

For personal use only

Black Rock Mining Limited

ABN 59 094 551 336

Prospectus

For the offer of 10 Shares at an issue price of \$0.10 per Share to raise \$1.00 (**Offer**). This Prospectus has been prepared primarily for the purposes of section 708A(11) of the *Corporations Act 2001* (Cth) to remove any trading restrictions on the sale of Shares issued prior to the Closing Date.

IMPORTANT NOTICE

This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. This is an important document that should be read in its entirety. If after reading is Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser. The Shares being offered by this Prospectus should be considered speculative. The general advice provided in the Prospectus has been prepared without taking into account the specific personal circumstances of investors.

Contents

Important information		1
Corporate Directory		2
Investment Overview		3
Section 1	Details of the Offer	7
Section 2	Effect of the Offer on the Company	11
Section 3	Risk factors	13
Section 4	Additional information	18
Section 5	Defined terms	27
Section 6	Directors' responsibility statement and consent	29

Important information

General

This Prospectus is dated 1 June 2021 and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus or the merits of the investment to which the Prospectus relates.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In preparing this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisers to whom investors may consult.

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website www2.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information about the Company before making a decision whether or not to invest in the Shares.

No applications for Shares will be accepted nor will Shares be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer described in this Prospectus. Any information or representation which is not contained in this Prospectus or disclosed by the Company pursuant to its continuous disclosure obligations may not be relied upon as having been authorised by the Company in connection with the issue of this Prospectus.

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come

into possession of this Prospectus should seek advice on, and observe, any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +61 8 9389 4415 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.blackrockmining.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Defined terms

Throughout this Prospectus, for ease of reading, various words and phrases have been defined rather than used in full on each occasion and are set out in Section 5 of this Prospectus.

Key risks

For a summary of the key risks associated with an investment in the Company, please refer to the Investment Overview. A more detailed description of the key risks is set out in Section 3 of this Prospectus.

Corporate Directory

Directors Mr Richard Crookes (Chairman) Mr John de Vries (Managing Director and Chief Executive Officer) Mr Ian Murray (Non-Executive Director) Mr Gabriel Chiappini (Non-Executive Director)	Share registry* Computershare Investor Services Pty Ltd 11/172 St Georges Terrace Perth WA 6000 Australia * This entity is included for information purposes only. Computershare Investor Services Pty Ltd has not been involved in the preparation of this Prospectus.
Company Secretary Mr Gabriel Chiappini	ASX Code BKT
Registered office 45 Ventnor Avenue West Perth WA 6005 Australia Tel: +61 8 9389 4400 Email: info@blackrockmining.com.au	Website www.blackrockmining.com.au

Investment Overview

Question	Response	Where to find more information
What is the Offer?	The Company is offering to issue 10 Shares at an issue price of \$0.10.	Section 1.1 and 1.2
Who should apply?	The Company may invite an investor to apply for the Shares. An Application Form will only be provided to this investor.	Section 1.5
What is the purpose of the Offer?	<p>The primary purpose of the Offer is not to raise capital.</p> <p>As announced to ASX on 11 February 2021, the Company has entered into a conditional subscription agreement with POSCO dated 10 February 2021 (Subscription Agreement) pursuant to which it has agreed to issue 126,020,001 Shares at an issue price of A\$0.082 to POSCO for cash consideration of US\$7,500,000 (Consideration Shares).</p> <p>The Company obtained approval of its Shareholders at the general meeting held on 15 April 2021 to issue the Consideration Shares. As at the date of this Prospectus, the issue of the Consideration Shares to POSCO has not been completed.</p> <p>The Company must ensure the Consideration Shares issued are freely tradeable (i.e. are not subject to the secondary trading sale restrictions in the Corporations Act) either by issuing a cleansing notice under section 708A(5) of the Corporations Act, or issuing a prospectus under section 708A(11) of the Corporations Act. The Company is unable to issue a cleansing notice under section 708A(5) of the Corporations Act as its Shares were suspended from trading on the ASX for more than five trading days in the last 12 months.</p> <p>Accordingly, the primary purpose of this Prospectus is to facilitate secondary trading of the Consideration Shares that are proposed to be issued by the Company as referred to above and of any other Shares that may be issued by the Company before the Closing Date.</p>	Section 1.1
What is the effect of the Offer?	<p>The effect of the Offer is to remove the secondary trading sale restrictions on the Shares issued during the period the Offer is open under this Prospectus.</p> <p>If the Directors decide to issue the Shares under the Offer, the Offer will increase the number of Shares on issue by 10 Shares and decrease cash reserves of the Company by approximately \$5,000 (being the estimated expenses of the Offer).</p>	Section 2

Question	Response	Where to find more information
What are the key risks associated with an investment in the Company?	<p>Some of the key risks associated with an investment in the Company are summarised below. These risks are outlined in detail in Section 3 and together with the other risk outlined in Section 3 and other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered speculative. Investors should consider consulting their financial or other professional adviser before deciding whether to apply for Shares under this Prospectus.</p> <p>Arrangements with POSCO</p> <p>As announced on 11 February 2021, the Company has entered into binding agreements with POSCO which govern the terms of POSCO's US\$7.5 million investment in the Company and the offtake and prepayment arrangements between the Company and POSCO. These arrangements are contained in the Subscription Agreement, and the offtake and prepayment arrangements will be superseded by any definitive prepayment and offtake agreement entered into by the Company and POSCO (or its affiliate).</p> <p>While the Company and POSCO continue to negotiate in good faith and are using reasonable endeavours to enter into a definitive prepayment and offtake agreement, there is no guarantee the parties will enter into such an agreement. The issue of Considerations Shares to POSCO under the Subscription Agreement is also subject to a number of conditions (including the approval of certain regulatory bodies). If these conditions are not satisfied or waived (as applicable) and the Subscription Agreement is terminated (and POSCO's rights under the agreement lapse), POSCO's investment under the Subscription Agreement will not proceed and there is a risk that the parties will not enter into a definitive prepayment and offtake agreement in relation to the Mahenge Graphite Project.</p> <p>Risks associated with operating in Tanzania</p> <p>The Projects are located in Tanzania, which is considered to be a developing country and as such subject to emerging legal and political systems compared with the system in place in Australia. Investing and operating in foreign jurisdictions carry political, economic and other uncertainties, including, but not limited to, changes in mining and exploration policies or the personnel administering them, nationalisation or expropriation of property, cancellation or modification of contractual risk, foreign exchange restrictions, currency exchange rate fluctuation, royalty and tax increase and other risks arising out of foreign government sovereignty over the areas in which the Company's operations will be conducted. Any of these factors could result in conditions that delay or in fact prevent the Company from exploring or ultimately developing any of the foreign projects.</p>	Section 3

Question	Response	Where to find more information
	<p>The Company will be exposed to the risks of operating in such a jurisdiction, including, without limitation:</p> <ul style="list-style-type: none"> • political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation or in an ownership dispute; • a higher degree of discretion held by various government officials or agencies; • the lack of political or administrative guidance on implementing applicable rules and regulations, particularly in relation to taxation and property rights; • inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or • relative inexperience of the judiciary and court in matters affecting the Company. <p>The commitment of local business people, government officials and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. No assurance can be given regarding future stability in these or any other country in which the Company may have an interest.</p> <p>Tanzanian Free Carry Legislation</p> <p>The Tanzanian Mining Code and Regulations introduced in 2017 outlined that all mining developments should make provision for government ownership of the project via a 16% free carried interest. On 29 April 2020, the Company announced that it had received written formal advice from the Tanzanian Government confirming preparations to commence formal negotiations on the structure and nature of their 16% free carried interest, expected to be in the Company's subsidiary, Mahenge Resources Ltd. Any delay in finalising these negotiations may delay the ongoing development of the Company's Mahenge Graphite Project.</p> <p>Impact of COVID-19 in Tanzania</p>	

Question	Response	Where to find more information						
	<p>In March 2020, the World Health Organisation declared that the COVID-19 outbreak had become a pandemic. How countries have reacted to the pandemic has differed around the world. Responses to the pandemic have ranged from locking down citizens to avoid spread to implementing more limited responses. If there is an outbreak of COVID-19 in Tanzania which results in the Government forcing its citizens into lockdown, it may have various impacts on the Company and its local employees and representatives, including limiting the Company's operations in Tanzania or delaying its negotiations with the Government.</p> <p>Additional requirements for capital</p> <p>The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in the future. Any additional equity financing will dilute shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, the Company may be required to reduce the scope of its operations and scale back its mining and exploration programmes as the case may be.</p>							
What are the key dates of the Offer?	<p>The timetable for the Offer is as follows:</p> <table><tr><td>Lodge Prospectus with ASIC and ASX</td><td>1 June 2021</td></tr><tr><td>Opening Date</td><td>1 June 2021</td></tr><tr><td>Closing Date</td><td>4 June 2021</td></tr></table> <p>The above dates are indicative only and may be subject to change. The Directors reserve the right to vary these dates, including the Closing Date, without prior notice but subject to any applicable requirements of the Corporations Act and the Listing Rules. This may include extending the Offer or accepting late acceptances, either generally or in particular cases or withdrawing the Offer.</p>	Lodge Prospectus with ASIC and ASX	1 June 2021	Opening Date	1 June 2021	Closing Date	4 June 2021	Section 1.4
Lodge Prospectus with ASIC and ASX	1 June 2021							
Opening Date	1 June 2021							
Closing Date	4 June 2021							
What is the effect of the Offer on control of the Company?	The Offer will not have an impact on control of the Company.	Section 2.4						

Section 1 Details of the Offer

1.1 Purpose of the Offer

By this Prospectus, the Company is making an offer to an investor by invitation only of 10 Shares at an issue price of \$0.10 per Share to raise \$1.00 before expenses. Accordingly, the primary purpose of the Offer is not to raise capital.

As announced to ASX on 11 February 2021, the Company has entered into a Subscription Agreement with POSCO pursuant to which it has agreed to issue 126,020,001 Shares at an issue price of A\$0.082 to POSCO for cash consideration of US\$7,500,000 (**POSCO Transaction**).

The Consideration Shares to be issued under the POSCO Transaction will be issued without disclosure under Chapter 6D of the Corporations Act. The Company must ensure the Consideration Shares issued under the POSCO Transaction are freely tradeable (i.e. are not subject to the secondary trading sale restrictions in the Corporations Act) either by issuing a cleansing notice under section 708A(5) of the Corporations Act, or issuing a prospectus under section 708A(11) of the Corporations Act. The Company is unable to issue a cleansing notice under section 708A(5) of the Corporations Act as its securities were suspended from trading on the ASX for more than five trading days in the last 12 months.

Accordingly, the primary purpose of this Prospectus is to facilitate secondary trading of the Consideration Shares and any other Shares that may be issued by the Company before the Closing Date.

Section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities of the company that are already quoted on the ASX; and
- (b) a prospectus is lodged with ASIC either:
 - (i) on or after the day on which the relevant securities were issued but before the day on which the sale offer is made (section 708A(11)(b)(i)); or
 - (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued (section 708A(11)(b)(ii)); and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

This Prospectus has also been issued to provide information on the Offer being made under this Prospectus.

1.2 Details of the Offer

By this Prospectus, the Company is making an invitation to apply for 10 Shares at an issue price of \$0.10 per Share to raise \$1.00 before expenses of the Offer. The Offer is open to persons by invitation from the Company only. An Application Form will only be provided to these persons.

1.3 Minimum Subscription

The minimum level of subscription for the Offer is 10 Shares to raise \$1.00.

1.4 Timetable

The timetable for the Offer is as follows:

Event	Date
Lodge Prospectus with ASIC and ASX	1 June 2021
Opening Date	1 June 2021
Closing Date	4 June 2021

The above dates are indicative only and may be subject to change. The Directors reserve the right to vary these dates, including the Closing Date, without prior notice but subject to any applicable requirements of the Corporations Act or the Listing Rules. This may include extending the Offer or accepting late acceptances, either generally or in particular cases or withdrawing the Offer. No cooling-off rights apply to applications submitted under the Offer. The commencement of quotation of the Shares is subject to confirmation from ASX.

1.5 Applications

You can only apply for the Shares using the Application Form which accompanies a paper copy of this Prospectus. Applications can only be made by persons who are invited to do so by the Company.

Application Forms must be delivered or mailed together with a cheque in Australian currency made payable to Black Rock Mining Ltd and crossed "**Not Negotiable**" to:

Black Rock Mining Limited
45 Ventnor Road
West Perth WA 6005
Australia

not later than midnight (WST) on the Closing Date (which may be varied as noted in Section 1.4 above).

1.6 Issue and allotment of Shares

As noted in Section 1.1, the primary purpose of this Prospectus is to facilitate secondary trading of the Consideration Shares and any other Shares that may be issued by the Company before the Closing Date.

If the Directors decide to issue Shares offered under this Prospectus, the Shares will be issued as soon as practicable after the Closing Date. The Directors will decide the recipient(s) of the Shares.

Until allotment and issue of the Shares under this Prospectus, the application monies will be held in trust in a separate bank account maintained for that purpose only. Any interest earned on the application money will be for the benefit of the Company and will be retained by it irrespective of whether allotment and issue of the Shares takes place. Application money will be refunded to unsuccessful applicants without interest as soon as reasonably practicable after the close of the Offer.

The Shares will not be issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus.

1.7 Use of funds

After paying the expenses of the Offer, no funds will be raised from the Offer.

1.8 ASX quotation

The Company will make an application to ASX within seven (7) days following the date of this Prospectus for official quotation of the Shares to be offered pursuant to this Prospectus. If approval is not granted by ASX within 3 months after the date of this Prospectus, the Company will not allot or issue the Shares. A decision by ASX to grant official quotation of the Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the Shares now offered for subscription.

1.9 Overseas investors

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. No action has been taken to register or qualify the Shares or the Offer or otherwise to permit an offering of securities to any jurisdiction outside Australia.

1.10 Market prices of Shares on ASX

The highest and lowest closing market prices of Shares on ASX during the period during the three months immediately preceding the date of this Prospectus that the Company's Shares were trading on ASX and the respective dates of those prices were \$0.115 on 8 March 2021 and \$0.190 on 31 May 2021. The latest available market sale price of Shares on ASX immediately before the date of issue of this Prospectus was \$0.190 on 31 May 2021.

1.11 Substantial shareholders

Based on substantial shareholder notices lodged as at the date of this Prospectus, those persons who, together with their associates, have a relevant interest in 5% or more of the Shares on issue are set out below:

Substantial shareholder	Number of Shares	Voting Power
Copulos Group	159,630,712	22.29%

1.12 Privacy

The Company collects information about each applicant from an Application Form for the purposes of processing the application and, if the application is successful, to administer the applicant's security holding in the Company.

By submitting an Application Form, each applicant agrees that the Company may use the information in the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Company's share registry, the Company's related bodies corporate, agents, contractors and third-party service providers (including mailing houses), the ASX, the ASIC and other regulatory authorities.

If an applicant becomes a security holder of the Company, the Corporations Act requires the Company to include information about the security holder (name, address and details of the securities held) in its public register. This information must remain in the register even if that person ceases to be a security holder of the Company. Information contained in the Company's registers is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your application.

1.13 Forward Looking Statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and such other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company and the Directors.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 3 of this Prospectus.

Section 2 Effect of the Offer on the Company

2.1 Principal effects

The principal effects of the Offer (assuming full subscription) are:

- (a) the Company will issue 10 Shares;
- (b) the Company's cash funds will decrease by approximately \$4,999 (being after the estimated expenses of the Offer of \$5,000);
- (c) the total number of Shares on issue will be 842,294,729 (being after Consideration Shares under the POSCO Transaction are issued as noted in the capital structure table in section 2.2 below); and
- (d) the secondary trading sale restrictions on the Shares issued prior to the Closing Date will be removed.

2.2 Effect of the Offer on the capital structure

The pro-forma capital structure of the Company following the Offer pursuant to this Prospectus is set out below:

Issued capital	Number
Shares currently on issue	716,274,718
Shares offered pursuant to the Offer	10
Shares to be issued under the POSCO Transaction	126,020,001
Total Shares on issue after completion of the Offer and the POSCO Transaction	842,294,729
Unquoted Options currently on issue	92,402,060
Total unquoted Options on issue after completion of the Offer and the POSCO Transaction	92,402,060

At the Opening Date, the Consideration Shares have not been issued under the POSCO Transaction. The Consideration Shares are expected to be issued before the Closing Date. The Shares to be issued are subject to the terms of the Subscription Agreement referred to in section 4.4 of this Prospectus.

2.3 Financial effect of the Offer

After paying for the expenses of the Offer of approximately \$5,000, there will be no proceeds from the Offer. The expenses of the Offer will be met from the Company's existing cash reserves. The Offer will affect the Company's financial position, being receipt of funds of \$1.00 less expenses of the Offer of approximately \$5,000. As the issue of the 10 Shares under this Prospectus will not have a material impact on the Company's financial position, a pro-forma statement of financial position of the Company showing the financial effect of the Offer has not been included in this Prospectus.

2.4 Effect of the Offer on control

The Offer will not have an impact on control of the Company.

Section 3 Risk factors

As with any share investment, there are risks associated with an investment in the Company. The numerous risk factors are both of a specific and a general nature. Some can be mitigated using safeguards and appropriate systems and controls, but some are outside the control of the Company and its Directors and cannot be mitigated.

This Section 3 identifies the major areas of risk identified by the Directors associated with an investment in the Company, but should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed now or in the future. You should read the entire Prospectus and consult your professional advisers before deciding whether to apply for the Shares offered pursuant to this Prospectus.

3.1 Specific risks

Arrangements with POSCO

As announced on 11 February 2021, the Company has entered into binding agreements with POSCO which govern the terms of POSCO's US\$7.5 million investment in the Company and the offtake and prepayment arrangements between the Company and POSCO. These arrangements are contained in the Subscription Agreement, and the offtake and prepayment arrangements will be superseded by any definitive prepayment and offtake agreement entered into by the Company and POSCO (or its affiliate).

While the Company and POSCO continue to negotiate in good faith and are using reasonable endeavours to enter into a definitive prepayment and offtake agreement, there is no guarantee the parties will enter into such an agreement. The issue of Considerations Shares to POSCO under the Subscription Agreement is also subject to a number of conditions (including the approval of certain regulatory bodies). If these conditions are not satisfied or waived (as applicable) and the Subscription Agreement is terminated (and POSCO's rights under the agreement lapse), POSCO's investment under the Subscription Agreement will not proceed and there is a risk that the parties will not enter into a definitive prepayment and offtake agreement in relation to the Mahenge Graphite Project.

Risks associated with operating in Tanzania

The Projects are located in Tanzania, which is considered to be a developing country and as such subject to emerging legal and political systems compared with the system in place in Australia. Investing and operating in foreign jurisdictions carry political, economic and other uncertainties, including, but not limited to, changes in mining and exploration policies or the personnel administering them, nationalisation or expropriation of property, cancellation or modification of contractual risk, foreign exchange restrictions, currency exchange rate fluctuation, royalty and tax increase and other risks arising out of foreign government sovereignty over the areas in which the Company's operations will be conducted. Any of these factors could result in conditions that delay or in fact prevent the Company from exploring or ultimately developing any of the foreign projects.

The Company will be exposed to the risks of operating in such a jurisdiction, including, without limitation:

- political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation or in an ownership dispute;
- a higher degree of discretion held by various government officials or agencies;
- the lack of political or administrative guidance on implementing applicable rules and regulations, particularly in relation to taxation and property rights;
- inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or

- relative inexperience of the judiciary and court in matters affecting the Company.

The commitment of local business people, government officials and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. No assurance can be given regarding future stability in these or any other country in which the Company may have an interest.

Tanzanian Free Carry Legislation

The Tanzanian Mining Code and Regulations introduced in 2017 outlined that all mining developments should make provision for government ownership of the project via a 16% free carried interest. On 29 April 2020, the Company announced that it had received written formal advice from the Tanzanian Government confirming preparations to commence formal negotiations on the structure and nature of their 16% free carried interest, expected to be in the Company's subsidiary, Mahenge Resources Ltd. Any delay in finalising these negotiations may delay the ongoing development of the Company's Mahenge Graphite Project.

Impact of COVID-19 in Tanzania

In March 2020, the World Health Organisation declared that the COVID-19 outbreak had become a pandemic. How countries have reacted to the pandemic has differed around the world. Responses to the pandemic have ranged from locking down citizens to avoid spread to implementing more limited responses. If there is an outbreak of COVID-19 in Tanzania which results in the Government forcing its citizens into lockdown, it may have various impacts on the Company and its local employees and representatives, including limiting the Company's operations in Tanzania or delaying its negotiations with the Government.

Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in the future. Any additional equity financing will dilute shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, the Company may be required to reduce the scope of its operations and scale back its mining and exploration programmes as the case may be.

Operating Risks

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, and plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration of its mineral interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

Exploration and development risks

The business of graphite exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable reserves;

- access to adequate capital for project development;
- design and construction of efficient development and production infrastructure within capital expenditure budgets;
- securing and maintaining title to interests;
- obtaining consents and approvals necessary for the conduct of exploration, development and production; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Whether or not income will result from the existing projects or new assets, undergoing an exploration and development program depends on successful exploration and establishment of production facilities. Factors including costs and reliability and commodity prices affect successful project development and operations.

Mining activities carry risk and as such, activities may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, shortages or delays in the delivery of equipment. Industry operating risks include fire, explosions, industrial disputes, unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, mechanical failure or breakdown and environmental hazards such as accidental spills or leakages, or geological uncertainty. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage to or destruction of property, natural resources or equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company.

There is no assurance that any exploration on current or future interests will result in the discovery of an economic deposits. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically developed.

Contractual Risk

The Company is a party to various agreements in relation to its projects. The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their respective obligations under the agreements. If the parties default in the performance of its obligations, the agreements may be terminated and it may be necessary for the Company to approach the Court to seek a legal remedy. Legal action can be costly and there can be no guarantee that a legal remedy will ultimately be granted on appropriate terms.

Reliance on key personnel and the need to attract qualified staff

The Company's success depends on the core competencies of its Directors and management team to operate in the resource and mining industry. The loss of one or more of these persons could adversely affect the growth prospects, operating results and financial performance of the Company.

There can be no assurance that the Company will be able to attract or retain sufficiently qualified personnel on a timely basis or retain its key management personnel.

Competition risk

The Company will be participating in a highly competitive market. However, there are few if any specific competitors who have a dominant market share and dictate the structure or practices in the market. The fact that there are no dominant competitors makes market entry and penetration easier

but not without the need to ensure that the Company can position and differentiate itself to gain market share. There is no certainty that the Company will be successful in this market.

Tenure and access for tenement in Tanzania

Mining and exploration tenements in Tanzania are subject to periodic renewal. Where a licensee has met the terms of the grant, renewal will not be denied. However, if development conditions are not met there is no guarantee that current or future tenements or future applications for production tenements will be approved.

Compulsory work obligations for tenements in Tanzania

Tenements in Tanzania are subject to expenditure and work commitments which must be met in order to keep such tenements in good standing. If there is a failure to meet the commitments, this could lead to forfeiture of the particular tenement.

Environmental and other regulatory risks

Environmental legislation is evolving in a manner which will likely require stricter standard and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulations in Tanzania, if any, will not materially and adversely affect the Company's business, prospects, financial condition and results of operations.

Various governmental approvals and permits will also be required in connection with various aspects of the Company's operations from time to time. To the extent such approvals or permits are required and not obtained; the Company may be delayed or prevented from proceeding with planned exploration or development.

3.2 General risks

Potential acquisitions risk

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects although no such acquisitions or investments are currently planned. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

Economic risks

General economic conditions and movements in interest, inflation and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Market conditions risk

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- interest rates and inflation rates;
- currency fluctuations;
- changes in investor sentiment toward particular market sectors;

- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular.

General economic and political risks

Changes in the general economic and political climate in Australia, Tanzania and on a global basis may impact on economic growth, interest rates, the rate of inflation, taxation and tariff laws, domestic security which may affect the value and viability of any financial services activities that may be conducted by the Company.

Competition Risk

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

Regulatory risk

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies may adversely affect the financial performance of the Company.

Insurance risk

Insurance against all risks associated with the Company's activities is not always available or affordable. The Company will maintain insurance where it is considered appropriate for its needs. However, it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares offered under this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

Section 4 Additional information

4.1 Continuous disclosure obligations

As the Company is admitted to the Official List, the Company is "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. As a listed company, the Company is required to continuously disclose to the market any information which it has, which a reasonable person would expect to have a material effect on the price or value of its Shares.

The Board has adopted a Continuous Disclosure Policy, which sets out the obligations of Directors, officers and employees of the Company to ensure that information about the Company which may be market sensitive and may require disclosure is brought to the attention of those responsible for ensuring that the Company complies with its continuous disclosure obligations in a timely manner and is kept confidential.

In accordance with section 713 of the Corporations Act, the Company is able to issue a "transaction specific prospectus". In general terms, a transaction specific prospectus is only required to contain information in relation to the effect of the issue of the securities offered by a company and the rights attaching to the securities offered. It is not necessary to include general information in relation to the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before deciding whether or not to invest.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

As a disclosing entity under the Corporations Act, the Company states that:

- (a) it is subject to regular reporting and disclosing obligations;
- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person who so requests during the application period under this Prospectus:
 - (i) the financial statements of the Company for the financial year ended 30 June 2020, being the last financial statements of the Company for a financial year lodged with ASIC before the issue of this Prospectus;
 - (ii) the financial statements of the Company for the half-year ended 31 December 2020, being the last half-yearly financial statements of the Company lodged with ASIC by the Company after the lodgement of the financial statements referred to in paragraph (i) and before the lodgement of this Prospectus; and
 - (iii) continuous disclosure notices given by the Company during the period after lodgement of the financial statements referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC:

Date	Announcement
30 September 2020	Corporate Governance Update and Appendix 4G
1 October 2020	Trading Halt
5 October 2020	Black Rock Completes \$2m Placement
5 October 2020	Proposed issues of Securities
6 October 2020	FY20 Annual General Meeting Disclosure
12 October 2020	Completes \$2m Placement and Allotment
12 October 2020	Cleansing Statement
21 October 2020	Notice of Annual General Meeting / Proxy Form
21 October 2020	AGM Letter to Shareholders
28 October 2020	Quarterly Activities Report and Cashflow
5 November 2020	Cleansing Notice and Appendix 2A Exercise of Options
9 November 2020	Appendix 3G
11 November 2020	Black Rock meets POSCO Battery Grade Anode Requirements
23 November 2020	POSCO Successfully Completes Due Diligence
23 November 2020	Results of AGM
17 December 2020	POSCO to invest USD\$7.5m to acquire 15% of Black Rock
17 December 2020	Proposed issues of Securities
23 December 2020	Cleansing Notice Appendix 2A and Appendix 3G
24 December 2020	Letter to Shareholders from John de Vries, Managing Director
29 December 2020	Change of Director's Interest Notice x 4
18 January 2021	POSCO completes final approval for its US\$7.5m Investment
25 January 2021	Quarterly Activities and Cashflow
28 January 2021	Appendix 3G
28 January 2021	Appendix 2A
1 February 2021	Investor Presentation – 121 Mining Investment Africa
5 February 2021	Appendix 2A
11 February 2021	POSCO Equity Investment Agreements Signed

Date	Announcement
11 February 2021	Update – Proposed issues of Securities
15 February 2021	Appendix 2A
22 February 2021	Appendix 2A
4 March 2021	FIRB approval received for POSCO Strategic Investment
5 March 2021	Half Year Financial Statements
15 March 2021	Shareholder General Meeting Letter
15 March 2021	Shareholder Notice of General Meeting & Proxy
19 March 2021	Appendix 2A
8 April 2021	Appendix 2A
15 April 2021	Results of Shareholder General Meeting
27 April 2021	Quarterly Activities Report & Cashflow
10 May 2021	Appendix 2A
12 May 2021	FCC Approval Received for POSCO US\$7.5m Investment
1 June 2021	POSCO completes US\$7.5m 15% Investment in Black Rock Mining

Other than set out in this Prospectus, there is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules that:

- (a) investors or their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Shares; and
- (b) it is reasonable for investors and their professional advisers to expect to find in this Prospectus.

4.2 Corporate Governance

The Company has established a corporate governance framework, the key features of which are set out in its corporate governance statement for the financial year ended 30 June 2020 (**Statement**). In establishing its corporate governance framework, the Company has referred to the recommendations set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition) (**Principles & Recommendations**). The Company has followed each recommendation in the Principles and Recommendations (**recommendation**) where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's

corporate governance practices follow a recommendation, the Board has made appropriate statements in its Statement reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices do not follow a recommendation, the Board has explained its reasons for not following the recommendation in the Statement and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

The Company's corporate governance statement and corporate governance charters, policies and procedures are available on the Company's website at www.blackrockmining.com.au under the "Corporate Governance" tab.

4.3 Rights attaching to Shares

The Shares offered pursuant to this Prospectus will rank equally in all respects with existing Shares upon issue. Full details of the rights attaching to the Shares are set out in its Constitution, a copy of which can be inspected at the Company's registered office and is available on the Company's website at www.blackrockmining.com.au under the 'Corporate Governance' tab.

The following is a summary of the principal rights that attach to the Shares under the Constitution:

General meetings	<p>Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.</p> <p>Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.</p>
Voting rights	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:</p> <ul style="list-style-type: none"> (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative; (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).
Dividend rights	<p>Subject to the rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which</p>

	<p>shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.</p> <p>The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.</p> <p>Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.</p>
Winding-up	<p>If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.</p> <p>The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.</p>
Shareholder liability	<p>As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.</p>
Transfer of shares	<p>Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.</p>
Future increase in capital	<p>The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on</p>

	the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.
Variation of rights	<p>Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.</p> <p>If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.</p>
Alteration of constitution	In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4.4 Interest of Directors

Directors' Holdings

At the date of this Prospectus, the Directors have a relevant interest in securities of the Company as set out below.

Director or Director associated entity	Shares	Unlisted Options
Mr Richard Crookes	3,600,480	7,113,079
Mr John de Vries	5,211,573	13,852,121
Mr Ian Murray	6,606,720	6,962,151
Mr Gabriel Chiappini	8,213,617	6,524,555

Remuneration of Directors

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-

executive Director. The current amount has been set at an amount not to exceed \$350,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

Details of remuneration provided to Directors and their associated entities for the financial year ending 30 June 2020 and for the current financial year until 30 June 2021 are as follows:

Director	FY ended 30 June 2021	FY ended 30 June 2020
Mr Richard Crookes	\$109,500	\$165,803
Mr John de Vries	\$328,500	\$440,005
Mr Ian Murray	\$72,270	\$141,098
Mr Gabriel Chiappini	\$72,270	\$128,354

Further information on the remuneration and other benefits received by the Directors over the last two years is set out in the Company's 2019 and 2020 annual reports (copies of which are available from www.asx.com.au).

Except as disclosed in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the two-year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, Options or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or his company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Offer.

4.5 Material contracts

Subscription Agreement

The Company entered into the Subscription Agreement with POSCO on 10 February 2021. The key terms and conditions of the Subscription Agreement are as follows:

(a) **Subscription**

The Company agrees to issue 126,020,001 Consideration Shares to POSCO at an issue price of \$0.082 per Share.

(b) **Conditions precedent**

The issue of Consideration Shares to POSCO is subject to the satisfaction or waiver (as applicable) of the following conditions precedent:

- (i) POSCO receiving a notice from or on behalf of the Treasurer under the Foreign Acquisition and Takeovers Act 1975 (Cth) that the Treasurer does not object to the POSCO Placement, or the Treasurer is precluded from making an order under that legislation in respect of the issue of Consideration Shares to POSCO;
- (ii) Shareholders approving the issue of Consideration Shares to POSCO for the purposes of Listing Rule 7.1;
- (iii) the Fair Competition Commission of Tanzania giving (i) written notice that Tanzanian Fair Competition Act does not apply to the POSCO Placement, or (ii) merger clearance approval for the issue of Consideration Shares to POSCO;
- (iv) no material adverse change in the Company occurring prior to completion; and
- (v) no government agency restraining or prohibiting the issue of Shares to POSCO.

(c) **Completion**

Unless otherwise agreed, the conditions set out above must be satisfied or waived (as applicable) by no later than 30 June 2021. As at the date of this Prospectus, all conditions to the issue of the Consideration Shares have been satisfied.

(d) **Offtake and prepayment**

- (i) POSCO and the Company must negotiate in good faith and use reasonable endeavours to agree the terms of a cash prepayment facility in favour of Mahenge Resources or another form of capital contribution of between US\$10 to 20 million (Funding). Subject to shareholder approval under, or a waiver of, Listing Rule 10.1, the Company will provide security in favour of POSCO to secure the repayment of the Funding;
- (ii) POSCO has the right to take 100% of the graphite fines concentrate from Module 1 of the Mahenge Graphite Project at an agreed offtake price, as well as the right to make the first offer for graphite fines concentrate for Modules 2, 3 and 4 of the Mahenge Graphite Project; and
- (iii) POSCO and the Company must negotiate in good faith and use reasonable endeavours to agree and execute definitive prepayment and offtake agreements to reflect these offtake and funding rights before completion of the POSCO Placement.

Umbrella Deed

The Company entered into an Umbrella Deed with POSCO on 10 February 2021. The key terms of the Umbrella Deed are as follows:

(a) **Commencement**

The Umbrella Deed comes into effect on completion of the issue of Consideration Shares to POSCO under the Subscription Agreement and continues until the date the parties agree to terminate the deed.

(b) **Director nomination**

Provided POSCO is the registered holder of at least 10% of the total number of issued Shares, POSCO may nominate a director for appointment to the Board of the Company (**Nominated Director**).

POSCO's right to appoint the Nominated Director will lapse if POSCO ceases to be the registered holder of at least 10% of the Company's issued Shares for a period of 12 consecutive months.

The Nominated Director will be subject to re-election by ordinary rotation.

(c) **Participation right**

Provided POSCO is the registered holder of at least 10% of the total number of issued Shares, it has the right to participate in share issues by the Company to ensure its percentage holding in the Company is not diluted subject to shareholders approving POSCO's participation in that share issue for the purposes of Listing Rule 10.11.3. This right does not extend to issues of Shares following the exercise of Options on issue as at the date of the Umbrella Deed or issues of securities to employees or officers of the Company under an incentive plan.

POSCO's right to participate in future share issues as described above will lapse if POSCO ceases to be the registered holder of at least 10% of the Company's issued Shares for a period of 12 consecutive months.

4.6 Interests of named persons

There is no promoter of the Company or financial services licensee named in the Prospectus, or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus.

4.7 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

4.8 Expenses of the Offer

The estimated expenses of the Offer including legal fees, ASX and ASIC fees are estimated to be \$5,000 excluding GST.

4.9 Governing law

The information in this Prospectus, the Offer and the contracts formed on acceptance of the Offer are governed by the law applicable in Western Australia. Any person who applies for Shares submits to the non-exclusive jurisdiction of the courts of Western Australia.

Section 5 Defined terms

\$ means an Australian dollar.

Application Form means the application form accompanying this Prospectus.

ASIC means the Australian Securities & Investments Commission.

Associated Bodies Corporate, in relation to the Company, means:

- (a) a body corporate that is a Related Body Corporate of the Company; or
- (b) a body corporate that has voting power in the Company of not less than 20%; or
- (c) a body corporate in which the Company has voting power of not less than 20%.

ASX means ASX Limited ACN 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules means the listing rules of the ASX.

Board means the board of Directors unless the context indicates otherwise.

Closing Date means midnight (WST) on 4 June 2021.

Company or **Black Rock** means Black Rock Mining Limited ABN 59 094 551 336.

Consideration Shares means the 126,020,001 Shares at an issue price of A\$0.082 to be issued to POSCO pursuant to the Subscription Agreement.

Constitution means the constitution of the Company as amended from time to time.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

GST means a goods and services tax, or similar value added tax, levied or imposed in Australia under the GST Law.

GST Law has the meaning given to it in the GST Act.

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Listing Rules means the Listing Rules of ASX.

Mahenge Resources means Mahenge Resources Limited, a corporation having its registered office at Msasani Towers, Second Floor Wing B Dar es Salaam, Tanzania.

Offer means an offer of Shares pursuant to this Prospectus.

Official List means the official list of the ASX.

Opening Date means 1 June 2021.

Option means an option to acquire a Share.

Prospectus means this prospectus dated 1 June 2021.

Related Body Corporate has the same meaning as in section 50 of the Corporations Act.

Share means an ordinary fully paid share in the capital of the Company.

Shareholder means a holder of one or more Shares.

Subscription Agreement means the subscription agreement between the Company and POSCO dated 10 February 2021.

Umbrella Deed means the umbrella deed between the Company and POSCO dated 10 February 2021.

USD means United States dollars.

WST means Australian Western Standard Time.

Section 6 Directors' responsibility statement and consent

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented in writing to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Dated: 1 June 2021



John de Vries
Managing Director and Chief Executive Officer
for and on behalf of Black Rock Mining Limited