

Toronto, Ontario (FSCwire) - [Black Iron Inc.](#) ("Black Iron" or the "Company") announces that the Kryvyi Rih City Council has publicly announced that two parcels of land held by the city of Kryvyi Rih are being transferred to Ukraine's State Forestry Department in exchange for the future transfer of two parcels of land overlapping a portion of the land Black Iron proposes to use for the pit at the Shymanivske project. As announced on March 29, 2017, based on supportive public hearings, Black Iron was granted permission by the Kryvyi Rih City Council to develop a detailed plan in connection with the Company's proposal to lease the surface rights for the Shymanivske project from the City of Kryvyi Rih. This plan will show how Black Iron proposes to use the land leased from the City of Kryvyi Rih by describing the proposed major infrastructure to be constructed and major utility tie-ins. The exchange of the parcels of land between the City of Kryvyi Rih and Ukraine's State Forestry Department is another important milestone in the development of the Shymanivske project.

As background, the development of Black Iron's Shymanivske iron ore project requires certain land parcels to be transferred to it and rezoned from (i) the City of Kryvyi Rih City Council and State Forestry department for the open pit and crusher placement, and (ii) from the Ukraine Ministry of Defense for the processing plant, tailings and waste rock stockpiles. In addition to the meaningful recent progress made with the City of Kryvyi Rih, a memorandum of understanding is also well advanced with the Ministry of Defense who are supportive to transfer land in exchange for Black Iron funding some newly needed barracks to house military personnel.

On July 19, 2017, Black Iron announced its decision to proceed with a new Preliminary Economic Assessment ("PEA") on its Shymanivske project in light of (i) greater political stability in Ukraine, (ii) improved iron ore prices, and (iii) the substantially devalued Ukrainian currency which is expected to reduce construction capital and operating costs.

Over the past year, the benchmark iron ore price has averaged US\$70/T, hitting a high of US\$95/T in February and is currently approximately US\$70/T. It is important to note that the current price of approximately US\$70/T is based on a 62% iron concentrate. Recently, the world-wide demand for higher grade concentrates has increased the premium paid for such higher grade concentrates to the current \$4 to \$5 per 1% iron content above the quoted 62% benchmark. Black Iron plans to produce a concentrate with an average grade of 68% iron. At current prices, this would translate to an extra \$24 to \$30/T of premium above the current quoted price.

The PEA will be based on a scalable production design starting with the first phase to produce approximately 4MT annually followed by a largely self-funded expansion to 8MT per annum. Black Iron management expects substantially lower capital expenditure requirements versus the original feasibility study due to the substantially more favourable current exchange rate and lower upfront production rate.

The PEA report is expected to be released mid Q4 2017.

About Black Iron

Black Iron is an iron ore exploration and development company, advancing its 100% owned Shymanivske project located in Kryvyi Rih, Ukraine. The Shymanivske project contains a 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 Shymanivske 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 NI 43-101 compliant technical report dated January 24, 2014 titled "Feasibility Study of the Shymanivske Iron Ore Deposit for [Black Iron Inc.](#)" under the Company's profile on SEDAR at www.sedar.com. The Shymanivske project is surrounded by five other operating mines, including ArcelorMittal's iron ore complex. Please visit the Company's website at www.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., CEO of Black Iron, who is a Qualified Person as defined by NI 43-101.

For more information, please contact:

Matt Simpson	Derek Wood
Chief Executive Officer	Conduit Investor Relations
Tel: +1(416) 309 2138	+1 (403) 200 3569

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, 2016 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 the Shymanivske project, preparation of a PEA, expected economics forecast, timing for PEA, the Company's ability to obtain the requisite land rights for the Shymanivske project, and future plans for the Company's development. 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.

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