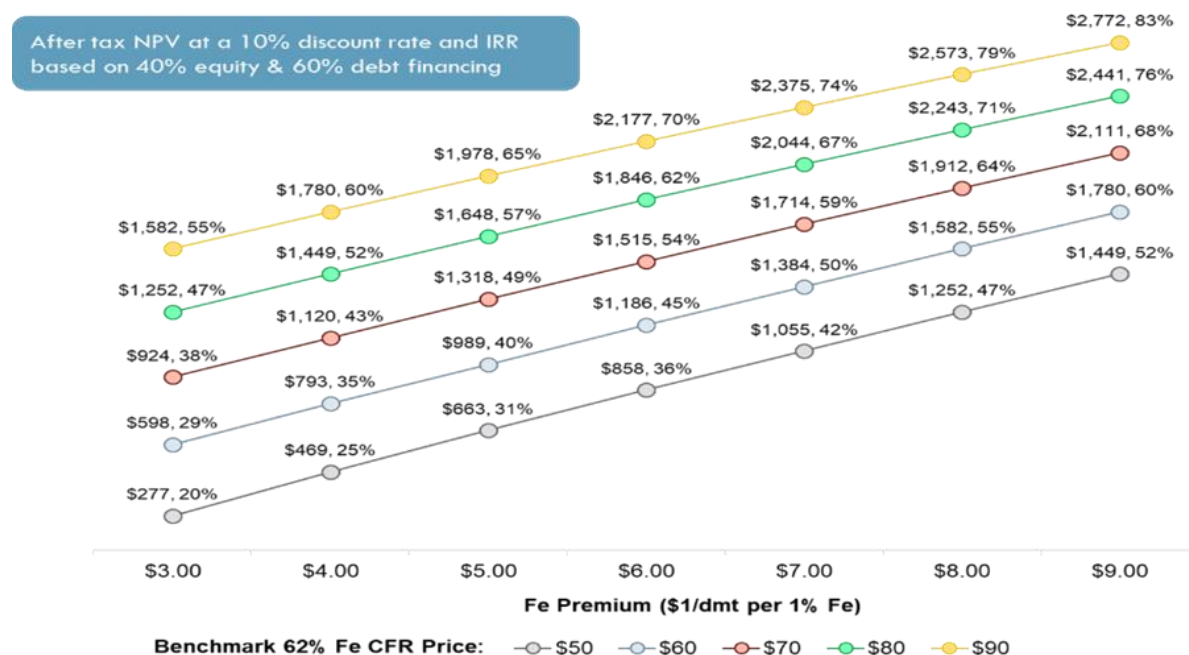




BLACK IRON COMMENTS ON RECENT SHARE PRICE AND PROVIDES CONSTRUCTION FINANCING AND LAND PROGRESS UPDATE

For Immediate Release

TORONTO, CANADA, August 12, 2019 – Black Iron Inc. (“Black Iron” or the “Company”) (TSX: BKI; OTC: BKIRF; FRANKFURT: BIN) continues to advance the Shymanivske Iron Ore Project (“Shymanivske” or the “Project”) towards construction with management efforts focused on securing funding for construction and land usage rights. The recent drop in share price is potentially attributed to a combination of shares from the April 2019 private placement (the “Private Placement”) becoming free trading and a decline in the global price of iron ore (important to note that the price is still up over 30% since the start of this year). Although Black Iron’s share price has increased since the Private Placement, the Company’s current market capitalization is a fraction of its future potential as shown in the chart below copied from the Company’s Preliminary Economic Assessment.



Today’s benchmark iron ore price of ~\$94 per tonne for product containing 62% iron (Black Iron plans to produce a premium priced 68% iron content product) is just off the top of the chart above which is used to show Black Iron’s exceptional projected financial returns across a range of iron ore prices. It is rare to find a project that provides such high financial returns at any realistic product sale price. Black Iron has such expected strong financial returns because of the relatively low cost of highly skilled labour in Ukraine and low cost of electricity coupled with very close distance to railway, powerlines and ports resulting in a lower up-front time and cost to construct.

CONSTRUCTION FUNDING ADVANCING

In September 2019, Black Iron management will be hosting a multibillion-dollar Asian construction company at site that have expressed an interest to invest approximately US\$50 million in equity in exchange for being awarded the construction contract. This group has already completed a detailed review of the Shymanivske project resulting in a non-binding expression of interest including US\$50 million funding offer being submitted.

Black Iron's financial advisor has reached out to several European export credit agencies and banks requesting expressions of interest to provide debt financing for construction and several of these groups have stated they will be making a submission at August month end.

Glencore's iron ore team have reached out to several potential companies that may be interested to invest alongside them in the construction of Black Iron's project and made themselves available for due diligence calls with other potential investors.

LAND ACQUISITION ADVANCING

Since returning to Ukraine from his trip to Canada, Ukraine President Zelensky has taken some concrete steps in support of Black Iron's land acquisition. Specifically, the President's office requested that the Ministry of Defence, which currently uses the land Black Iron requires, and the Ministry of Economy, develop a land transfer plan jointly with Black Iron management. Additionally, the President's office requested the City of Kryviy Rih, where the project is located, to meet with Black Iron management to discuss how they can be supportive in the project's development.

Parliamentary elections in Ukraine occurred on July 21, 2019 and President Zelensky's Servant of the People Party won a majority government. This is very positive as it provides President Zelensky with the support needed to make legislation changes that are favourable to attract and protect foreign investors.

About Black Iron

Black Iron is an iron ore exploration and development company, advancing its 100% owned Shymanivske project located in Kryviy Rih, Ukraine. The Shymanivske project contains a NI 43-101 compliant mineral resource estimated to be 646 Mt Measured and Indicated mineral resources, consisting of 355 Mt Measured mineral resources grading 32.0% total iron and 19.5% magnetic iron, and Indicated mineral resources of 290 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 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 entitled "Preliminary Economic Assessment of the Re-scoped Shymanivske Iron Ore Deposit" effective November 21, 2017 (the "Preliminary Economic Assessment" or "PEA") 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.

Cautionary Statement

The PEA is preliminary in nature, and it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the PEA will be realized.

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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, 2018 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 Project, the mineralization of the Project, the results of the PEA, the realization of the PEA, the expectations of future cash flows, the expected economics forecast, the geopolitical climate in Ukraine, the impact of changes to the Company's management team, the Company's ability to raise the requisite financing, the Company's ability to obtain the requisite land rights for the Project and other requisite permits or approvals, 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.