Australian Minister for Resources Ms Madeline King, Korean Minister for Trade Mr In-Kyo Cheong, CEO of POSCO International Mr Kye-In Lee and Chairman of POSCO Group Mr In-Hwa Chang.

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Offtake Agreement for Module 2 Fines

Faru has agreed terms and has executed a second offtake agreement with its strategic alliance partner, POSCO, to supply high purity graphite for 100% of planned fines (-#100) production from Mahenge Module 2 (**Offtake Agreement**). The deal converts the MOU announced on 4 September 2023 to a full form binding agreement and supports a clear path to a qualified commercial market for Black Rock's high quality graphite concentrate.

Key terms of the Offtake Agreement include:

Key Offtake Terms

– Binding long-form offtake agreement;
– Initial 12-year offtake term for 100% of -#100 mesh concentrate from Module 2,
  ○ Term extendable by an additional 5 years at POSCO's option (after initial 12 years);
  ○ Term extendable by an additional 5 years at POSCO's option (after initial 12 years plus 5 year extension);
  ○ Term extendable by an additional 5 years by mutual agreement (after initial 12 years plus two 5 year extensions);
– 30ktpa (minimum quantity 20ktpa); and
– Pricing mechanism linked to visible industry benchmark.

The term of the POSCO's fines offtake for Module 1 has also been amended to reflect the same terms as Module 2 stated above.

Marketing Agreement

Faru has also agreed terms and will execute a marketing agreement with POSCO pursuant to which POSCO has the non-exclusive right to market large flake graphite which is to be produced by Faru to purchasers located outside of China. POSCO will be paid a commission for sales arranged by it. POSCO may also acquire small flake graphite on commercial terms where it wishes to trade that product. This agreement is terminable by either party in the event the voting power of the POSCO Group in Black Rock falls below 10%.

Umbrella Agreement

Black Rock, POSCO and POSCO Holdings Inc. are parties to an Umbrella Agreement, which document was entered into on 10 February 2021. The agreement regulates the rights and obligations of the parties, given the nature of their strategic alliance. Pursuant to this agreement, the POSCO group has:

- the right to appoint a director to the Company;
- the right to participate in Black Rock sub-committee meetings;
- the right to be given the opportunity to participate in future fundraisings; and
- the right to enter into offtake agreements for small flake product produced by Faru.

Various rights of the POSCO Group under this agreement may be terminated where their voting power in the Company falls below 10%.

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Black Rock signs US$179m Facilities Agreement with DBSA, IDC and CRDB to develop Mahenge

During the Quarter, Black Rock and its 84%-owned Tanzanian subsidiary, Faru signed a Facilities Agreement (**Facilities Agreement**) with DBSA, IDC and CRDB to provide US$179m in funding to develop Mahenge. The Facilities Agreement is subject to satisfaction of customary conditions precedent and approval by the Bank of Tanzania.

The Facilities Agreement includes four facilities and contains terms and conditions typical for facilities of this kind. The key commercial terms are summarised in Schedule 1 in Black Rock's ASX announcement on 16 September 2024.

The purpose of the US$113m Construction Term Loan is for the construction of Mahenge Module 1 and associated infrastructure, including the 220kV power line from Ifakara to Mahenge connecting the whole community to 220kV power and opening up a host of new business opportunities for the entire region.

Black Rock was advised on the debt financing by ICA Partners, Ashurst, and Clyde & Co.

Commenting on signing the Facilities Agreement, Black Rock CEO, John de Vries, said:

> *"We are extremely pleased to have concluded our debt financing process for Mahenge and to be signing the Facilities Agreement with a group of such high calibre lenders.*
>
> *Today's announcement represents a major de-risking milestone for Black Rock towards funding the development of the Mahenge Graphite Project.*
>
> *We look forward to working with DBSA, IDC and CRDB to develop Mahenge for the benefit of all our stakeholders."*

Photo 3: The Facilities Agreement Signing Ceremony with DBSA, IDC and CRDB in Johannesburg after market close on 13 September 2024. Attendees from left to right are Nina Yose, Head of Infrastructure, IDC; Russell Wallace, Manager – Legal Services, IDC; Lungile Tom, Head of Project Finance, DBSA; Abdulmajid Mussa Nsekela, CRDB Group CEO and Managing Director; John de Vries CEO Black Rock Mining; Richard Crookes, Chairman, Black Rock Mining.

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Black Rock signs mining services contract with Taifa

On 17 July 2024, the Company announced that Faru had signed a mining services contract (**Mining Contract**) with Taifa for the Project. The Mining Contract is for an initial three year term, subject to FID. Under the terms of the contract, Black Rock also has the option to extend the contract term by an additional two years.

In line with local content requirements in Tanzania, Black Rock completed a tender process to select its preferred mining services contractor and is very pleased to award the contract to Taifa. The contract with Taifa has also been approved by the Mining Commission of Tanzania.

Taifa was founded in 1987 as a civils and earth-moving operation in Mbeya, Tanzania. It has since grown into the largest locally owned civils and mining contracting business in Tanzania. Taifa is one of the most experienced mining service providers in Tanzania and has a number of established clients such as the Williamson Diamond Mine, where Taifa provides services for the entire mining cycle, from drilling and blasting to excavation, loading and hauling. In addition, Taifa is currently operating significant contracts for Barrick Gold at its North Mara Gold Mine (a haulage contract and a Tailings Storage Facility lift project) and at Bulyanhulu Gold Mine, where Taifa has been contracted to excavate a new box cut for an additional underground adit. Past clients include Anglo Gold's Geita Mine, the Tulawaka Gold Mine and Buzwagi Gold Mine, where Taifa provided mining services from green field to close of the mine, at both mines.

The contract value for the initial three year term is US$37.9m, and is consistent with the estimated cost in the Mahenge eDFS Update released on the ASX in October 2022.

Signing the mining services contract is a key de-risking milestone for Black Rock and satisfies one of the conditions precedent for project lenders.

Commenting on the Mining Contract, Black Rock CEO, John de Vries, said:

> *"We are very pleased to be locking in our mining contract with Taifa, which is one of the largest and most experienced mining contractors in Tanzania. We look forward to working with Taifa to deliver the Mahenge Graphite Project.*
>
> *Importantly, signing the mining services contract satisfies one of the conditions precedent for lenders. This is a particularly exciting time as we start to assemble various workstreams including today's announcement which brings us one step closer to the Final Investment Decision for Mahenge."*

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Update on the Partner Process

During the Quarter the Company continued to advance alternate financing opportunities, including potentially bringing in a partner at the Project level as a less dilutive option than equity.

While there can be no guarantee an outcome will be achieved in the partner process, Black Rock has been encouraged by the level of interest received to date as a significant number of interested parties have signed confidentiality agreements to assess potential investment.

Environment, Social and Governance (ESG)

During the Quarter the Company published its inaugural Annual Sustainability Report, a copy of which is available on our website[1].

ESG activity undertaken during the Quarter included commencement of the ground disturbance permitting work, including engagements with the Ulanga District Council and respective government agencies on construction, water and tree permits. The area site survey with the Tanzanian Forest Service Agency (TFS) has been completed and the detailed tree survey will be undertaken in October 2024.

The Environmental and Social Impact Assessment (**ESIA**) for the Idenke Settlement area continues to progress within expected timeframes through the National Environment Management Council (NEMC) approval system. Subsequent to the end of the Quarter, the ESIA for the Idenke Settlement Area was approved by NEMC and certification by the Minister is expected before the end of the year.

All contracts with project affected persons were finalised during the Quarter for the Special Mining Licence area.

The Corporate Social Responsibility Plan for 2024 has been approved as per the Mining (Corporate Social Responsibility) Regulations 2023 with the local government agencies.

[1]A copy of Black Rock's first Annual Sustainability Report is available here: https://blackrockmining.com.au/sustainability/

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Tanzania Local Activities

On 18 July 2024, the Tanzanian Deputy Prime Minister and Minister of Energy, Dr. Doto Biteko, confirmed the third turbine had been switched on for the 2,115MW Julius Nyerere Hydropower Plant (**JNHPP**)[2].

Photo 4: The 2.1GW Julius Nyere Hydropower Plant – Third turbine switched on

Source: https://dailynews.co.tz/jnhpp-third-power-turbine-switched-on/

The JNHPP is expected to generate a total of 2,115 MW from nine turbines, each with a capacity of 235 MW. As of July 2024, turbines 9, 8, and 7 have been activated, with overall construction progress reaching 98.33 per cent complete.

According to the article on 18 July 2024, a fourth turbine was expected to be turned on by 16 August 2024 and the Tanzanian Government expects to switch on all nine turbines before the end of 2024.

JNHPP was funded by the Government of Tanzania at a cost of 6.55 trillion Tanzanian Shillings (~US$2.7bn). Prior to the commissioning of JNHPP, grid power in Tanzania was ~40% hydroelectricity / ~60% gas-fired power. Once JNHPP is running at full capacity the percentage of grid power made up by hydroelectricity is expected to increase to up to 60-70%, which has the potential to make Black Rock's Mahenge graphite products some of the lowest carbon emissions per tonne in the world.

[2] Source: https://www.tanzaniainvest.com/energy/julius-nyerere-hydropower-project-commences-operations

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POSCO site visit to the Mahenge Graphite Project during the quarter

During the Quarter, Black Rock hosted POSCO on a site visit to the Mahenge Graphite Project.

Photo 5: Left to right: Julius Cheruiyot Towett, POSCO International, Head Nairobi Branch Office; Young Jin Kim, POSCO International, Battery Materials Dept, Assistant Manager; Daniel Pantany, Black Rock GM Engineering & Technical; David Griffith, Faru Graphite Corporation, Site GM; Won-Bae Kim, POSCO International, Section Leader, Battery Materials Dept. / Green Materials Division; Rae Wyatt, Chief People & Sustainability Officer; Commander Konyo, Security / Risk Advisor

Photo 6: Left to right: Daniel Pantany, Black Rock GM Engineering & Technical; Young Jin Kim, POSCO International, Battery Materials Dept, Assistant Manager; Julius Cheruiyot Towett, POSCO International, Head Nairobi Branch Office; David Griffith, Faru Graphite Corporation, Site GM; Rae Wyatt, Chief People & Sustainability Officer; Won-Bae Kim, POSCO International, Section Leader, Battery Materials Dept. / Green Materials Division.

Investor Relations

Black Rock attended and presented at several conferences and events during the September 2024 quarter including:

- Presentation at Noosa Mining Conference, 17-19 July 2024[3]
- Presentation at Africa Down Under on 4-6 September 2024[4]
- Interview at Africa Down Under on 4 September 2024[5]
- Interview with Stocks Down Under on 18 September 2024[6]
- Interview with Small Caps on 27 September 2024[7]

Photo 7: Presentation at Noosa Mining Conference

Photo 8: Presentation at Africa Down Under

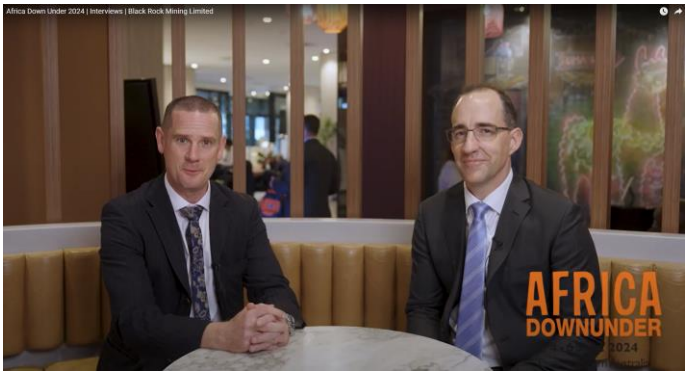

Photo 9: Interview at Africa Down Under

Photo 10: Interview with Stocks Down Under

Black Rock has also committed to attending and presenting at the 121 & Mining Indaba mining conferences in Cape Town on 3-6 February 2025.

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[3] Video of the Noosa Mining Conference presentation is available here: https://vimeo.com/986271698

[4] Video of the Africa Down Under presentation is available here: https://www.youtube.com/watch?v=eUTeDkuvdLk

[5] Video of the Africa Down Under interview is available here: https://www.youtube.com/watch?v=OP_IYAn3fps

[6] Video of the Stocks Down Under interview is available here: https://www.youtube.com/watch?v=H-lUsTvyBSg

[7] Video of the Small Caps interview is available here: https://www.youtube.com/watch?v=FMhVksZ1Zjc

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Graphite Market

Mahenge's basket price (shown in Figure 2) has steadily improved over the last 12-months, as the continued fall in -195 prices (fines) has been more than offset by an improvement in +195 and +895 prices. Figure 3 shows this recent trend in more detail.

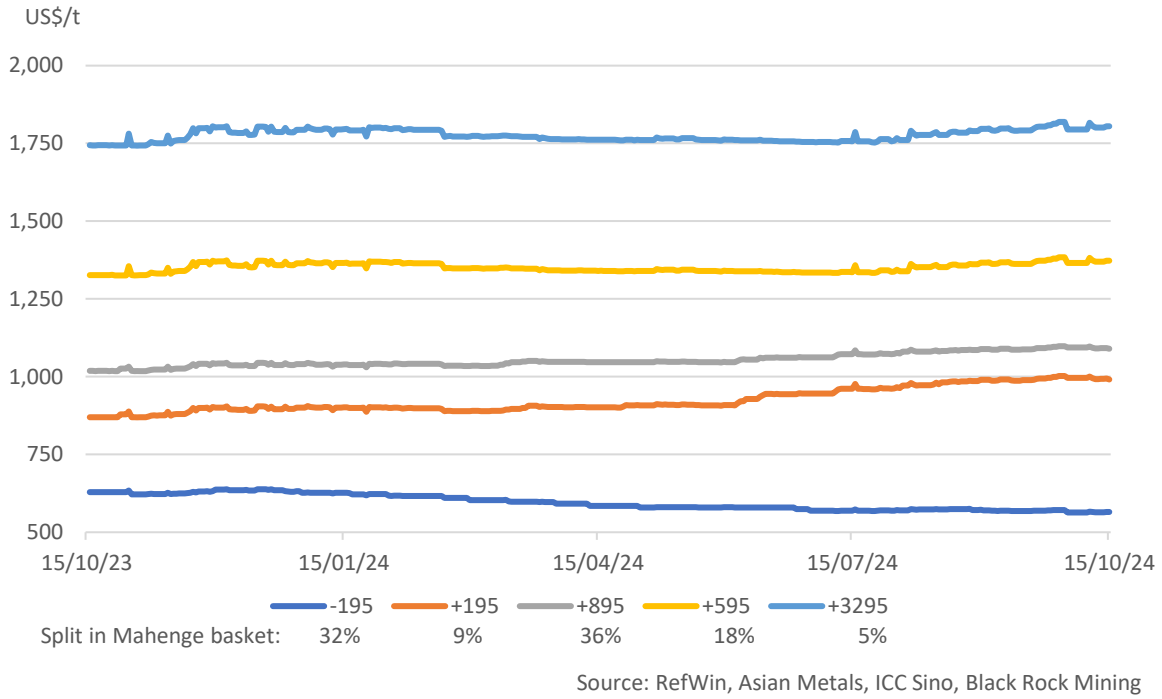

Figure 1 – Graphite Prices over last 12-months for Mahenge's five products

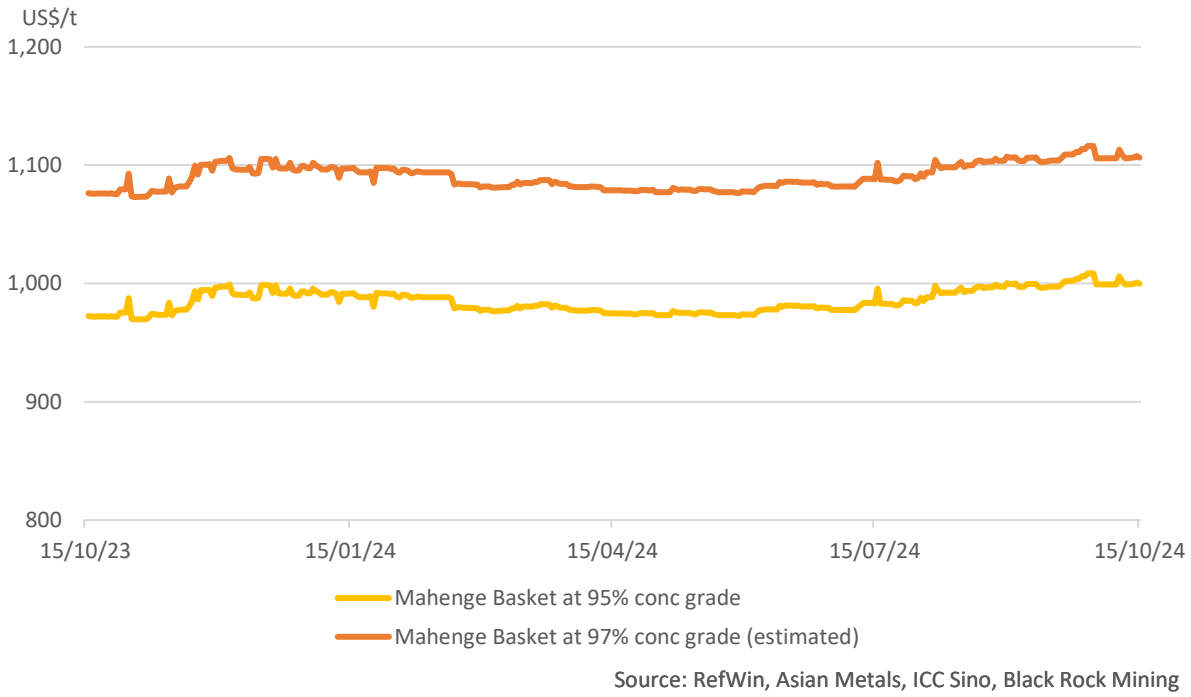

Figure 2 – Graphite Prices over last 12-months for Mahenge's basket

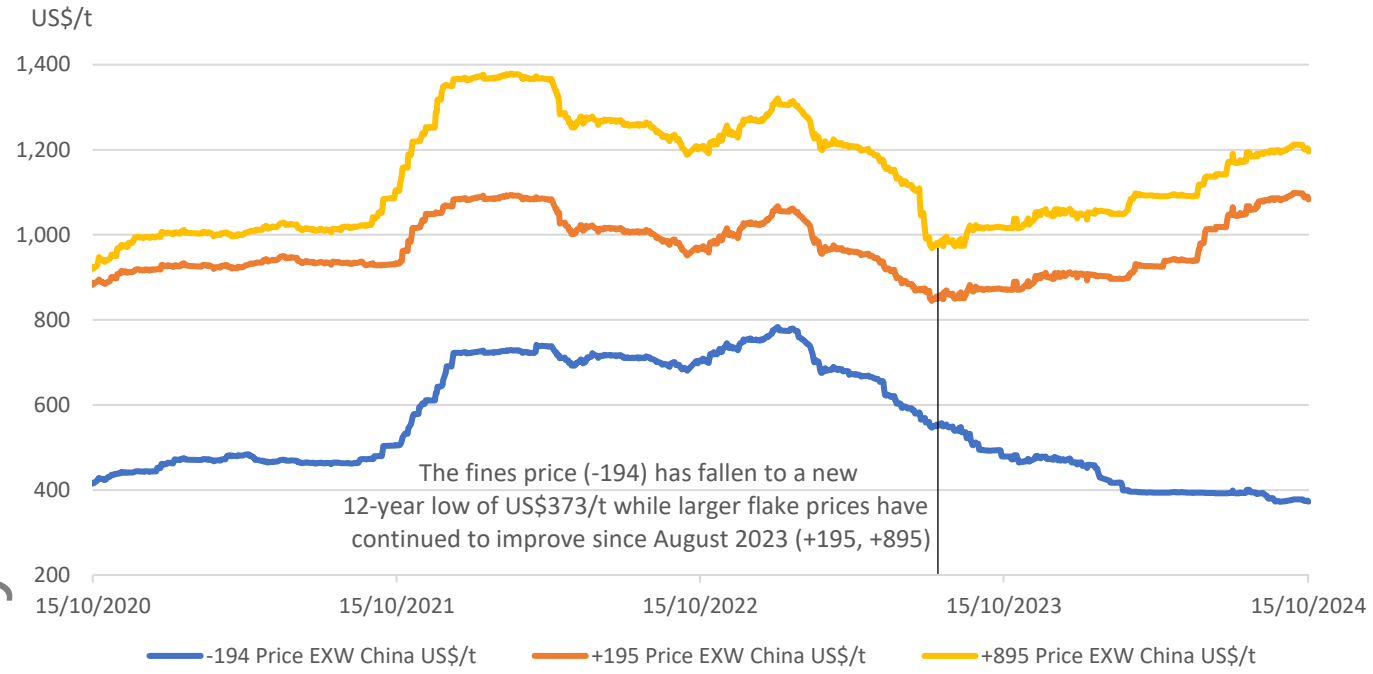

Figure 3 – Flake graphite prices over last 4 years (Asian Metals)

Events subsequent to the end of the quarter

On 1 October 2024, Black Rock announced the appointment of Ms Ursula Phillips as Non-Executive Director, effective 1 October 2024.

Ms Phillips has over a decade's experience in the executive management of major organisations spanning technology, operations and risk, and more than twenty years' in complex program management and transformation.

Ms Phillips is Co-Founder and Executive Director of Batea Consulting which provides digital, risk and cyber capabilities to organisations experiencing high growth and transformation. Ms Phillips' prior experience includes tenure as Chief Technology Officer for Tattarang, owner of Wyloo Metals and Squadron Energy, Chief Information Officer at PepsiCo ANZ and Chief Information / Chief Risk Officer at Real Pet Food Company.

Ms Phillips graduated in 2003 with BA Hons Politics from the University of Newcastle-upon-Tyne and is a graduate of the Australian Institute of Company Directors.

Commenting on Ms Phillips appointment, Black Rock Chairman, Richard Crookes, said:

> *"We are delighted to welcome Ursula to the Board of Black Rock as a Non-Executive Director. Ursula is an experienced corporate executive with a wide and unique skill set which will be invaluable to the Company as we transition to the development of the Mahenge Graphite Project."*

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Capital Management

The Company had cash reserves of A$5.4m and no drawn debt at 30 September 2024.

Payments to, or to an associate of, a related party of the entity during quarter.

During the quarter A$179,000 was paid to related parties of the Company relating to executive director salary, non-executive director fees and company secretary fee.

Summary of the exploration expenditure incurred during the quarter

	A$'000
Consulting	304
Site Costs	262
ESIA	400
RAP	59
Total	**1,025**

Tenement summary

License number	Opening	Additions	Disposals	Closing
PL 10427/2014*	100%	-	-	100%
SML 676/2022*	84%	-	-	84%
PL 12139/2022*	84%	-	-	84%

* Located in the Mahenge region of Tanzania. No farm-in or farm-out agreements were entered into during the quarter.

In accordance with ASX Listing Rule 5.3, the Company confirms that there were no substantive mining production and development activities undertaken during the Quarter.

This ASX release was authorised on behalf of the Black Rock Board by:
John de Vries, Managing Director & CEO

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Forward looking statements disclaimer

This announcement contains certain "forward-looking statements" and comments about future matters. Forward-looking statements can generally be identified by the use of forward-looking words such as, "expect", "anticipate", "likely", "intend", "should", "estimate", "target", "outlook", and other similar expressions and include, but are not limited to, the timing, outcome and effects of the financing process. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this release speak only as of the date hereof, are preliminary views and are based on assumptions and contingencies subject to change without notice. Forward-looking statements are provided as a general guide only. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. Any such forward looking statement also inherently involves known and unknown risks, uncertainties and other factors and may involve significant elements of subjective judgement and assumptions that may cause actual results, performance and achievements to differ. Except as required by law the Company undertakes no obligation to finalise, check, supplement, revise or update forward-looking statements in the future, regardless of whether new information, future events or results or other factors affect the information contained in this announcement.

Competent Person(s) Statement

The information in this report that relates to estimates of Mineral Resources and Ore Reserves has been extracted from the Company's ASX announcements released on 3 February 2022 titled "BKT Confirms 25% increase in Measured Resources." 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, and that all material assumptions and technical parameters underpinning the estimates of Mineral Resources or Ore Reserves in the original market announcement continue to apply and have not materially changed.

Production Target

The information in this report that relates to a production target, or forecast financial information derived from a production target has been extracted from the Company's ASX announcement released on 10 October 2022 titled "Black Rock Completes FEED and eDFS Update". The Company confirms that all material assumptions underpinning the production target, or forecast financial information derived from the production target, in the original announcement continue to apply and have not materially changed.

About The Development Bank of Southern Africa (DBSA)

The Development Bank of Southern Africa is one of the leading African Development Finance Institutions, wholly owned by the Government of South Africa. The DBSA has a mandate to accelerate sustainable socio-economic development in South Africa, the Southern African Development Community (**SADC**) and the wider Sub-Saharan Africa by driving financial and non-financial investments in the social and economic infrastructure sectors.

About The Industrial Development Corporation of South Africa (IDC)

The Industrial Development Corporation of South Africa is a state-owned institution that provides financial support to promote economic growth and development in South Africa. IDC funds viable businesses to enhance industrial capacity and contribute to the economic growth of South Africa and the African continent. IDC emphasizes on labour-intensive industrialization, whether it is created directly through its funding of companies or by enabling downstream activities. IDC supports businesses to drive key development outcomes that ultimately lead to equitable economic growth, creating and sustaining jobs.

About CRDB Bank (CRDB)

CRDB Bank Plc is a commercial bank in Tanzania established in 1996. It is licensed by the Bank of Tanzania and was listed on the Dar es Salaam Stock Exchange in June 2009. CRDB is one of East Africa's leading banks, serving retail, micro, small & middle businesses and large corporates in the markets of Tanzania, Burundi and Democratic Republic of Congo. CRDB Bank is also the largest commercial bank in Tanzania. In 2019, CRDB was accredited by the UN Green Climate Fund and in 2023, CRDB Bank became the first bank in Sub Saharan countries to issue the largest green bond, aimed at raising funds to support projects which are environmentally friendly.

About POSCO

POSCO Holdings Inc is a large South Korean steel conglomerate with a market capitalisation of over US$20bn with a large and growing battery materials business. POSCO Holdings Inc's 60%-owned battery business is called POSCO Future M Co., Ltd (previously known as POSCO Chemical). POSCO Future M Co., Ltd produces both cathodes and anodes and in 2022 was the world's largest anode producer outside China. POSCO Future M Co., Ltd plans to grow its anode business from 82ktpa in 2022 to 347ktpa by 2030. POSCO International Corporation is South Korea's largest trading company, is 71%-owned by POSCO Holdings Inc and is responsible for securing raw materials for the group.

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About Black Rock

Black Rock Mining Limited is an Australian based company listed on the Australian Securities Exchange (ASX: **BKT**). The Company has an 84% interest in the world-class Mahenge Graphite Project (**Mahenge**) located in Tanzania. In July 2019 (ASX announcement 25 July 2019), the Company released an enhanced Definitive Feasibility Study (**eDFS**) for Mahenge. Black Rock has obtained all Environmental approvals, Mining Licences and its Resettlement Action Plan.

In June 2020 Black Rock announced a Strategic Alliance with POSCO for the development of Mahenge, including an equity investment of US$7.5m, followed by an offtake agreement for the fines for Module 1 (32% of volume) plus a US$10m prepayment facility. POSCO has also signed an MOU for 6ktpa of large flake graphite (7% of volume) increasing POSCO's offtake interest to almost 40% of Module 1. In September 2024, POSCO approved its US$40m equity investment in Black Rock and secured the fines offtake for Mahenge Module 2.

In December 2021, Black Rock signed a Framework Agreement with the Government of Tanzania confirming a 16% Free Carried Interest shareholding, agreed to consolidate its Mining Licenses into a Special Mining Licence (**SML**). The SML for Mahenge was issued in September 2022.

Black Rock completed a FEED process (Front End Engineering Design) in September 2022, re-estimating the capital and operating costs for Mahenge as part of the eDFS Update[1]. The eDFS Update confirmed Mahenge as a robust project with attractive returns. Key Project metrics comprise:

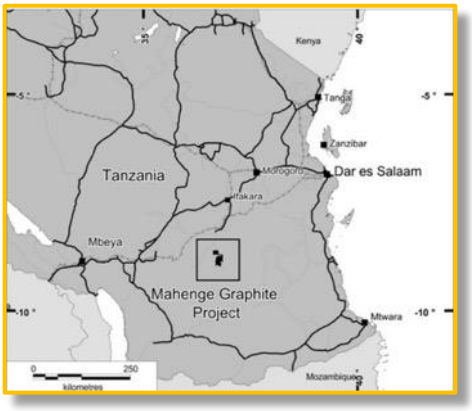
- *Tier 1 Scale*: Mahenge has a resource of over 200mt and the 2nd largest graphite reserve globally
- *Modular development approach*: Initial Capex of US$231m[2];
- *1st quartile on the global cost curve*: Adjusted C1 Cash cost of US$359/t[3]
- *Attractive projected returns:* Unlevered IRR post-tax, post free carry of 36%[4]
- *Substantial upside potential*: $NPV_{10\ nominal}$ post-tax, post free carry of A$2.1bn or US$1.4bn[4]

The Company is now construction-ready subject to securing the balance of funding. On 16 September 2024, Black Rock announced that it had signed the Facilities Agreement for US$179m in facilities with DBSA, IDC and CRDB.

The estimated Ore Reserves and Mineral Resources underpinning the production target has been prepared by competent persons in accordance with the requirements in Appendix 5A (JORC Code).

JORC Compliant Mineral Resource Estimate and Ore Reserve[5]

Ore Reserves	Tonnes (Mt)	Grade (% TGC)	Contained Graphite (Mt)
- Proven	0	0.0	0.0
- Probable	70.5	8.5	6.0
Total Ore Reserves	**70.5**	**8.5**	**6.0**
Mineral Resources			
- Measured	31.8	8.6	2.7
- Indicated	84.6	7.8	6.6
Total M&I	**116.4**	**8.0**	**9.3**
- Inferred	96.7	7.4	7.2
Total M, I&I	**213.1**	**7.8**	**16.6**



Location of Black Rock's Mahenge Graphite Project in Tanzania

For further information on Black Rock Mining Ltd, please visit **www.blackrockmining.com.au**

1 Refer market announcement dated 10 October 2022: Black Rock Completes Front End Engineering Design, Reconfirming Mahenge as Tier 1 scale project with compelling projected returns. The Company confirms that all the material assumptions underpinning the production target, or forecast financial information derived from the production target, in the original market announcement continue to apply and have not materially changed.

2 Includes US$182m for Module 1 capex + US$33m for power line + US$16m for early works and other costs (not included in the eDFS Update). Power costs expected to be ~US8c/kWh less a meaningful rebate to recoup the costs of the power line. Forecast Capex has been classified as a Class 2 estimate with accuracy of ±10% as defined by AACE.

3 Adjusted for larger proportion of higher value large flake compared to global peers. Access to low-cost, hydro-dominated grid power is one of BKT's key competitive advantages.

4 Based on Expert Consensus graphite price forecasts, based on the average graphite price forecasts from Benchmark Mineral Intelligence, Fastmarkets and Wood Mackenzie

5 Resource Estimate as released to ASX on 3 February 2022: BKT Confirms 25% increase in Measured Resources and Ore Reserve Estimates as released to ASX on 8 August 2017: BKT delivers Exceptional Optimised PFS. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and that all material assumptions and technical parameters underpinning the estimates of Mineral Resources or Ore Reserves in the original market announcements continue to apply and have not materially changed.

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Directors
Richard Crookes — Chairman
John de Vries — Managing Director & CEO
Ian Murray — Non-Executive Director
Ursula Phillips — Non-Executive Director

www.blackrockmining.com.au

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Black Rock Mining Limited

ABN	Quarter ended ("current quarter")
59 094 551 336	30 September 2024

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(904)	(904)
	(e) administration and corporate costs	(870)	(870)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	20	20
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)		
	- Project financing	(582)	(582)
	- Marketing	(23)	(23)
	- Foreign subsidiary costs	(315)	(315)
1.9	**Net cash from / (used in) operating activities**	**(2,674)**	**(2,674)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(2)	(2)
	(d) exploration & evaluation	(1,025)	(1,025)

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(1,027)**	**(1,027)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	**9,099**	**9,099**
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,674)	(2,674)

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,027)	(1,027)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
4.6	**Cash and cash equivalents at end of period**	**5,394**	**5,394**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	1,373	1,405
5.2	Call deposits	3,824	7,497
5.3	Bank overdrafts	-	-
5.4	Other (provide details)		
	- Cash backing credit cards	100	100
	- Cash backing lease	97	97
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**5,394**	**9,099**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	179[1]
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

1. *Payments relate to executive director salary, non-executive director fees and company secretary fees.*

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	222,000	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	222,000	-

7.5	**Unused financing facilities available at quarter end**	222,000[(i)]

(i) Drawdown is subject to various conditions precedent, including contributing the required Project equity prior to first drawdown.

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Lenders:

- The Development Bank of Southern Africa
- The Industrial Development Corporation of South Africa
- CRDB Bank

USD153m (AUD222m) in Facilities comprising:

- Term Loan Facility USD113m (AUD164m)
- Revolving Credit Facility USD20m (AUD29m)
- Cost Overrun Facility USD20m (AUD29m)

The interest on each facility is based on the Secured Overnight Financing Rate (**SOFR**) plus a margin as set out below:

- Term Loan Facility:
  - Prior to Project Completion: SOFR +8%
  - Post Project Completion: SOFR + 6.5%
- Revolving Credit Facility SOFR + 6%
- Cost Overrun Facility SOFR + 9.25%

All facilities have a tenor of approximately 7.5 years (91 months from Final Investment Decision).

Loan repayments are to be quarterly and commence after 3.5 years, Bullet payment of any amount outstanding at maturity.

Customary for debt facilities of this nature, including contributing the required Project equity prior to first drawdown and implementation of technical, environmental and social actions.

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8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,674)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,025)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,699)
8.4	Cash and cash equivalents at quarter end (item 4.6)	5,394
8.5	Unused finance facilities available at quarter end (item 7.5)	-(i)
8.6	Total available funding (item 8.4 + item 8.5)	5,394
	(i) Unused finance facilities as per 7.5 amounts to AUD222m. This funding cannot be drawn down until successful completion of all conditions precedent, including contributing Project equity prior to first draw down.	
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	1.46

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

Cash flows for the next quarter are expected to reduce below the current level of net operating cash flows due to reduced expenditure on the environmental studies and the project development as these components of the pre-funding phase are winding down as the Company continues to progress towards a Final Investment Decision.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

Yes, the Company continues to progress the Mahenge Graphite Project for a Final Investment Decision which necessarily includes initiatives to raise development capital (both debt and equity). During the quarter, the Company signed a binding subscription agreement for POSCO's US$40m equity investment (**Subscription Agreement**) subject to conditions precedent including FIRB approval, approval from the Fair Competition Commission of Tanzania and shareholder approvals as well as confirmation all necessary funding to build Mahenge Module 1 is in place.

In addition, the Company and its 84%-owned Tanzanian subsidiary, Faru Graphite Corporation Limited signed a Facilities Agreement (**Facilities Agreement**) with DBSA, IDC and CRDB to provide US$179m in funding to develop Mahenge. The Facilities Agreement is subject to satisfaction of customary conditions precedent and approval by the Bank of Tanzania.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Yes, refer to 8.8.1 and 8.8.2 above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 October 2024

Authorised by: .....The Board.....

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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