

Trafigura Signs Non-Binding LOI with Blackstone for the Potential Supply of Nickel and Cobalt Products

Blackstone Minerals Limited ("Blackstone" or the "Company") is pleased to announce that Trafigura Pte Ltd ("Trafigura") has signed a Non-Binding Letter of Interest ("LOI") with Blackstone. The Company views this intended arrangement as part of its strategy to upscale its downstream refining business and its vision to become a significant global supplier of downstream nickel products for the Lithium-ion battery industry:

- The LOI relates to a potential agreement for Trafigura to supply certain quantities of nickel and cobalt products to Blackstone, in respect of the production by Blackstone of downstream products for the Lithium-ion battery industry at the Ta Khoa Nickel Project in Vietnam;
- Trafigura is one of the largest physical commodities trading groups in the world and is one of the leading physical commodities traders involved in copper, zinc, lead, nickel & cobalt trading;
- Blackstone's Scoping Study contemplates construction of a downstream refinery with the ability to process up to 200ktpa of concentrate, sourced entirely from mining operations at the Company's Ta Khoa Project (refer ASX announcement 14 October 2020);
- Blackstone intends to upscale its downstream refining business, through the staged construction of additional refining capacity. This intended arrangement reflects the expectation by Blackstone that additional downstream refining capacity will be met by materials sourced from third-parties;
- Blackstone's downstream strategy is in response to recent discussions with major players in the Lithium-ion battery industry which continue to focus on rapidly increasing demand for downstream nickel products. The Company will continue to engage with parties interested in Blackstone's downstream products, including ongoing discussions with multiple potential joint venture partners regarding various offtake financing and or other funding options;
- Blackstone will commence studies and permitting for the downstream business. In parallel with the completion of a Definitive Feasibility Study ("DFS"), a pilot and demonstration plant will be commissioned in-country. The pilot and demonstration plant will be used to advance downstream process flowsheets focussed on producing NCM precursor products.

Blackstone Minerals' Managing Director Scott Williamson commented:

"We are delighted to have laid the foundations for our relationship with Trafigura, a globally significant trading company. Blackstone is taking steps to become a significant global, green nickel product supplier catering to the battery market."

"We believe Vietnam is ideally situated to manufacture green nickel products, given its competitive costs, abundant supply of renewable energy and excellent infrastructure. In recent years, the country has demonstrated an enviable record of attracting foreign direct investment, particularly from Asian countries. In addition, our strategy to upscale the downstream business is particularly pertinent, given leading battery manufacturers have indicated the potential to construct battery manufactory facilities in country."

"The economic return on capital invested downstream is underpinned by superior margins achieved by producing downstream products. We are confident we can deliver a robust downstream processing flow sheet, enabling value to be realised from our mining inventory at Ta Khoa, as well by purchasing and subsequently refining of a range of nickel & cobalt materials. The purchase of third-party nickel & cobalt materials not only adds scale to the downstream business, it also adds diversification and reduces risk across the Company's portfolio of assets in Vietnam."



Figure 1: Ta Khoa Nickel-Cu-PGE Project location

Authorised by the Managing Director on behalf of the Board of Blackstone Minerals Limited.

For more information please contact

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About Trafigura

Founded in 1993, Trafigura is one of the largest physical commodities trading groups in the world. Trafigura sources, stores, transports and delivers a range of raw materials (including oil and refined products and metals and minerals) to clients around the world and has recently established a power and renewables trading division.

The trading business is supported by industrial and financial assets, including a majority ownership of global zinc and lead producer Nyrstar which has mining, smelting and other operations located in Europe, Americas and Australia; a significant shareholding in global oil products storage and distribution company Puma Energy; global terminals, warehousing and logistics operator Impala Terminals; Trafigura's Mining Group; and Galena Asset Management.

With circa 850 shareholders, Trafigura is owned by its employees. Over 8,500 employees work in 48 countries around the world. Trafigura has achieved substantial growth over recent years, growing revenue from USD12 billion in 2003 to USD147 billion in 2020. The Group has been connecting its customers to the global economy for more than two decades, growing prosperity by advancing trade. Visit: www.trafigura.com

About Blackstone

Blackstone Minerals Limited (ASX: BSX / OTCQB: BLSTF / FRA: B9S) is developing the district scale Ta Khoa Project in Northern Vietnam where the company has a maiden resource and scoping study for the large-scale Ban Phuc Nickel-PGE deposit. The Ta Khoa Nickel-Copper-PGE Project has existing modern mine infrastructure built to International Standards including a 450ktpa processing plant and permitted mine facilities. Blackstone also owns a large land holding at the Gold Bridge project within the BC porphyry belt in British Columbia, Canada with large scale drill targets prospective for high grade gold-cobalt-copper mineralisation. In Australia, Blackstone is exploring for nickel and gold in the Eastern Goldfields and gold in the Pilbara region of Western Australia. Blackstone has a board and management team with a proven track record of mineral discovery and corporate success.