

- Black Iron Acquired Metinvest's 49% Interest in its High Quality Iron Ore Project and now Owns 100% of the Project for Future Development

- Cash Held By Black Iron Cyprus Now Available Without Restriction for Acquisition of a Near Term Cash Flow Generating Asset

TORONTO, ONTARIO--(Marketwired - Jan 15, 2016) - [Black Iron Inc.](#) ("Black Iron" or the "Company") (TSX:BKI)(FRANKFURT:BIN) has negotiated with Metinvest B.V. ("Metinvest") to buy back its 49% interest in Black Iron Cyprus Ltd. ("BKI Cyprus") which owns 100% of the high quality Shymanivske iron ore project in Ukraine for US\$5.6M. This transaction allows Black Iron to unlock cash previously jointly held in BKI Cyprus. Black Iron is now unrestricted in its efforts to acquire a new high quality near term cash flow generating asset as per the strategy outlined in the Company's June 24, 2015 press release. The main goal of this strategy is to strike a balance between creating a near term share price uplift for shareholders while preserving and ultimately unlocking the value in Black Iron's Shymanivske project once there is peace in Ukraine and iron ore prices recover.

Progress to acquire near term production asset

The currently depressed global mining and metals sector presents an opportunity for companies such as Black Iron, with cash reserves, to acquire high quality distressed assets at attractive prices. Black Iron management are focused on assets that can be brought into production within a few years time to ensure the project is cash flow generating while global commodity prices rebound to generate the greatest return for shareholders. Several projects have and are currently being reviewed that show strong potential with the timing and ultimate completion of such a transaction uncertain.

Advancement of the Shymanivske Project

Discussions with the Intra-Agency Working Group ("IWG") comprised of representatives from various Ukraine Government agencies and chaired by the Ministry of Justice to resolve Black Iron's outstanding legal issues and acquire needed land remain ongoing. Progress is being made albeit at a slower pace than management aspires. The war in the eastern part of Ukraine, roughly 400km from Black Iron's Shymanivske project, is unfortunately still ongoing without clear signs of peace. For the Company to meaningfully advance its highly economic Shymanivske to construction, resolution of the outstanding legal issues, land acquisition, sustained peace in Ukraine and a recovery of iron ore prices are required.

About Black Iron

Black Iron is an iron ore exploration and development company, advancing its 100% owned Shymanivske project located in Kryvyi Rih, Ukraine. This project contains an NI 43-101 compliant resource estimated to be 645.8 Mt Measured and Indicated mineral resources, consisting of 355.1 Mt Measured mineral resources grading 32.0% Total iron and 19.5% Magnetic iron, and Indicated mineral resources of 290.7 Mt grading 31.1% Total iron and 17.9% Magnetic iron, using a cut-off grade of 10% Magnetic iron. Additionally, the project contains 188.3 Mt of Inferred mineral resources grading 30.1% Total iron and 18.4% Magnetic iron. Full mineral resource details can be found in the National Instrument 43-101 compliant technical report dated January 24, 2014 titled "Feasibility Study of the Shymanivske Iron Ore Deposit for [Black Iron Inc.](#)" (the "Technical Report") under the Company's profile on SEDAR at www.sedar.com. The project is surrounded by five other operating mines, including ArcelorMittal's iron ore complex. Please visit the Company's website at www.blackiron.com, follow us on Facebook, Twitter or Linked-in or write us at info@blackiron.com for more information.

The technical and scientific contents of this press release have been prepared under the supervision of and have been reviewed and approved by Matt Simpson, P.Eng, President and CEO of [Black Iron Inc.](#), who is a Qualified Person as defined by NI 43-101. For further information, please see the technical report of the Company, which is available on SEDAR at www.sedar.com.

Forward-Looking Information

This press release contains forward-looking information. Forward-looking information is based on what management believes to be reasonable assumptions, opinions and estimates of the date such statements are made based on information available to them at that time, including those factors discussed in the section entitled "Risk Factors" in the Company's annual information form for the year ended December 31, 2014 (and dated March 12, 2015) or as may be identified in the Company's public disclosure from time to time, as filed under the Company's profile on SEDAR at www.sedar.com. Forward-looking information may include, but is not limited to, statements with respect to future plans for the Company's development and possible acquisition targets and strategies. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of

activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: general business, economic, competitive, geopolitical and social uncertainties; the actual results of current exploration activities; other risks of the mining industry and the risks described in the annual information form of the Company. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. The Company notes that mineral resources that are not mineral reserves do not have demonstrated economic viability.

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