

BlackEarth Minerals NL

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Black Earth Minerals will spend 2020 rapidly progressing Maniry Graphite Project in Madagascar

Black Earth Minerals (ASX:BEM) is advancing at full speed at Maniry Graphite Project in Madagascar with a bankable feasibility study (BFS) due for completion during the current financial year.

The company's managing director Tom Revy said that during 2020 Black Earth would continue to advance the project and deliver shareholder value as it rapidly progressed towards first cashflow.

He said: "BEM has successfully fast tracked the Maniry graphite project to progressing the BFS stage, in under two years, for a total cost of less than \$6 million, including full overheads."

Key graphite markets

Graphite from the Maniry project meets specifications consistent with those required by:

- The expandable graphite market - 400 cubic centimetres/g achieved vs industry standard of 250 cubic centimetres/g);
- The refractory industry as there is a very low content of deleterious material, less impurities and the absence or very low content of calcium carbonate); and
- Lithium-ion anode material manufacturers with initial test results achieving 99.97% purity.

Following the positive initial results, offtake discussions and ongoing testing on bulk samples are underway with Tier 1 refractory, expandable graphite and battery anode producers in China and globally.

Geopolitical context

Madagascar is considered a low-risk operational location and is a major supplier of graphite to global consumers including China, USA and India.

In July 2019 Black Earth held strategic discussions with the Madagascan Minister of Mines and Strategic Resources Fidiniavo Ravokatra, who offered his full support given the strategic value that the project holds in one of the poorest parts of the country.

The Minister also noted the expenditure incurred at the project to date, BlackEarth's supportive social and community activities in the region and the company's environmental and development plants for Maniry.

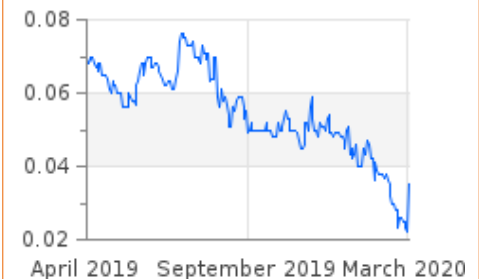
Outlook for 2020

Black Earth is facing a promising year ahead with the completion of a large-

Price: 0.035

Market Cap: \$3.98 m

1 Year Share Price Graph



Share Information

Code: BEM

Listing: ASX

52 week High Low
0.08 0.021

Sector: Mining

Website: www.blackearthminerals.com.au

Company Synopsis:

BlackEarth Minerals NL (ASX:BEM) is listed on the Australian Securities Exchange.

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scale pilot metallurgical program due in the second quarter and the BFS and finalisation of strategic offtake agreements expected by the third quarter.

Exploration targets at Maniry are 260-380 million tonnes at 6-8% total graphitic carbon content (TGC) and at Ianapera 20-34 million tonnes at 10-20% TGC.

Economically, a strong excellent financial return is expected with a project life of 10 years, net present value (NVP) at 10% pre-tax US\$103 million and internal rate of return (IRR) pre-tax of 42%.

The focus during the feasibility study is maximising basket price and feed grade with the goal to increase feed grade from 6.3% to 7.3% TGC resulting in a project NVP of US\$152 million and IRR of 55%.

Black Earth anticipates annual graphite production of around 30,000 tonnes for the first three years of operations, doubling to 60,000 tonnes for four years onwards.

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