

A Compelling Iron Ore Investment



Corporate Structure

(in millions)

Shares Issued:	160
Fully Diluted:	175
Market Cap ¹ :	~C\$20M
Working Capital ² :	~US\$5.2M
Debt:	nil
Held by Insiders:	~20%

¹ As of Nov 14, 2017

² As reported Sept 30, 2017

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Solid Fundamentals for Success

Black Iron Inc. is an *iron ore exploration and development company*. Its *Shymanivske Project* in Ukraine is a high-value investment opportunity offering an **ultra high-grade iron ore concentrate** (68% Fe) at **low capital cost intensity** (<US\$100 per tonne of capacity).



1. Excellent Infrastructure (Skilled Labour, Power, Rail & Port)

- 8km from city of Kryviy Rih (pop. 750k); paved road to site
- 2km from state-owned rail and power lines; confirmed power, rail and port capacity to produce, haul and ship planned capacity output



2. Large Iron Ore Deposit with NI 43-101 Compliant Resource¹

- Shymanivske: 646Mt Measure & Indicated resource @ 31.6% iron; additional 188Mt Inferred resource @ 30.1% iron, which will be concentrated to ~68% iron
- Potential for resource expansion

3. Ukraine: Strategic Location with Underdeveloped Reserves



- Close to target markets: Western Europe, Turkey, Middle East and Asia
- Black Iron is surrounded by 7 producing iron ore mines (adjacent to ArcelorMittal)
- Former Soviet Union has 21% of world's iron ore reserves but only 7% of world production

4. Economics: Attractive Project NPV and Favourable Tax Rate

- Phased build starting at 4MTpa and growing to 8MTpa – using \$62/T selling price, pre-tax NPV of US\$2.1 billion at 8% discount rate and 43% IRR (US\$1.7 billion and 36% after-tax)
- Low unit cost of production and first quartile on capital intensity
- Competitive corporate tax rate of 18%

5. Skilled Management Team, Directors & Board

- History of creating value for shareholders of iron ore projects – Consolidated Thompson and Rio Tinto's IOC
- Respected Ukraine professionals and former Government Advisors

World Class, High Value, Low Net Cost Project

Annual Production:

- Phase 1 4.0 dmt
- Phase 1 & 2 8.0 dmt

Iron Content: 68.0%

Estimated Capital Investment:

- Phase 1 US\$436 million
- Phase 2 US\$320 million

Estimated Capital Intensity;

- Phase 1 US\$109/t capacity
- Phase 1 & 2 US\$94/t capacity

Estimated Operating Expenses:
(average FOB)

US\$31/tonne

Net Present Value (8% after-tax): US\$1.7 billion

IRR (after-tax): 36%

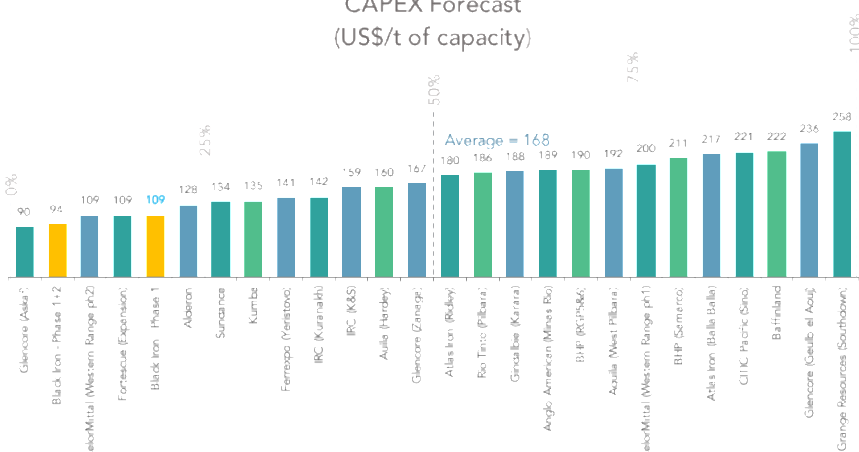
Projected Payback (8%): 3 years

Projected Plant Start-Up: Q4 2018

Exchange Rate Used UAH28:US\$1

Black Iron's Capital Cost Advantage

CAPEX Forecast
(US\$/t of capacity)



Source: company disclosures

References: The technical information contained herein is derived from or a summary of the NI 43-101 Compliant Technical Report entitled "Preliminary Economic Assessment of the Rescoped Shymanivske Iron Ore Deposit (Prepared by BBA and WGM, the "PEA")". Estimates underlying the results of the PEA arise from engineering, geological and costing work of BBA Inc. ("BBA") and Watts, Grifffis and McQuat Limited ("WGM") and the Company. For additional information, please see the press release filed on www.sedar.com dated November, 2017.

*The mineral resource estimate for the Shymanivske Project is based on results from 185 historical drill holes totaling 37,316 meters and 60 Black Iron drill holes, which were drilled during the Company's Twin Hole drill program and the Definition Drill program, totaling 16,518 meters and is effective as of September 2012. WGM, Consulting Geologists and Engineers of Toronto, Canada, was retained to audit an in-house mineral resource estimate completed by Black Iron. Mr. Michael Kociumbas, P.Geol, Vice-President of WGM and Mr. Richard Risto, P.Geol, Senior Geological Associate of WGM, were retained by Black Iron as independent technical consultants and are Qualified Persons as defined by NI 43-101 and are responsible for reviewing and approving this mineral resource estimate. The PEA was prepared in accordance with the guidelines of National Instrument 43-101 by the independent firms of BBA and WGM.

*Matt Simpson, President & CEO of Black Iron, a Qualified Person as defined by NI-43-101, has reviewed and approved the scientific and technical information in this Presentation.

Management

Matt Simpson – President & CEO

- Former General Manager, Mining for Rio Tinto's Iron Ore Company of Canada; worked for Hatch designing global metallurgical refineries

Michael Spektor – President

- Former CEO of VS Energy which distributes ~30% of Ukraine's electricity and owns large steel mill

Les Kwasic – COO

- Successful mine developer with over 40 years of hands-on experience; former VALE, Xstrata, BE&K

Paul Bozoki – CFO

- Former CFO of CD Capital Partners, operating in Soviet Union & Ukraine

Bill Hart – SVP Corporate Development

- 30 years experience in natural resources & iron ore for Rio Tinto, Cliffs and Roy Hill Holdings.

Nikolay Bayrak – VP Government & Community Relations

- Former department head, Ukrainian Ministry

Board of Directors

Bruce Humphrey (Chairman)

- Former Chief Operating Officer of Goldcorp

Hon. Pierre Pettigrew

- Former Canadian Cabinet Minister of Foreign Affairs & International Trade

John Detmold

- Chairman & Founder of Invecture Group, S.A. de C.V. which owns Frontera Copper Corporation

Dave Porter

- Former VP HR at Rio Tinto's IOC and COO at Algoma Steel

Matt Simpson – President & CEO

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