

Back Black Rock advances Tanzania graphite project to PFS stage

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BY: ESMARIE SWANEPOEL CREAMER MEDIA SENIOR DEPUTY EDITOR: AUSTRALASIA PERTH
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Australian junior Black Rock Mining has released the scoping study results for its Mahenge graphite project, in Tanzania, which revealed that the project could support a 52 000 t/y graphite concentrate operation, with a mine life of over 25 years. Speaking at the inaugural Paydirt Australian Graphite conference, in Perth, Black Rock MD Steven Tambanis reported that the project would require a capital investment of \$57-million. It could deliver a net present value of \$285.7-million and an internal rate of return of 62%. Cash costs for Mahenge have been estimated at \$458/t, with an expected sale price of about \$1 230/t. "The results provide further validation of the company's exploration work at the Mahenge graphite project, and underpin the potential for Black Rock Mining to become a significant Tanzanian graphite producer," Tambanis said. "In particular, we are excited that the scoping study indicates that a relatively straightforward and small-scale plant of 52 000 t/y can offer potentially high returns due to the high-grade, near surface and coarse flake nature of the resource. A smaller, relatively simple plant will require less capital and time to develop, and, in turn, decrease commissioning risk." With the scoping study delivering such positive results, the board of Black Rock has approved moving the project into the prefeasibility study (PFS) phase, to more accurately determine the cost of a 50 000 t/y mine development. The PFS was expected to take between four and five months to complete. Additional drilling and metallurgical work would also be undertaken to increase the proportion of the indicated resource and define additional resources. "Mahenge's metallurgical results to date exceed expectations and significant improvements are expected as our test programme continues to optimise the process route," Tambanis said. As well as the PFS, Black Rock had also started its graphite marketing initiatives to parallel its objective of financing, constructing and commissioning the new mine within two years. "We will ensure, however, that we fully understand just what product Mahenge can consistently produce over the long mine life so that we can match its graphite attributes specifically to customer requirements. "This will ensure offtake is linked to planned production levels, as we envisage selling a range of graphite products into different applications," Tambanis said.