Opportunity to invest in a company ranked by market intelligence firms CRU and Wood MacKenzie as developing the lowest cost and highest economic return pellet feed iron ore project globally
  ➢ Government spending on infrastructure to stimulate economies has driven iron ore prices over US$100/T

Black Iron Inc. (BKI), a Canada-based iron ore exploration & development company, owns 100% of Ukraine-based Shymanivske project

Project has been significantly de-risked with two feasibility studies, pilot plant test work and recently updated Preliminary Economic Assessment (PEA) for phased build

Cargill offtake and $75M investment agreement; $100M royalty; and debt expressions of interest ranging from US$250-300 million received from well known European banks & Export Credit Agencies to fund construction

**Investment Opportunity**

**Excellent Infrastructure**
- Existing infrastructure in place with surplus capacity confirmed under MOU
  ➢ Access to the site via a paved road
  ➢ State-owned rail and power lines located within 2km from the site
  ➢ Four bulk tonnage ports accessible by rail 250km to 430km from site
- 8 km away from city of Kryvyi Rih with population of 750,000

**Significant Resource**
- Large iron ore deposit
- NI 43-101 Compliant Resource:
  ➢ 646Mt Measured and Indicated resource at iron grade of 31.6%
  ➢ 188Mt Inferred resource at 30.1% grade - which will be concentrated to c. 68% iron
- Significant potential for resource expansion

**Strategic Location**
- Strategically located in close proximity to target markets: Western Europe, Turkey, Middle East and Asia
- c.25% shorter transport distance to Indian and Chinese markets relative to North & South American mines
- Surrounded by 7 producing iron ore mines (adjacent to ArcelorMittal and Metinvest / Evraz)
- Ukraine becoming increasingly business friendly: ranked 60 (out of 190 countries) by World Bank’s “Ease of Doing Business Rank” (vs 150th in 2012).

**Strong Economics**
- Phased build starting at 4Mt p.a. and growing to 8Mt p.a.
- After-tax NPV of US$1.4bn and IRR of 34% (@ US$62/t base selling price vs current actual of ~US$90/t)
- Low unit cost of production and first quartile on capital intensity
- Competitive corporate tax rate of 18%

**Skilled Leadership**
- Experienced management team and board with history of creating value for shareholders
- Team experience includes Rio Tinto, Consolidated Thompson and Roy Hill
- Respected Ukraine professionals and former Government Advisors

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**Unfished greenfield projects**

- **Shymanivske**
- **Corunne Downs**
- **Kami**
- **Simandou**
- **Iron Bridge**
- **Southdown**

**Source:** Wood Mackenzie.
Black Iron’s Shymanivske Iron Ore Mine, Ukraine

Economics - PEA Results

<table>
<thead>
<tr>
<th></th>
<th>Phase I:</th>
<th>Phase II:</th>
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<tbody>
<tr>
<td>Annual Production</td>
<td>4.0 dMt</td>
<td>8.0 dMt</td>
</tr>
<tr>
<td>Iron Content:</td>
<td>68%</td>
<td></td>
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<tr>
<td>Capex:</td>
<td>US$452m</td>
<td>US$364m</td>
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<tr>
<td>Opex (average FOB)</td>
<td>US$33/t</td>
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<tr>
<td>Sale Price</td>
<td></td>
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<tr>
<td>LT CFR China 62% Fe</td>
<td>US$62/t</td>
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<tr>
<td>Realised price 68% Fe</td>
<td>US$97/t</td>
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<tr>
<td>NPV (after-tax @ 10%)</td>
<td>US$1.4bn</td>
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<tr>
<td>IRR (after-tax)</td>
<td>34%</td>
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<tr>
<td>Estimated Mine Life</td>
<td>17 years</td>
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<tr>
<td>BKI’s Profitability Index</td>
<td>3.2*</td>
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* NPV/iCapex. Projects with a profitability index >1.0 are deemed highly positive and it is rare to see projects above 2.0

Premium Product & Lowest Cost Pellet Feed Development Project

- Black Iron’s 68% Fe content pellet feed product is in the top 4% Fe content globally produced resulting in reduced emissions per t of steel produced → currently sells for ~$50/t premium
- BKI’s product also benefits from very low impurities (4.5% Si, 0.02% P, 0.43% Al2O3), resulting in an additional premium
- Ranked lowest on the cost curve for pellet feed development projects
- BKI also has 2nd lowest capital intensity figure for the pellet feed projects, where capital intensity (black line) is defined as a ratio of project’s capital cost to annual production

Improving Business Climate in Ukraine

- The World Bank “Ease of Doing Business Rank” has improved Ukraine’s ranking from 150th in 2012 to 64th in 2020 out of 190 countries
- Major global investors such as ArcelorMittal and Brookfield Asset Management currently making large investments in Ukraine

Several Major Upcoming Catalysts

1. Binding offtake agreement with minimum US$75M construction financing
2. Binding Ukraine Government land transfer agreement
3. Completion of updated feasibility study for phased build
4. Binding US$100M royalty agreement
5. Secure bank debt for start of project construction