

3 February 2021

## ASX Announcement

# BLACKEARTH SIGNS MOU WITH LEADING U.S. COMPANY TO FASTTRACK DOWNSTREAM GRAPHITE PRODUCTION

### Highlights

- An MOU has been signed with Urbix, Inc ("Urbix") – a US based Company leading the development of EV related graphite products
- BlackEarth will fastrack the development of its Madagascan project sites and source other high grade Graphite concentrate to supply Urbix's downstream processing facility in the USA
- Urbix is globally recognised for its graphite purification processes that can develop specialised graphite product for the globally expanding EV market
- The BlackEarth Board and Urbix plan to develop an Operational Joint Venture in the future – the proposed JV combines Urbix's technical excellence with BlackEarth's substantial market, commercial and graphite operational experience
- BlackEarth is in the process of concluding concentrate supply agreements to meet Urbix's intital demands and the proposed JV's initial production demands. This includes off take agreements for the supply of downstream products to a range of global buyers
- A proposed JV, still in discussion, can position BlackEarth as a globally significant supplier of downstream graphite products and forms part of BlackEarth's strategy to fast track the development of its Maniry Graphite Project in Madagascar

**Commenting on the signing of the MOU, BlackEarth Managing Director, Tom Revy, said:** *"The Board are delighted to sign off on this MOU with Urbix and we are actively working toward developing an operational JV in the short term. Clearly there is significant and growing demand for value added graphite projects for electric vehicles and many other applications, and we believe this JV will allow us to enter a growing market, with a world class product, at an exciting time of change of world energy and power demands."*

*We strongly believe that the technical expertise of the Urbix team combined with our executive team's experience in graphite production operations and developing supply arrangements world wide, positions us well for an exciting future for BEM shareholders."*

BlackEarth Minerals NL (**ASX: BEM**) ("**Blackearth**", the "**Company**") is pleased to announce that it has signed a Collaborative Memorandum of Understanding ("MOU") with leading downstream graphite processor Urbix, Inc ("**Urbix**").

Under the terms of the MOU, BEM will, initially, supply its high grade graphite concentrate to Urbix's downstream processing facility in the USA when Urbix' facility is completed. The timeframe for the commencement of this supply will be confirmed in due course. BEM will also source high grade product and provide this to Urbix as part of the terms of its MOU.

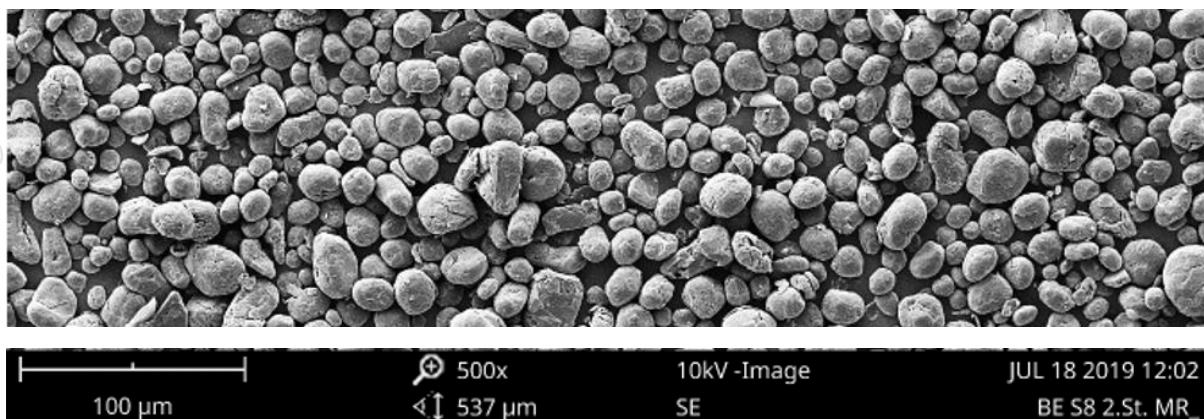
Following the successful completion of the Urbix plant in the USA, BEM and Urbix propose a Joint Venture plant that includes the potential development of a facility in Madagascar or Western Australia that will produce a substantial supply of purified graphite that will be available for the growing battery and alternative energy (EV) markets. BEM Executives have commenced the process of site selection and assessing the most efficient and cost effective location for the proposed JV plant.

Urbix's advanced technology includes environmentally friendly purification methods that are not reliant on unsustainable hydrofluoric acid treatments. Urbix holds significant intellectual property across a wide range of graphite applications including proprietary Li-ion battery cells, electrolyte, graphene products and energy storage materials

The BEM Executive team are confident there will be very strong global demand for the production of purified and value added graphite and are developing global supply channels with several strategic partners.

BEM advises that the MOU is for a term of 180 days which may be extended by the parties. During this 180 day period, the Company proposed to advance its discussions and confirm the commencement of concentrate supply, the volume and value of supplies and all of this detail is proposed to be included in a formal joint venture agreement. The MOU does not include details of volumes and values for the supply agreement as this information is to be included and form part of the proposed JV agreement. There are no further material terms to the MOU that require disclosure.

Further details about these global supply arrangements shall be made available in due course.



*Figure 1: SEM micrograph of BlackEarth's spherical graphite product (magnification 500x)*

*(Refer ASX Market Release 12 August 2019)*

### **About Purified Graphite and proposed JV Production**

Spheronized graphite ("SPG") is typically produced from graphite concentrate and following a process of purification, is coated, further treated and developed in to Purified SPG.

The final coated, purified SPG is then packed into the shape of the anode required for Lithium- iron batteries ("LIB").

Spherical graphite is a crucial ingredient to the efficient operation of lithium ion batteries (LIB). This technology and indeed certain battery operations, can not function without a supply of purified SPG.

**Commenting on the signing of the MOU, Urbix Executive Chairman, Nico Cuevas, said:** *"We're pleased to initiate this MOU with Tom and David and the team at BlackEarth Minerals.*

*"They're experienced and professional and understand the industry thoroughly. They appreciate the demand for our product, are cognizant of new energy challenges and appreciate our environmentally friendly production methods.*

*"Developing a joint venture that sees BlackEarth supply our US plant is a first step toward our companies potentially developing a plant in Madagascar or Australia. We see this as an important and exciting opportunity for Urbix and we look forward to growing our businesses together."*



***Urbix' completed pilot plant at its expanded location in Arizona***

**About Urbix Resources**

Urbix, Inc (<https://urbixresources.com>), headquartered in Mesa, Arizona, was founded in 2014 and is one of the premier providers of refined graphite powders, pristine graphene, and specialty graphite products in the world.

Urbix's advanced technology includes environmentally and cost-conscious purification methods and significant intellectual property developments in a wide range of applications including proprietary Li-ion battery cells, electrolyte, graphene products, cement, and other composites and energy storage materials.

Urbix's proprietary technology for purifying graphite in an efficient and environmentally sustainable production method without the use of hydrofluoric acid or high temperature ovens.

Urbix is currently engaged in building what will be one of the largest natural graphite purification facilities in North America. Upon completion, the 31,000 square foot facility at Falcon Airfield in Mesa, Arizona will have the capability of purifying up to 24,000 metric tonnes annually.

*Urbix's goal is to be the most significant producer of purified and spherical natural graphite outside of China, and the only truly green producer in the world.*



*Chairman and CEO Nico Cuevas at the Urbix pilot plant in Mesa, Arizona.*

### **About BlackEarth Minerals NL**

BlackEarth Minerals (ASX:BEM) is an Australian Company with a focus on the development of critical commodity assets.

BlackEarth has a substantial investment in its advanced graphite mining projects in Madagascar and base metal exploration prospects (Ni-Cu-PGE) in Western Australia.

### ***Graphite***

The Company holds the flagship Maniry Graphite Project, which is located in Southern Madagascar, with the Bankable Feasibility Study (BFS) currently underway and a focus on value added products, which are in high demand.

The Company is also developing a number of opportunities to expand its interests in to graphite downstream processing and is actively working with a number of industry leading organisations to supply product to the EV and downstream graphite production market. In time, the Company aspires to develop downstream processing facilities in Australia, Madagascar and other strategic locations.

### ***Nickel – Copper***

BlackEarth's Donnelly River Prospect is located approx. 240km south of Perth, Western Australia. BEM's prospects are situated immediately adjoining the Thor and Odin Ni-Cu-PGE prospects (JV: Chalice Gold Mines "CHN" and Venture Minerals "VMS") – "South West Project".

Recent geochemistry exploration activity has confirmed the presence of a strong mafic-ultramafic signature across at least three prominent magnetic trends and the Company is currently testing certain samples and plans a drill program to commence in the short term.

### **CONTACTS**

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BlackEarth encourages investors to update their contact details to stay up to date with Company news and announcements here:

<http://www.blackearthminerals.com.au/update-details/>

For more information – [www.blackearthminerals.com.au](http://www.blackearthminerals.com.au)



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