

29 April 2022

ASX Announcement

QUARTERLY ACTIVITIES REPORT

Quarter ended 31 March 2022

PROJECT HIGHLIGHTS

- **Completion of a significant drilling program at Maniry which included 3,300m of infill drilling at the Razafy Resource and 600m of geotechnical drilling.**
- **The completion of this drilling is seen as an integral component of the Company's current Maniry Definitive Feasibility Study ("DFS") due to be completed mid-2022**
- **Substantial and positive progress has been made on the Company's DFS during the Quarter.**
- **Subsequent to the Quarter ended, the Company provided further details around the recent drill program with confirmation of further 1,670m diamond drilling completed.**

CORPORATE HIGHLIGHTS

- **January 2022 - the successful completion of a heavily overbid placement raising A\$6.8m (before costs) placing BlackEarth in a very strong financial position for 2022.**
- **February 2022 - the signing of an Offtake Agreement to secure the early-stage production at its proposed Joint Venture Expandable Graphite production plant in India.**
- **March 2022 - BlackEarth was pleased to report that it had received a maiden Environmental, Social and Governance ("ESG") positive "BB" Rating from World renowned ESG Assessment Group, Digbees, UK.**
- **Cash reserves in excess of \$7.34m as at 31 March 2022 - well positioning the Company to fund the completion of its DFS and all of its other immediate objectives.**

BlackEarth Minerals NL (ASX: BEM) ("BlackEarth", or the "Company"), a company specialising in critical commodities, is pleased to present shareholders and investors with an overview of key developments for the period ending 31 March 2022 to accompany its Appendix 5B ("Quarter", "Reporting Period").

PROJECTS

Infill Drill Program completed at Maniry

On 22 February 2022, the Company announced the details of its extensive drill program at Maniry and key highlights of this announcement were :-

- The infill program had identified significant graphite mineralisation below the current Indicated pit levels.
- The completion of this drilling is seen as an integral component of the Company's current Maniry DFS due to be completed mid-2022.
- Modelling and data interpretation has commenced with Measured Resource expected to be produced in coming months.
- The completed program is expected to add a material increase to the Company's stated Inventory Resource (1).

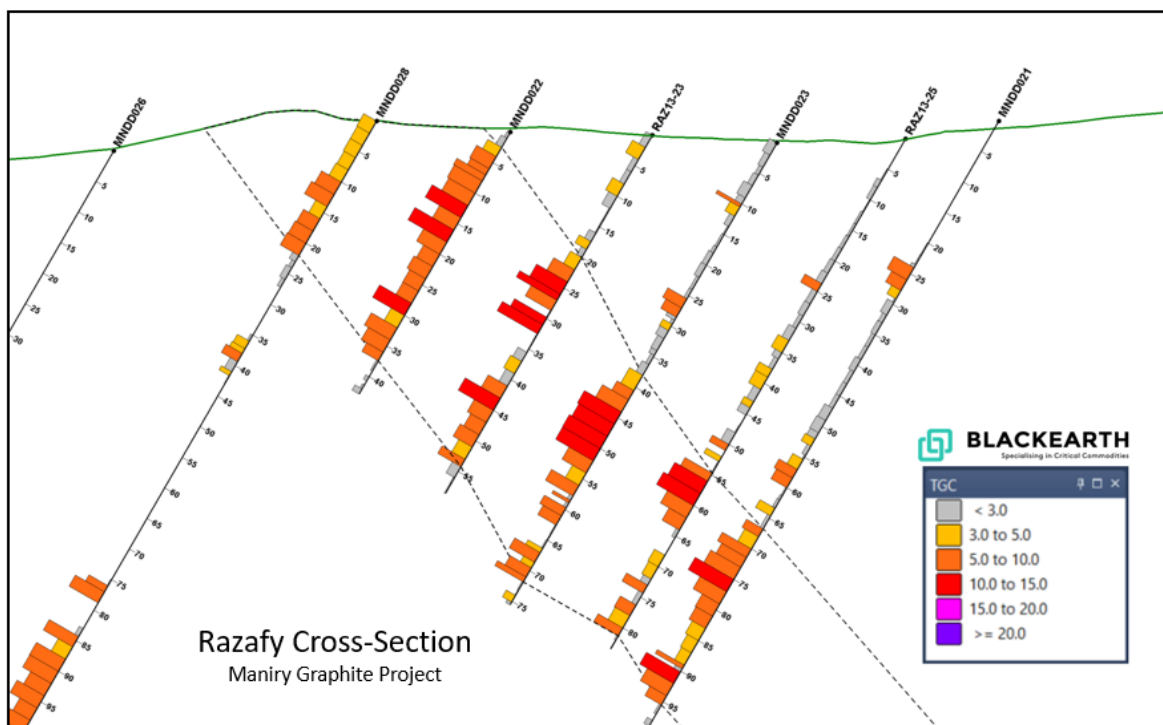


Figure 1: Razafy Cross Section based on recent infill drilling results – refer Figure 2 for location

At the time of this release BlackEarth Managing Director, Tom Revy, commented said: “The completion of the Razafy infill drill program lies on the critical path for the completion of the Maniry Graphite Project DFS which is still expected to be completed by mid-2022.

The importance of consistency in product to offtakers via final metallurgical variability test work is expected to be demonstrated shortly and this data will be used in the development of the Company's Measured Resource expected to be announced in coming months. The Razafy Resources sit within the Company's granted 40 year mining lease and within the Project's Exploration Target of 260-380Mt at 6-8%TGC (2)”.

(2) *Cautionary Statement: The Exploration Targets reported herein are not JORC compliant Mineral Resources The potential quantity and grade of the Exploration Targets are conceptual in nature, there has been insufficient exploration to determine a Mineral Resource and there is no certainty that further exploration work will result in the determination of a Mineral Resource. See ASX announcement date 14 August 2018*

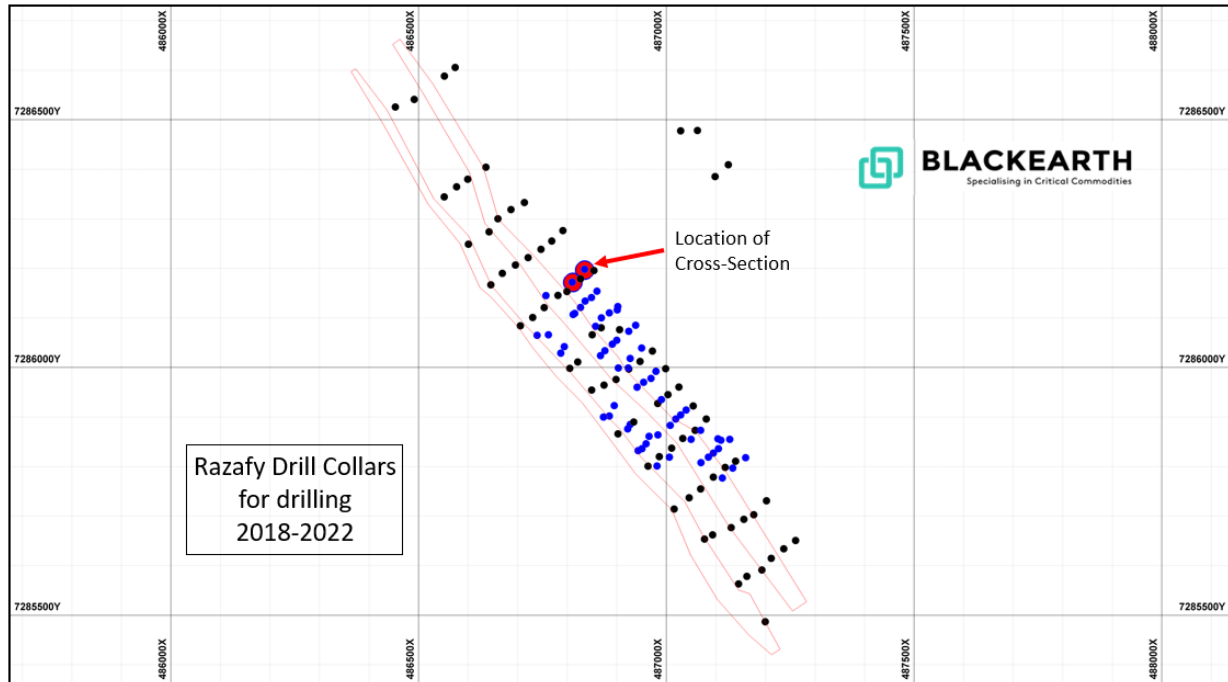


Figure 2: Razafy Drill Collars (2018-2022) identifying the location of the Cross Section in Figure 1

Update to Drilling completion Announcement

Following the announcement of the extensive drill program at Maniry and subsequent to the Quarter Ended, the Company confirmed that it had completed a follow up 1,670m of diamond drilling at its high grade Razafy NW resource with the following highlights noted :-

- The program verified continuity of graphite mineralisation along strike and also successfully explored for depth extensions.
- The completed program is expected to add further medium to high grade material to the Company's stated Inventory Resource.
- Updates to the Inventory Resource will be included in the Company's soon to be completed and released DFS.
- Assay results expected to be received in coming weeks (*note 1*).
- Surface trenching to commence shortly on the western end of drill lines.

The 2022 infill diamond drilling program was designed to verify continuity of graphite mineralisation along strike between existing drill holes, to check for up-dip continuity and to explore for depth extensions. This program follows the successful Razafy NW Mineral Resource estimate reported in 2021 which was based originally on 21 diamond drill holes.

The Company is delighted with the results of the drill program and subsequent in-fill results and believe these are in line with expectations.

(1) The Company's current Company Resource Inventory is reported as follows –

Area	Classification	Tonnes (Mt)	Total Graphitic Carbon (%TGC)	Contained (tonnes of graphite)
Razafy*	Indicated	8.0Mt	7.2%	576,000
	Inferred	3.2Mt	6.8%	218,000
Razafy NW*	Indicated	1.9Mt	9.6%	182,000
	Inferred	1.0Mt	10.1%	101,000
Haja**	Indicated	-	-	-
	Inferred	9.0Mt	5.8%	522,000
TOTAL	Indicated	9.9Mt	7.7%	758,000
	Inferred	13.2Mt	6.4%	841,000

Table A - Maniry Project Minerals Resources

**6% TGC cut-off grade*

***5% TGC cut-off grade*

Reported at the cut off grades above; figures in the table above have been rounded, reported to the appropriate significant figures with graphite tonnages rounded to the nearest thousand, in accordance with the 2012 JORC Code

CORPORATE HIGHLIGHTS

Successful completion of Capital Raising

In January 2022, the Company successfully completed a capital raise and issued 50,650,955 New Shares at an issue price of \$0.135 per share (a 12.9% discount to last close on 19 January 2022 of \$0.155 per share) to raise gross proceeds of \$6,837,879 before costs.

Following the Placement, the Company confirmed its cash balance of A\$9.3million.

The funds raised from the Placement will, together with the Company's existing cash balance, be used to complete the DFS for the Maniry Graphite Project and other development plans as follows:-

- Continue an extensive drilling and exploration program at the Maniry Project's high grade Razafy NW area to potentially further increase the Project's economics
- Add to the Company's current quality Resource inventory both at Razafy and Razafy NW
- Development of its downstream expandable graphite project plans in India
- Front End Engineering and Design (FEED) and the purchasing of long lead items post the completion of the Maniry DFS

Signing of JV Offtake Agreement

During the Quarter, BlackEarth announced that it had signed An Offtake and Supply Agreement (“the Agreement”) with Technogرافit GmbH (“Technogرافit”), Germany – a world leader in the supply of Graphite Concentrate and downstream products.

Highlights of this announcement included: -

- The leadership team at Technogرافit have been actively supplying and investing in graphite operations worldwide for many decades are recognised within Europe as an industry leader.
- The Agreement provides for the BlackEarth/ Metachem JV to acquire up to 2,500 tonnes per annum of suitable graphite concentrate from Technogرافit to feed its proposed operations in India.
- The Agreement has been facilitated with BlackEarth’s Sales and Marketing Partners in Europe, LuxCarbon, whom will work closely with Technogرافit to ensure our end to end supply chain is managed to a world class level.
- The Agreement provides certainty of supply of graphite concentrate for our Expandable Plant development before product can be directly supplied from our Maniry operations.

At the time of signing the Agreement, BlackEarth Managing Director, Tom Revy, commented:

“This Agreement provides an enormous boost to our JV with Metachem and the development of our plant in India and now completes our supply chain which will underpin our operations.

The agreement guarantees our Indian operations a supply of world class concentrate to feed our operations for the next few years before we are able to supply product from our own operations at Maniry in Madagascar.

The Agreement also assists to underpin our proposed plant development in Madagascar, as concentrate from this development will be provided to our downstream operations with Metachem as soon as this is available”.

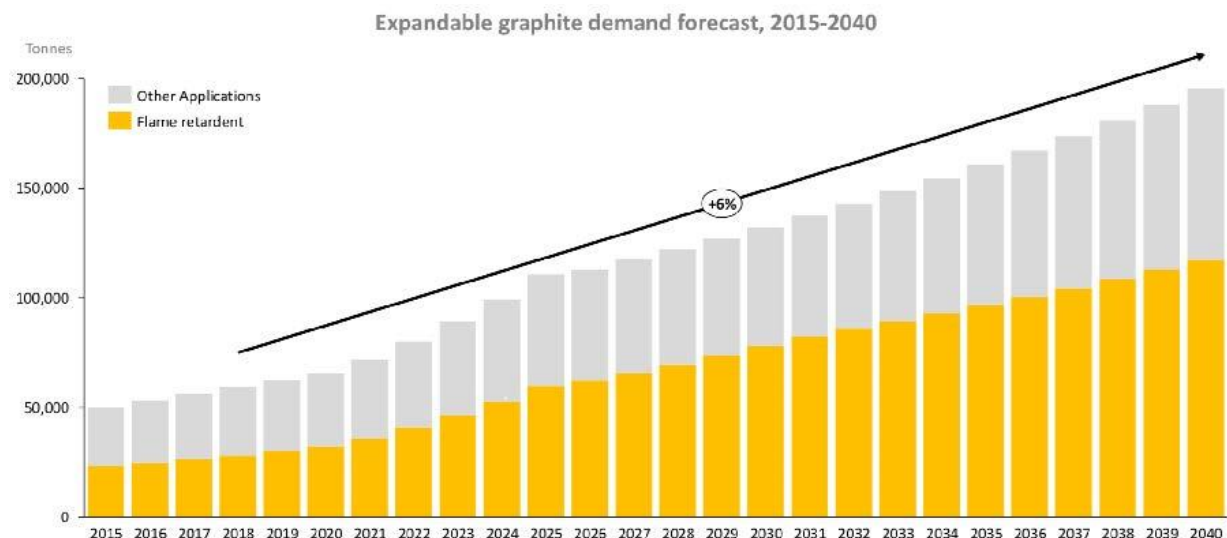


Figure3 – Fire Retardant use as a portion of Expandable Graphite demand and growth – Source:- Benchmark Mineral Intelligence

The Global Expandable Graphite Market is expected to grow from US\$202.8m in 2020 to around US\$351.9 Million by 2027 (source – globalnewswire.com) . Such growth and demand for a range of products and applications provides BlackEarth with an enormous opportunity

Commitment to ESG – Accreditation achieved

Over the last year, Executives of BlackEarth have worked closely with leading ESG Assessment Group, Digbee (UK). This work culminated with our announcement during the quarter of the positive outcome of Digbee’s assessment of the Company’s commitment to a wide range of Environmental, Social and Governance factors.

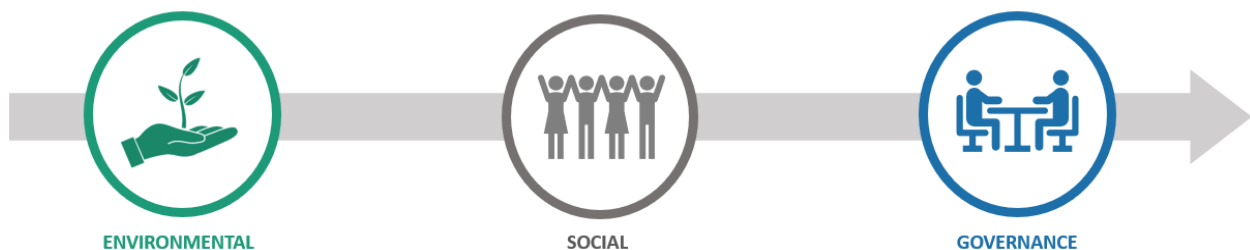


Over the last year, Executives of BlackEarth have worked closely with leading ESG Assessment Group, Digbee (UK). This work culminated with our announcement during the Quarter of the positive outcome of Digbee’s assessment of the Company’s commitment to a wide range of Environmental, Social and Governance factors.

The Board of BlackEarth was delighted with this outcome and we have also made a commitment to updating some of its key ESG functions that will even further improve our ranking and overall standing on ESG matters.

Highlights of BlackEarth’s announcement on the Digbee review were :-

- BlackEarth achieved both a corporate rating and a rating for its Maniry Graphite Project of “BB”.
- The tailored questionnaires, provided by Digbee ESG, reflected the stage of the Company and development phase (DFS) of its Maniry Project in Madagascar.
- This inaugural assessment by Digbee ESG demonstrates the Company’s commitment to create a baseline for future transparent ESG reporting.
- The process has generated a number of priority target areas to focus on as part of our corporate and project development plans over the next 12-24 months.



COVID-19 Response

The health and well-being of BlackEarth employees remains of the utmost importance to the Company. Accordingly, COVID-19 procedures for travel to and from site in Madagascar and for site-based activities have been implemented to maintain social distancing.

All strict COVID protocols, which were put in place during the previous quarter, continue to be maintained and have allowed the Company to progress its planned activities as scheduled.

Key Short Term Activities and Goals

BlackEarth Executives continue to drive forward a number of transformational, key matters at present and we look forward to updating the market in the short term in relation to the following:-

- Details regarding our ongoing discussions with Battery Anode manufacturers and downstream processing groups that are aligned with BlackEarth's short term plans
- An update on our JV Company in India with details relating to the development of our Expandable Graphite Plant
- Following the completion of our successful drill program, we expect further updates to our expanded Resource Inventory – details to follow
- Ongoing progress toward completion of our Maniry Graphite Project DFS – expected mid 2022.

Payments to related parties of the entity and their associates

Payments made during the Quarter and included in items 6.1 and 6.2 of the Appendix 5B – Mining exploration entity quarterly cash flow report comprise :

- 6.1 Aggregate amount of payments to the related parties and their associates included in cash flow from operating activities - \$189,000. This includes payments of directors and management remuneration for services to the economic entity - \$189,000.
- 6.2 Aggregate amount of payments to related parties and their associated included in cash flow for investing activities – nil

This announcement was authorised by the Board of BlackEarth Minerals.

CONTACTS

Tom Revy	BlackEarth Minerals NL - Managing Director - 08 6145 0289 0411 475 376
David Round	BlackEarth Minerals NL – Finance Director – 0411 160 445
Jane Morgan	Investor and Media Relations 0405 555 618

For more information – www.blackearthminerals.com.au

Competent Person's Statement

The information contained in this report that relates to Mineral Resources has been compiled and / or reviewed by Ms Annick Manfrino, a member of The Australian Institute of Geoscientists. Ms Manfrino is the Principal of Sigma Blue. Ms Manfrino has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that she is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Ms Manfrino consents to the inclusion of the information in the form and context in which it appears.

The information in this report that relates to the Exploration Target for the Maniry Graphite Project is extracted from the report entitled "Exploration Target Update" dated 14 August 2018 and is available to view on the Company's website www.blackearthminerals.com.au . 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 in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to the Maiden Resource Estimation for Razafy at the Maniry Graphite Project is extracted from the report entitled "Update - Maiden Resource Estimation for Razafy at the Maniry Graphite Project" dated 14 August 2018 and is available to view on the Company's website (www.blackearthminerals.com.au). 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 in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to the Maiden Resource Estimation for Haja at the Maniry Graphite Project is extracted from the report entitled "Update - Maiden Resource Estimation for Haja at the Maniry Graphite Project" dated 27 December 2018 and is available to view on the Company's website (www.blackearthminerals.com.au). 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 in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

SCHEDULE OF MINING TENEMENTS

Details of Mining Tenements at Quarter ended 31 March 2022			
(ASX Listing Rule 5.3.3)			
Australia			
Tenement ID	Location	State	Interest
E70/4824	Yanmah, Donnelly	WA	100%
E70/4825	Manjimup, Donnelly	WA	100%
International			
Tenement ID	Location	Country	Interest
PR25605	Maniry	Madagascar	100%
PR25606	Maniry	Madagascar	100%
PR3432	Maniry	Madagascar	100%
PR39750	Maniry	Madagascar	100%
PR39751	Maniry	Madagascar	100%
PE5394	Maniry	Madagascar	100%
PE5391	Ianapera	Madagascar	100%
PE5392	Ianapera	Madagascar	100%
PE5393	Ianapera	Madagascar	100%
PE25093	Ianapera	Madagascar	100%
PE25094	Ianapera	Madagascar	100%

- PE n° 25093 and PE n° 25094, previously under Amodiation Contract with SQNY INTERNATIONAL SARL, Amodiation terminated in 2017 ;
- PR n° 25605 and PR n° 25606, previously under Amodiation Contract with ERG -, Amodiation terminated in 2018
- PE n° 5394, under Amodiation Contract with JUPITER MINES ET MINERALS SARL for mining Labradorite only.

BOARD OF DIRECTORS

- George Bauk** (Non-Executive Chairman)
- Heather Zampatti** (Non-Executive Director)
- Tom Revy** (Managing Director)
- David Round** (Finance Director)

CORPORATE INFORMATION

As at 29 April 2022

- 270,346,222 fully paid ordinary shares
- 4,796,186 \$0.06 partly paid shares paid to \$0.0201 and unpaid \$0.0399
- 31,575,000 Performance Rights
- 1,000,000 unlisted options (ex 7c)
- 2,000,000 unlisted options (ex 8c)
- 4,500,000 unlisted options (ex 15c)
- 4,000,000 unlisted options (ex 17.5c)

- \$33.8 million market capitalisation

Forward Looking Statements

Some of the statements appearing in this announcement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which BlackEarth operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement.

No forward looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside the Company's control.

The Company does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of the Company's Directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.

This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities by the Company. Nor does this announcement constitute investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision.

Appendix 5B

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

Name of entity

BlackEarth Minerals NL

ABN

66 610 168 191

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(119)	(389)
(b) development	(1,219)	(3,179)
(c) production	-	-
(d) staff costs	(275)	(883)
(e) administration and corporate costs	(966)	(1,441)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (cost recovered/royalties)	8	95
1.9 Net cash from / (used in) operating activities	(2,571)	(5,796)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(2)	(50)
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	2	2
	(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	-	(48)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	6,838	7,061
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	(444)	(444)
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 (receipts from auction of partly paid shares, to be distributed to partly paid shareholders)	(28)	19
3.10	Net cash from / (used in) financing activities	6,366	6,636

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,559	6,566
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,571)	(5,796)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(48)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	6,366	6,636

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	10	6
4.6	Cash and cash equivalents at end of period	7,364	7,364

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	7,364	3,559
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,364	3,559

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	189
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>The payments to directors or their associates in 6.1 and 6.2 include gross salaries, superannuation, director fees and consulting fees.</i>		

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>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.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end	[]	
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.	[]	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,571)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,571)
8.4 Cash and cash equivalents at quarter end (item 4.6)	7,364
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	7,364
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3
<i>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.</i>	
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:	
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:	
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:	
<i>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.</i>	

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: 29 April 2022

Authorised by: David Round – Co Secretary

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.