



**SUSTAINABILITY
REPORT**



Looking Forward. Mining Green

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Introduction

Our Sustainability Journey and Strategy

Health, Safety and Wellbeing

Responsible Business and Good Governance

Environment and Climate Change

Our People

Our Communities

Managing Director's Report

As we embark on our sustainability journey at Blackstone Minerals, I am proud to present our inaugural Sustainability Report.

Our inaugural Sustainability Report demonstrates our commitment to create a baseline for future reporting and transparency. Blackstone is in the early stages of development, and our inaugural Sustainability Report sets the benchmark for which we aim to work to the highest levels of Environmental, Social, and Governance (ESG) compliance and practice across our operations. Our values underpin our approach to sustainability and can be seen in this report: Agility, Unity, Transparency and Integrity.

Our flagship project the Ta Khoa Nickel-Copper-PGE Project in Vietnam presents a compelling opportunity: a nickel product mined and refined using hydro-electric power, with strong support from the local community; in Vietnam one of the fastest growing EV and Lithium-ion battery hubs in Australasia. We are leading the industry towards green-focused commodities that are responsibly sourced, and are committed to challenging and disproving the negative ESG perception that a mining and refining business like ours can often be misunderstood to have.

To counter this, we commenced a Materiality Assessment process in 2021 with a range of external partners, including our communities, employees, investors, Government representatives and Non-Government Organisations to understand their ESG concerns related to our business. This process has provided us with key priority areas to focus our attention on and consider as we make decisions early in our business. We have recently established an ESG and Risk Committee with a clear intent to elevate our ESG focus at Blackstone and recognise its inextricable links to responsible business and risk management.

We are now in the development phase of our formal ESG strategy, which builds upon a legacy of environmental and community engagement and ensures that the unique needs of areas we work in, as well as international expectations, are met. We have sought guidance on our strategy through a benchmarking process of the Taskforce on Climate Related Disclosures (TCFD), as well as joining the United Nations Global Compact to build an authentic approach to the alignment of the UN's Sustainable

Development Goals. As we develop our project into the operations phase, we will align to other industry sustainability reporting frameworks and assurance guidelines.

At Blackstone we have an opportunity to engrain best practices into our development strategy, to start from zero with respect to our emission targets and to align ourselves with industry leaders. We want to lead the way through electrification of our mining fleet, investigation of green hydrogen technology, utilising renewable hydropower and most importantly our relationships with local people in the communities in which we operate. The positive social and environmental impact that our projects will bring will be profound on a global scale. At Blackstone we are driven by the

opportunity to create a cleaner environment for future generations and truly believe our green nickel™ products for Electric Vehicles (EV's) and Lithium-ion batteries can change the world.

We look forward to your ongoing engagement on ESG and our business, and I encourage you to reach out with questions, concerns, or recommendations for future reports and activities.

Scott Williamson
Managing Director

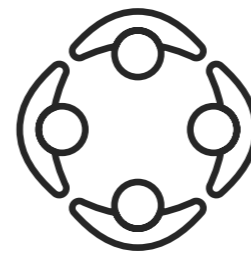


“
We are committed to challenging and disproving the negative ESG perception associated with mining and refining companies.
”
Scott Williamson



2020 Highlights

For our first report and during a period of exploration, we have identified key achievements for our business in 2020.



99%

of Ban Phuc site-based roles were filled by Vietnamese nationals

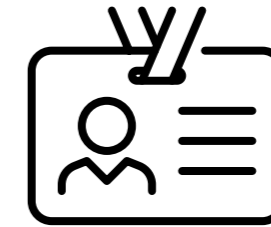


Female employees occupied 60% of leadership roles in the Hanoi Office



7,300kg

of food waste diverted from landfill and donated to Bac Yen Village



72%

72% of site employees were from recognised ethnic minorities



\$607, 666

spent with local businesses in Son La Province



Continued our strong partnership with local health authorities to support Covid-19 public health response.

About this Report

This report introduces Blackstone's past approaches and forward-looking intentions around key material ESG issues identified by the Company. The report covers the Calendar Year 2020, and builds upon past community initiatives that have built strong foundations for our ESG approach to the community. Additional activities have occurred in Calendar Year 2021 which has further refined Blackstone's ESG strategy, including our acceptance as a signatory to the United Nations Global Compact (UNGC) and more recent studies into initiatives will assist us in 'starting from zero'.

It is our intention to align future reports to international reporting standards to ensure comparability to our peers and demonstrate the value of transparency which is central to Blackstone's sustainability approach.

All references to the 'year' mean Calendar Year 2020, unless otherwise specified. Key data around Health and Safety, employee hours and carbon

emissions has been captured across all of the Company's operations (Vietnam, Australia, Canada), however, the scope of this report largely covers the 2020 activity of our Ta-Khoa project in Vietnam. This decision has been made based on limited exploration activity in Canada and Australia in 2020, and given that Blackstone has recently completed the divestment of its Australian assets through a spin-out into Codrus Minerals Limited.

Blackstone is firm in its commitment to developing and executing its business model to the highest standards of ESG, which at its heart will include transparent communication to all of its stakeholders. We welcome any feedback on our report, and recommendations about our ESG approach more broadly. Please forward any comments or ideas to admin@blackstoneminerals.com.au

About Blackstone

Brief History and Overview of Blackstone

Blackstone (ASX: BSX / OTCQX: BLSTF / FRA: B9S) was incorporated in August 2016 and obtained official admission onto the ASX in January 2017 to explore and develop gold and nickel sulphide deposits primarily focussed on Western Australia.

As Blackstone's strategy evolved and recognition of the looming EV revolution became more apparent, the Company added to its mineral portfolio by acquiring assets in Canada (primarily for Cobalt) and then later in Northern Vietnam, being the flagship Nickel-Copper-PGE project.

Blackstone is focused on building an integrated upstream and downstream processing business in Vietnam that produces Nickel: Cobalt: Manganese (NCM) Precursor products for Asia's growing Lithium-ion battery industry (Ta Khoa Project). Upstream activities involve mining nickel sulphide deposits, then processing mined

ore to produce a concentrate that can be sold to a chemical refinery. Downstream activities, involve upgrading nickel concentrates into Class I nickel products suitable for use in Lithium-ion Battery Industry (i.e., NCM811 Precursor).

The Ta Khoa Refinery is being designed to accept nickel concentrates from Blackstone owned nickel sulfide deposits as well as third-party feed sources, to produce NCM811 Precursor. Most recently, a Pre-Feasibility Study was completed on the proposed Ta Khoa Refinery. Blackstone continues to build on this strategy and is advancing separate studies in parallel for its Upstream and Downstream Business Units respectively.

Following a review of its non-core assets, and upon further defining our commitment to producing NCM Precursor to supply the burgeoning EV sector, Blackstone divested its Australian assets via a spin-out into Codrus Minerals Limited (ASX: CDR).





History of Ta Khoa

Blackstone acquired existing infrastructure and has dedicated significant resources to explore the highly prospective Ta Khoa Nickel-Copper-PGE Project in Vietnam.

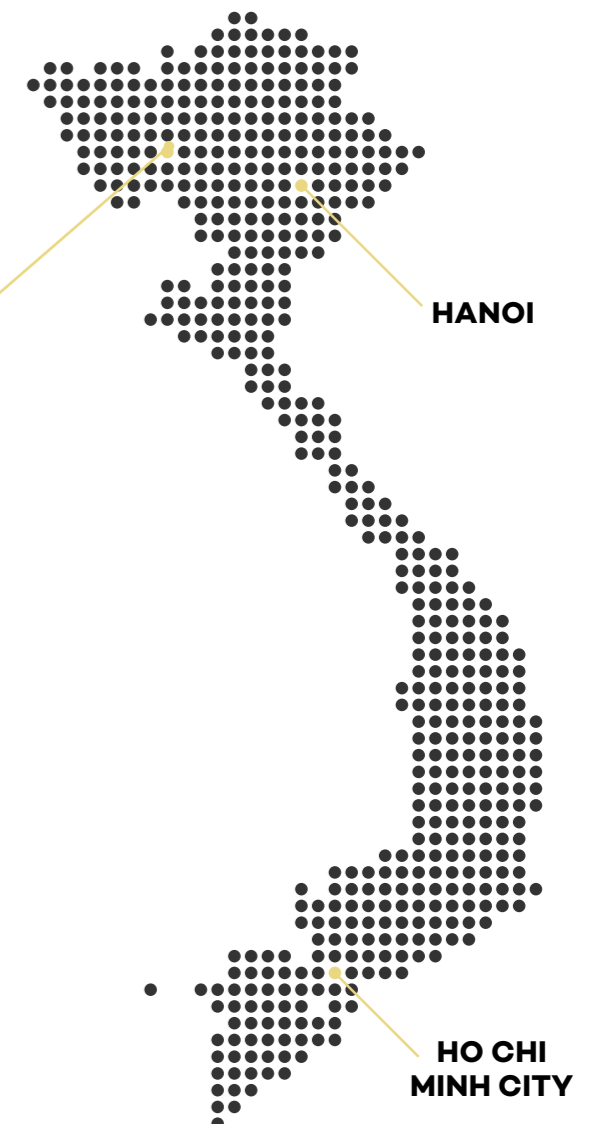
Blackstone BSX owns 90% of the Ta Khoa Nickel-Copper-PGE Mine via its interest in Ban Phuc Nickel Mines (BPNM). The Ta Khoa Nickel Project is located approximately 160 km west of Hanoi near Ban Phuc Village in Son La Province, in the north-west of Vietnam. The previous owners of the Ta Khoa Project mined the Ban Phuc Massive Sulfide Vein (MSV) underground deposit and treated approximately 1Mt over 3 years through the existing 450ktpa Ban Phuc Nickel Concentrator.

The Ta Khoa Project includes the Ban Phuc Nickel Mine which operated as a mechanised underground mine from 2013 to 2016. The project has existing modern infrastructure built to Australian Standards including a 450ktpa processing plant located within a premier nickel

sulphide district with multiple targets that have been historically underexplored.

Recently completed Scoping and Pre-Feasibility Studies on the Ta Khoa Project to provide an excellent platform to transform operations beyond a conventional mining business, but to extend operations to become a complete mine-to-market nickel business that is integrated into the burgeoning green electric revolution.

TA KHOA NICKEL-COPPER-PGE PROJECT 



Who we are

In late 2020 and early 2021, Blackstone commenced work to develop our Company Vision, Mission and Values.

Using an external facilitator, these consultations included our teams based in Australia, Canada and Vietnam. We built our understanding of what is most important to our business, and how we engage with each other, the communities with which we operate and the global contributions we feel our Company can make to the energy transition.

OUR MISSION

Green Batteries. Brighter future. Our Vision and Mission are built upon Blackstone's Values, which provide the foundation for the way that we choose to act and communicate.

OUR VISION

Blackstone is passionate about creating the world's leading green battery supply. Enabling the solution from mine to consumer.

OUR VALUES

Agility: We move nimbly to address challenges, to explore new possibilities and to take advantage of the unforeseen.

Unity: We are united, collaborative and act as a whole.

Transparency: We are open and share information for the greater good.

Integrity: We uphold ethical standards and do the right thing even when no one else is watching.



Our Sustainability Strategy and Journey

Sharing Blackstone's vision on responsible and sustainable mining.

Understanding what Sustainability means to Blackstone

At Blackstone, we have a responsibility to develop the Ta Khoa project with best practice ESG considerations as a starting point. We are in a unique position to develop from the ‘ground up’ in terms of the approaches and activities that promote leading ESG including:

- » Considered project design and engineering
- » Community-minded Operational decisions
- » Local employment and procurement strategies
- » Embedding a culture of ‘safe at work, safe at home’
- » The early adoption of frameworks and tools to champion human rights and track our supply chain.

To commence our sustainability journey as a developing Company, our first steps have been to understand what sustainability means to Blackstone.



We are now at Step 4 on our journey to define our strategy and the objectives that we hold ourselves accountable to. This step followed wide consultation with our communities, employees, Blackstone management and Board, as well as external stakeholders such as investors, not-for-profit organisations, and international advocacy organisations. In our 2021 report, we will outline these objectives more clearly and demonstrate our progress toward the metrics we have set our business.

Our Stakeholders and Shared Value

Given the range of stakeholders who take an interest in our project, Blackstone considers a broad range of internal and external stakeholder concerns and feedback.

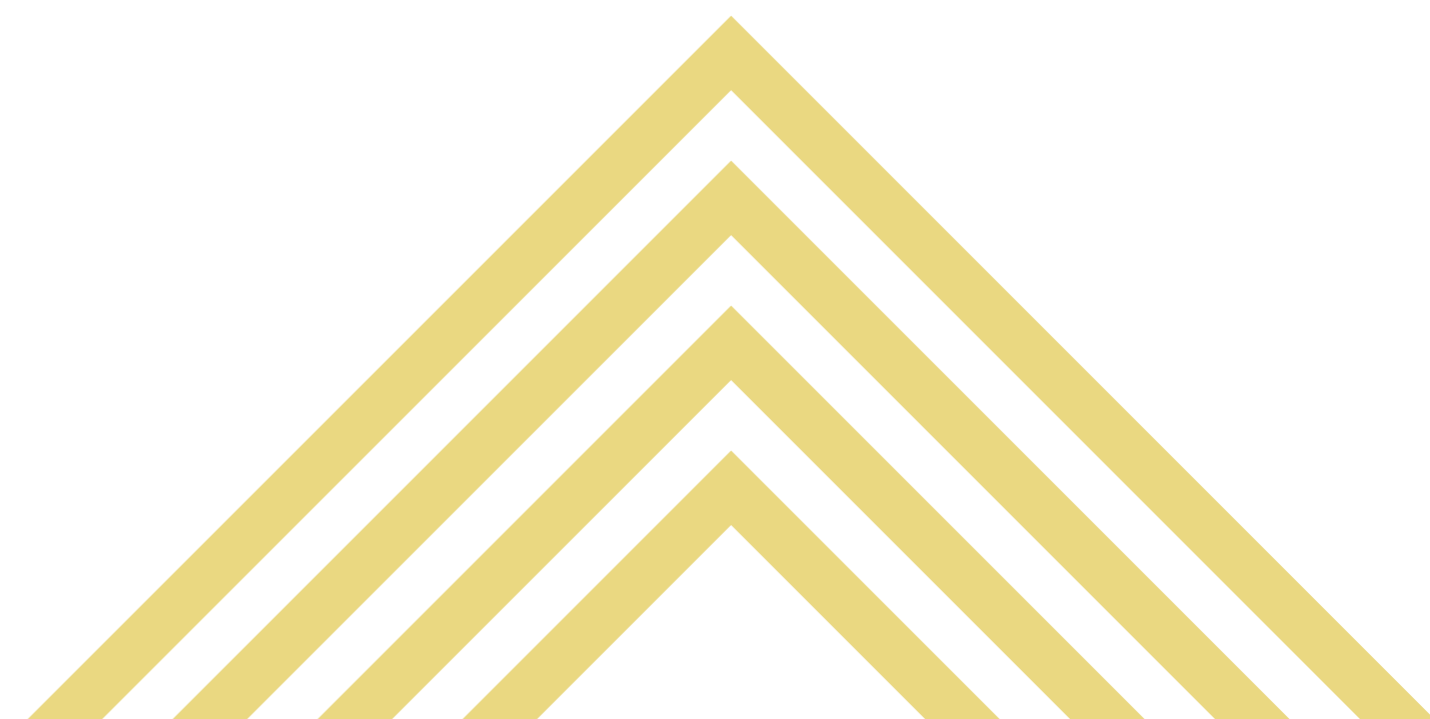
Stakeholders	Key Interests or Concerns Raised	Our contribution to shared value: Social	Our contribution to shared value: Economic
Community <i>Communities near our exploration and operations</i>	Employment opportunities for local communities Local Supplier opportunities and development Training and Capacity Building Community investment initiatives Infrastructure development and repairs Shared partnerships Social Licence Water stewardship and management Climate Change Pollution Migration and retention of local residents	Providing working conditions that respect human rights Career progression opportunities Training and development opportunities Creating a stimulating and enjoyable working environment.	Community investment in infrastructure Salaries generated by employment Revenue for local goods and service providers.

Stakeholders	Key Interests or Concerns Raised	Our contribution to shared value: Social	Our contribution to shared value: Economic
Employees <i>Vietnam (site and office); Corporate; Canada</i>	Employment opportunities and pathways Transparency, Anti-Bribery and Corruption Community investment initiatives Employee benefits, engagement and retention Diversity and inclusion Water Stewardship and management	Providing working conditions that respect human rights. Career progression opportunities Training and development opportunities Creating a stimulating and enjoyable working environment.	Salaries and Employment
Government <i>Commune, provincial and central Government representatives in Vietnam; Australian Government</i>	Employment opportunities for local communities Local Supply Chain opportunities Training and Capacity Building Community Investment Initiatives Water Stewardship and management Pollution and environmental hygiene Migration and retention of local residents	Alignment of projects and business strategy to development objectives Compliance to Government E&S requirements Building the capacity of local communities within their jurisdiction and local businesses	Revenue and tax Community Investment Employment Utilising suppliers
Shareholders <i>Institutional and retail investors</i>	Climate Change Carbon Emissions reporting and plans Community Engagement and Social License Employment opportunities for local communities Local Supply Chain opportunities Financial Sustainability	Opportunities to invest in projects with a strong commitment and focus on ESG	Dividends and Company growth

Stakeholders	Key Interests or Concerns Raised	Our contribution to shared value: Social	Our contribution to shared value: Economic
Non-Government Organisations <i>Local and Global NGOs and advocacy organisations</i>	Transparency, Anti-Bribery and Corruption Employment opportunities for local communities Climate Change Community Engagement and Social License Partnerships with local institutions, NGOs and agencies	Advancement of ESG priorities through partnerships	Financial memberships or funding opportunities

We engage with our stakeholders through multiple means ensuring concerns can be shared and addressed. So far, this has been conducted through:

- » Community feedback through representatives on-site at Ta Khoa and through Ta Khoa's General Director
- » Regular meetings with Government officials at all levels
- » 'Our first' materiality assessment interview process and feedback.
- » Government permitting processes and subsequent feedback
- » Media engagement and social media platforms
- » Blackstone' Mailing List feedback
- » Ongoing engagement with institutional and retail investors.



Our Most Material Issues

What matters most to Blackstone?

This report identifies the most material issues named by our stakeholders as having the most potential for significant impact upon Blackstone's Sustainability commitments and operations.

In 2021, we conducted our first materiality assessment process to identify, prioritise and validate our areas of focus as our company grows. We conducted this process in four phases to ensure that all relevant stakeholders had the opportunity to contribute across through the most appropriate means for them.

Phase One: We engaged an external consultant to identify the issues most material to nickel exploration and production and mining more broadly. This review was completed with guidance from the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB Standards) to support the materiality methodology.

Our Phase One investigation included an assessment of the following:

- » Our existing Sustainability Policy
- » Other relevant policies and standards
- » Past Environmental and Social Impact Assessment results
- » Annual General Meeting results and feedback
- » Our inaugural risk assessments
- » Company Policies, Standards and Guidelines
- » External audit findings
- » Media and investor interest and feedback
- » Material issues identified by our peers.

Phase Two: Key internal and external stakeholders were approached for interviews around material ESG concerns. The interview groups were diverse and included local leaders from in and around the Ban Phuc Nickel Mine site as well as residents who had expressed concerns around aspects of the mine, in addition to shareholders, Blackstone employees and Board.

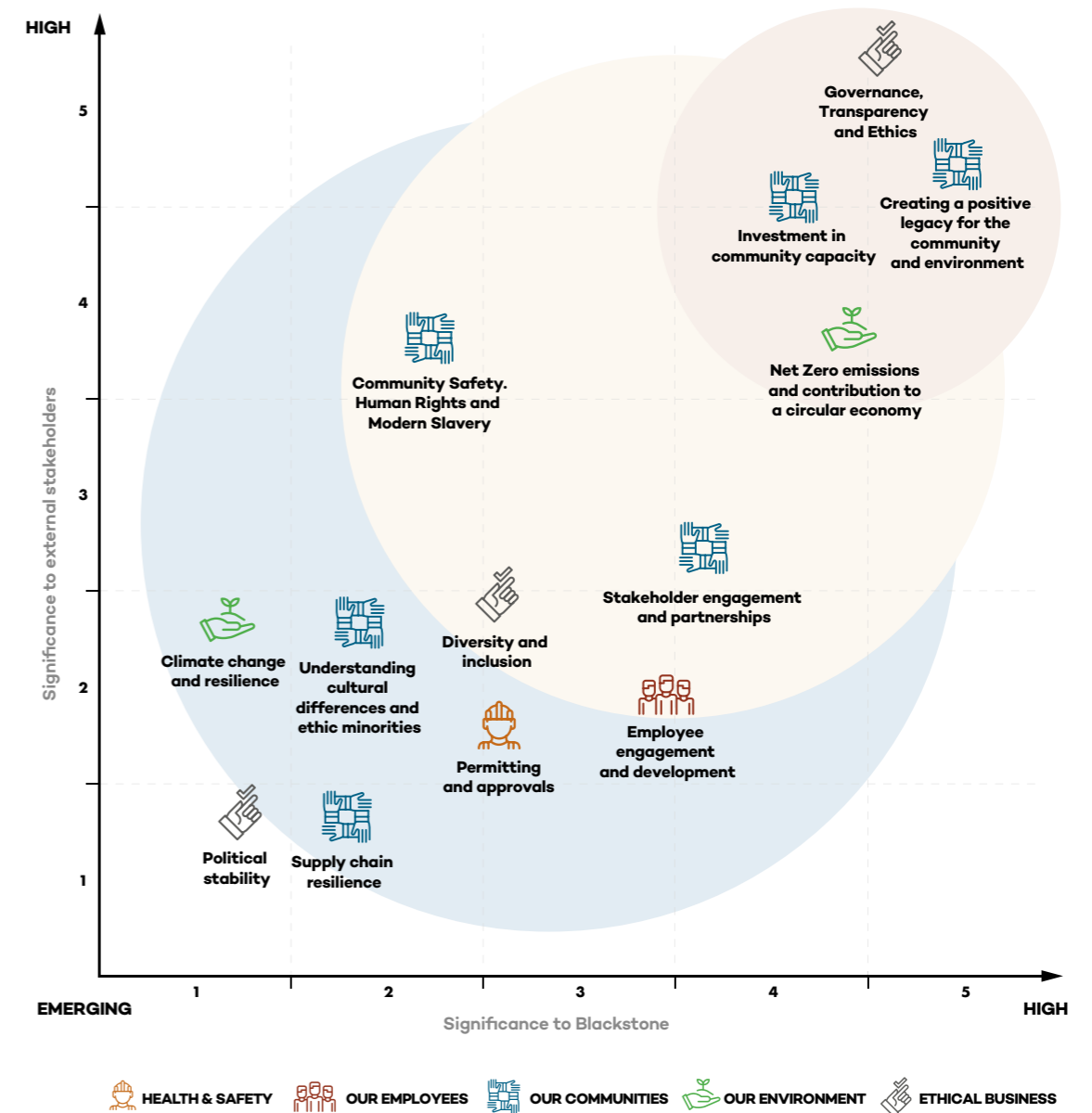
Phase Three: The next phase was to collate the responses and develop findings that could then be reviewed by the Blackstone Leadership team and key personnel to define the most material issues. In addition to the interviews, other data assessed in this phase included a review of recent media items, as well as several key ESG or industry-led publications.

Phase Four: A final workshop was held with the Blackstone Leadership team in Vietnam and Australia and included a number of Board members, to validate the most material ESG priorities of the business.

Our Findings

From Phase 4, the key findings around the highest issues or concerns to our stakeholders were plotted. The outcomes in the lower third represent those of 'emerging' importance to our business. A follow-up materiality process will be conducted to assess the change, if any, in the location of these high, medium or emerging priorities over the course of the next 12 months.

What emerged during the materiality interviews and validation workshop with employees and external stakeholders was that ESG concerns presented could only be addressed while the company is financially sustainable and has a clear level of business continuity.



Shared understandings of our most Material ESG concerns



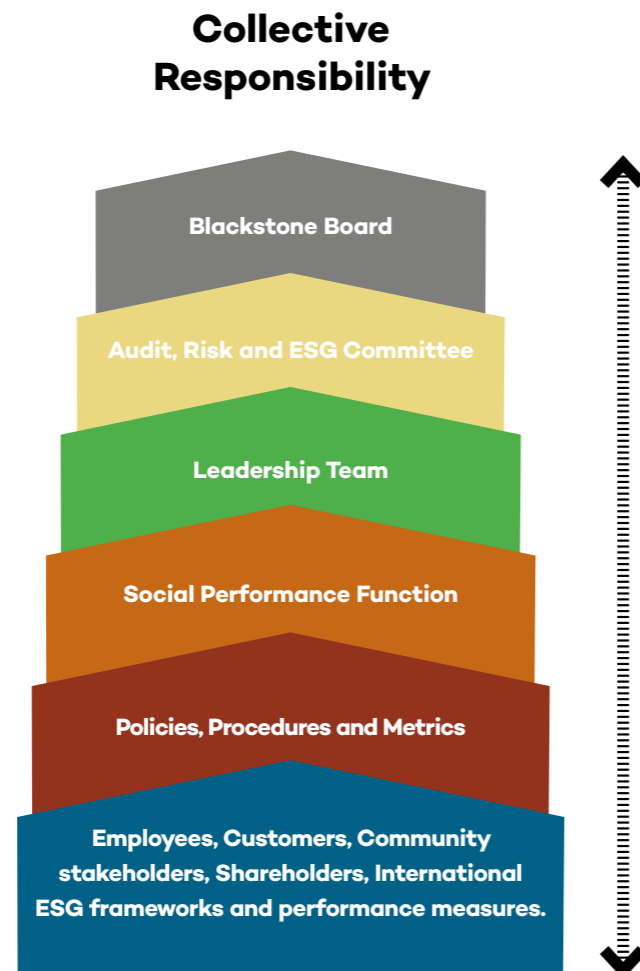
Addressing the material concerns in this report

This report seeks to address some of the initial questions or concerns raised by our stakeholders through the materiality process. Further detail, particularly regarding metrics and objectives against these material topics, will be presented in next year's report.

Highest priority material topics for Blackstone	Section 3: Responsible Business and Good Governance	Section 4: Health, Safety and Wellbeing	Section 5: Environment and Climate Change	Section 6: Our People	Section 7: Our Community
Governance, transparency and ethics	X		X	X	
Leaving a positive legacy in our local community		X	X	X	X
Investment in Community Capacity				X	X
Net zero emissions and contribution to a circular economy			X		
Medium Priority Material Topics for Blackstone	Section 3: Responsible Business and Good Governance	Section 4: Health, Safety and Wellbeing	Section 5: Environment and Climate Change	Section 6: Our People	Section 7: Our Community
Community safety, human rights and modern slavery	X	X		X	
Stakeholder engagement and partnerships	X				X
Employee engagement and development				X	
Health, safety and wellbeing		X			

Responsibility for Sustainability at Blackstone

In 2021, we are developing a formal sustainability strategy including targets and will continue to report on our progress annually. ESG performance, when implemented effectively, should be owned by the entire Company.



Voluntary commitments to support our strategy

Voluntary initiatives and assurance mechanisms will be used to ground our ESG governance, reporting and networks that build our capacity. The following initiatives were joined in 2020 or will be joined in 2021.

<p>UN Global Compact</p> 	<p>The United Nations Global Compact is a non-binding United Nations network for businesses worldwide to implement sustainable and socially responsible policies and report on progress. Since 2021 Blackstone has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, the environment and anti-corruption</p>
<p>Electric Mine Consortium</p> 	<p>Blackstone is an early member with 14 leading global companies to accelerate the industry towards decarbonisation. The consortium is ambitious in its objective to achieve its goal of fully electrified, zero emissions and zero particulates mines.</p>
<p>Future Battery Industry CRC</p> 	<p>Blackstone is a member of the Future Battery Industries Cooperative Research Centre (FBICRC). The FBICRC is enabling the growth of battery industries to power Australia's future. It brings together industry, researchers, Governments, and the community to ensure that Australia plays a leading role in the global battery revolution.</p>

UN Sustainable Development Goals

In 2015, the United Nations Sustainable Development Goals (SDGs) were created to serve as a universal set of 17 Goals with associated targets to be achieved by 2030. Blackstone is proud to be developing our strategy at a critical time – the final decade – of the SDGs.

Vietnam and the SDGs

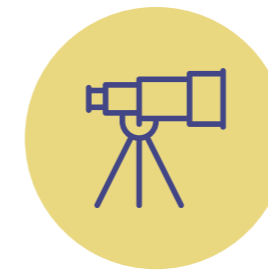
Vietnam ranks 51st out of 166 countries in the United Nations Sustainable Development Goals global index. Despite this, Blackstone is aware that development challenges remain in Vietnam particularly in our operating areas where there are high populations of ethnic minorities.

The Vietnamese Government's Strategy for Socio-Economic Development up to 2020 called for 'breakthroughs' as it stepped into the next decade in economic development, sustainability initiatives and social reforms. Blackstone sees itself as a contributor to these objectives through championing economic growth, skills development and complying with and strengthening environmental and human rights standards.

Blackstone's approach to the SDGs and Alignment

To gain further support and link in with best practice approaches to the implementation of the SDGs in Australia and globally, Blackstone has become a member of the United Nations Global Compact Network Australia chapter.

We aim to address a small number of relevant SDGs, rather than a blanket approach to all, and will continue to refine the SDGs and goals as the project develops and we continue to deepen the understanding of the needs of our stakeholders. In 2021, we will work to align companywide ESG targets on the highest-ranking material issues, with SDG indicators and targets. As an initial exercise for our inaugural report, Blackstone has identified the key SDGs met through existing activities and initiatives in 2020.



Future actions and activities for Blackstone

- » Finalise an ESG strategy with metrics attached to each functional area to assess future performance
- » Comply with the reporting frameworks of the TCFD and the UN Global Compact
- » Identify other suitable external assurance frameworks and reporting metrics to strengthen our ESG quality process and alignment to best practice approaches
- » Align future reporting more closely to the publication of Blackstone's annual report, to work towards an integrated reporting of ESG and our business strategy
- » Further detail on future actions is provided in the separate sections of this report.

2020 SDG alignment for Blackstone's activities:



SDG 3: Good Health and Wellbeing: Ensure healthy lives and promote well-being for all at all ages



SDG 10: Reduced Inequalities: Reduce inequality within and among countries



SDG 8: Decent Work and Economic Growth: Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all



SDG 15: Life on Land: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



SDG 9: Industry, Innovation and Infrastructure: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation



SDG 16: Peace, Justice and Strong Institutions: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels



Health, Safety and Wellbeing

Blackstone is committed to providing a safe workplace across all of our operations, offices and communities.

Materiality Index:

- » Workplace Health, Safety and Wellbeing – **Medium**
- » Community Safety, Human Rights and Modern Slavery – **Medium**

Sustainable Development Goals Alignment:



SDG 8: Decent Work and Economic Growth

2020 Activities:

- » No LTIs or Fatalities over 300,000 hours of work in Vietnam and over 2000 hours of work in Australia



SDG 3: Good Health and Wellbeing

2020 Activities:

- » Partnered with local health authorities to support the response to the Covid-19 Pandemic
- » Encouraged preventative care through health checks of staff on site.

Year in Review

In 2020 there were no recordable health and safety incidents across our exploration sites and operations. While these results are ideal, we understand that our safety record is only as good as our next working day and Blackstone’s success depends on the maturity of our safety processes and the ownership of safety across our workforce.

At the Ban Phuc site in 2020, we provided or implemented the following Health and Safety processes or activities:

- » Onsite team supported with an immediate high level of emergency and general medical support
- » Provided appropriate PPE to all workforce members, including education on use, storage and importance.
- » Educate employees about all hazards and the corrective measures to minimise these hazards; these updates were provided in both Vietnamese and English
- » Provided fire protection equipment across all site locations and work teams
- » Secured all hazardous chemicals in a designated area on site
- » Complied with legal requirements for hazardous waste storage
- » One employee was educated in the management of radiation sources
- » Upskilled a worker to be appointed a Radiation Safety Officer (RSO)
- » Medical surveillance in partnership with local health providers, identifying potential occupation exposure as well as ensuring general health and wellbeing of all workers.

2020 Safety Results	
Total Work Hours – Vietnam – BPNM Employees	298,127 hours
Total Work Hours – Vietnam – Contractors	28,553 hours
Total Work Hours – Canada – Blackstone Employees and Contractors	No project hours
Total Site Work Hours – Australia (Red Gate, Middle Creek, Silver Swan South) – BPNM Employees	718 hours
Total Site Work Hours – Australia – Contractors	2075 hours
All sites: Lost Time Incidents (LTIs)	0
All sites: Total Recordable Injury Frequency Rate (TRIFR)	0
All sites: Fatalities	0

Developing safety understanding and skills

We are developing our safety systems and processes in line with best practice Australian mine operations. A late 2020 focus is on the development of “Labour Safety” training for delivery in 2021. This training will be delivered by an external provider, and all our employees will be provided with training and a final assessment of key topics such as:

- » Vietnamese labour legislation
- » Working at Heights
- » Job Safety Analysis
- » Confined space entry
- » Electrical safety
- » Fire safety
- » Housekeeping/health/hygiene
- » Hazardous substances.

For the Hanoi office, a similar training program was delivered internally by our Health and Safety Officer which included topics such as Vietnamese labour legislation and office safety requirements.

Other onsite training that was conducted for specialist personnel included:

Incident investigation management – on the job coaching for workers and leaders managing unplanned outcomes including incident identification and classifications and preventative actions as well as shared learnings..



Covid-19 Pandemic Response

Blackstone, like many others in the global mining industry, faced challenges due to the Covid-19 Pandemic. Fortunately, our personnel across multiple sites and countries stayed well during this period and we worked hard to ensure this remained in place. We thank our employees, contractors and suppliers for complying with the structures put in place to support their wellbeing.

Our response in Australia and Canada

Across our Australian and Canadian sites, we implemented a number of steps to reduce the risk of exposure to Covid-19

- » Complying with all mandated lockdown measures across these jurisdictions
- » Promoting flexible work arrangements and set ups for office-based personnel
- » Withholding all international travel until necessary
- » Conducted regular updates and check-ins with our workforce to ensure their mental wellbeing was supported and monitored.

Our response in Vietnam

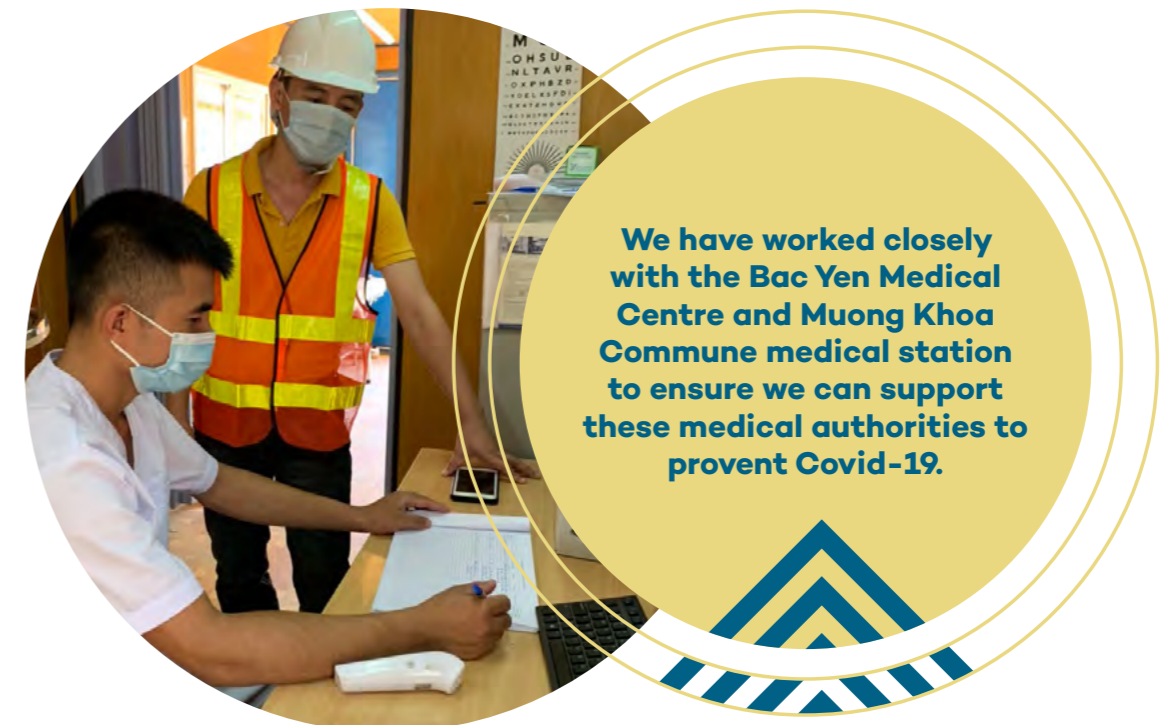
While Vietnam has been impacted by the Covid-19 Pandemic, the Government response in 2020 was globally applauded for containing the virus through targeted lockdowns, travel bans, and well-resourced contact tracing. The strength of the country's public institutions also supported community compliance with the measures introduced. Indicative of Blackstone's strong community relationships, a key

element of our Covid-19 response were the relationships held with the commune and district health authorities.

We have, over several years, developed strong relationships with local Government clinics through supporting other community health and wellbeing campaigns and initiatives.

Blackstone implemented several measures to support the ongoing health and wellbeing of its employees during the global pandemic, including:

- » Hiring a full-time site-based clinic nurse to support the health and wellbeing of our workforce, including supporting Covid testing initiatives of our employees and contractors
- » Working with the local Medical Centre and Bac Yen Hospital to support public health messaging on site and in the area and advocate for the vaccination of site-based staff
- » Observing mandated lockdown measures in Vietnam
- » Providing support in Vietnam to the Muong Khoa Commune health service through the donation of medical Personal Protective Equipment (face masks, sanitisers etc.)
- » Sharing public health messaging through the distribution and sharing of signage in key site and office areas
- » Monitoring all travel itineraries across provinces, with personnel who had visited areas of concern being required to self-isolate for 14 days before being allowed to re-enter site
- » Developing clear Covid-19 prevention strategies for those entering the Ban Phuc site including compulsory face masks, temperature checks & hand sanitization
- » Implementing completion of travel declaration forms and vehicle sanitation for all vehicles entering the Ban Phuc site





Adapting technology to reduce frontline risks during the pandemic

There is no doubt that Covid-19 has impacted the ability for Australian companies to deliver international projects in the ways we have historically known to be effective. Blackstone responded quickly to the business continuity challenges associated with travel restrictions and health advice by being true to our vision of “looking forward” to explore innovative ways to manage risk and execute a successful project. To enable Blackstone to better understand and manage Health and Safety risks associated with the exploration and refurbishment phases of the project, the team is exploring the use of RealWear ruggedised wearable tablets. Workers planning and executing high-risk activities can live-stream high-quality audio and video to our teams in Hanoi and Perth to facilitate real-time risk management. During our initial pilot phase of the technology, we have conducted remote site visits, weekly check-ins and remote maintenance support. The feedback from the teams on site in Vietnam and in Australia have been very positive.

Over the next 6 – 12 months we plan to expand the use cases to enable the further

development of our operational health and safety management system, facilitate improved stakeholder engagement, support remote training and competency, and provide risk-visibility across the entire supply chain.

The RealWear units have enabled the Blackstone Management team to engage directly with staff while they are completing their usual duties. Through this we can observe and help provide greater, meaningful feedback.

Andrew Strickland,
BSX Head of Project Development



Future actions and activities for Blackstone

While the 2020 safety results were positive, in 2021, at the time of writing in 2021 there were several safety incidents at our Vietnamese site that do not fit with our safety expectations for exploration or future operations. These incidents will be detailed further in the 2021 report; however, clear focus areas for Blackstone going forward include:

- » Vehicle operations on site and general road safety
- » Health and safety training and competency processes
- » Appropriate PPE selection and use
- » Socialising safe working behaviors
- » Managing safety during Covid-19 restrictions

In 2021, we continue to meet Australian safety standards on site. Our Health and Safety objectives for the coming year include:

- » Improving Ban Phuc Training and Competency requirements and processes
- » Deliver Labour Safety training to all Vietnam employees
- » Recruit 2 x site-based Vietnamese National Occupational Health and Safety Officers
- » Recruit 1 x site-based Expatriate Health, Safety and Security Manager to develop, coach and rollout Blackstone’s HSS strategy
- » Recruit 1 x site-based Doctor to provide ongoing care to our workforce
- » International provider to be engaged to provide the project with the ability to respond appropriately to medical emergencies in line with international standards
- » Improve understanding of appropriate PPE selection and use
- » Improve site transport and road safety behaviours amongst employees and contractors
- » Onboard culturally appropriate Employee Assistance Program providers for Australian, Canadian and Vietnamese employees
- » Develop Standard Operating Procedures for all the rigs on site
- » Produce and issue an Emergency Action Plan for guidance to all site staff
- » Identifying further meaningful uses for RealWear technology to become a training and risk management tool onsite.



Responsible Business and Good Governance

Operating our business ethically and establishing good governance at all levels.

Introduction to the Board

As an emerging mining Company, our Board works to ensure we make the best decisions for the business and our stakeholders. Our Board Charter outlines the selection process of the Board, in addition to required responsibilities of individual directors, the Chair, Company Secretary and Managing Director. It also outlines the key functions and responsibilities of the Board, including setting the Company strategy, delegation of authority, and risk and compliance management.

Director



Hamish Halliday

Years Tenure: 4

Role: Non-Executive Chairman

Qualifications: B.Sc (Geology)MAusIMM

Hamish has more than 20 years of corporate and technical experience. He is the founder of Adamus Resources Ltd, a AUD \$3 million float which became a multi-million ounce emerging gold producer and resulted in the eventual takeover by Endeavour Mining for >\$160 million.



Andrew Radonjic

Years Tenure: 4

Role: Non-Executive Director

Qualifications: B.AppSc (Mining Geology) MSc (Mineral Economics)MAusIMM

Andrew is a Mine Geologist and Mine Economist with more than 25 years' experience. He has particularly focused on gold and nickel exploration and mining, is the Managing Director of Venture Minerals, and has led the Feasibility Study of the Mount Lindsay Tin-Tungsten-Magnetite project.

Director



Horim Jung

Years Tenure: 1

Role: Non-Executive Director

Qualifications: B. Econ, KICPA (Korean Institute of Certified Public Accountants)

Hoirim has more than 10 years of financial management experience, specifically in financing and feasibility studies for new projects. He holds a Bachelor of Economics from Seoul National University and is qualified through the Korean Institute of Certified Public Accountants (KICPA).



Alison Gaines

Years Tenure: Recruited Q4 2020; commenced 2021

Role: Lead Independent Non-Executive Director

Qualifications: Honorary Doctorate, MA (Public Policy); Grad Dip Legal Practice; B. Laws; B. Arts (Politics hon) FAICD; IDP-C INSEAD

Alison is a director with 20 years' experience in Australia and internationally. Experienced in the roles of Board Chair and Board Committee Chair, particularly in remuneration and nomination, and governance Committees.



Scott Williamson

Years Tenure: 3

Role: Managing Director

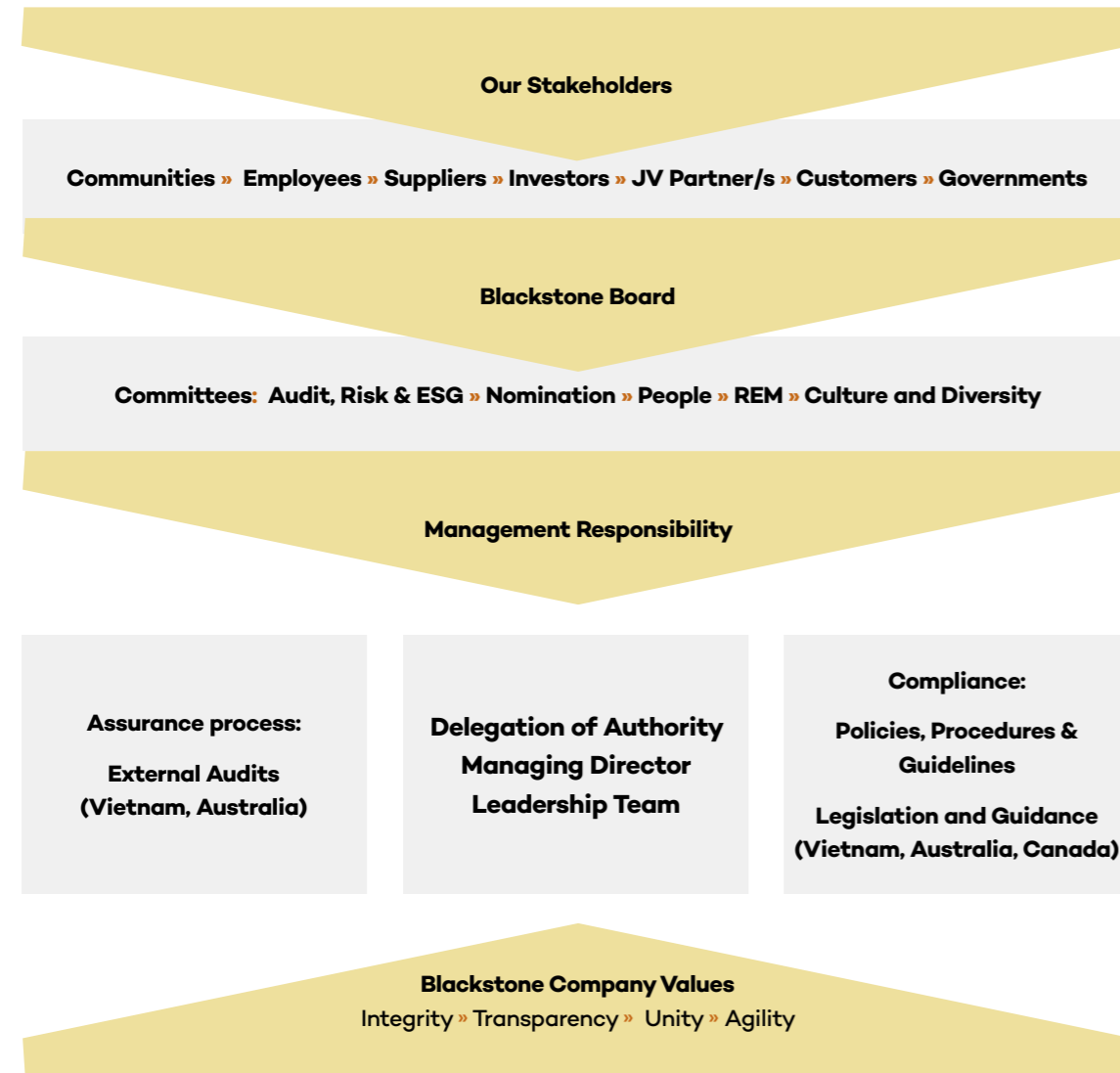
Qualifications: B.Eng (Mining), B.Com, MAusIMM

Scott is a mining engineer with a degree in Commerce from the West Australian School of Mines and Curtin University, and possesses more than 10 years' experience in technical and corporate roles in the mining and finance sectors.

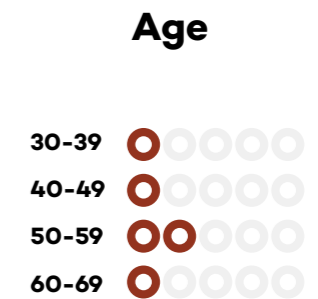
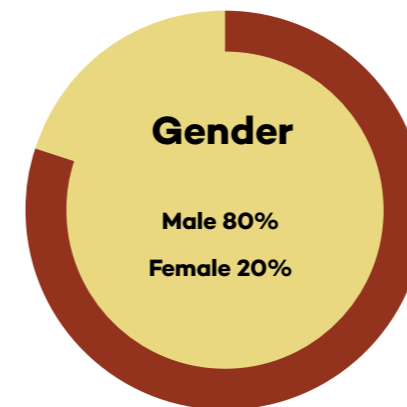
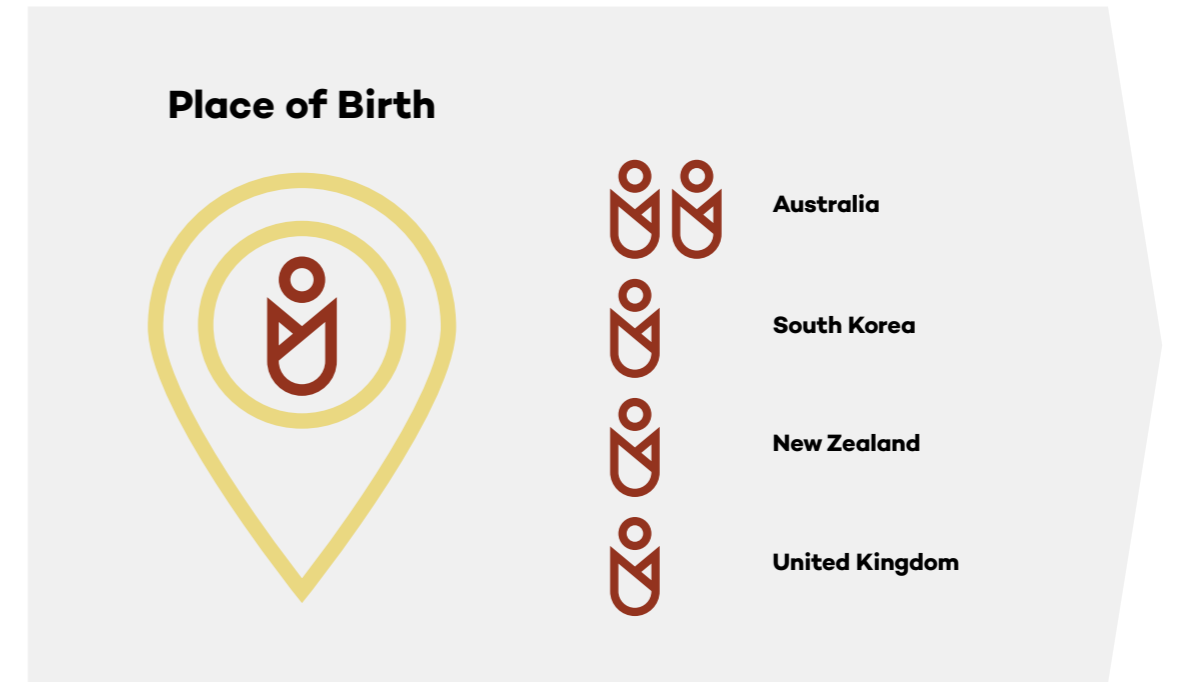
Blackstone appreciates that responsive and proactive corporate governance results in stronger business performance and the embedding ESG across Company activities. Working in largely international jurisdictions means we need to be doubly transparent in our corporate governance and interactions with stakeholders.

Key to this transparency is a clear governance framework and an understanding of compliance and assurance processes that support good governance and responsible business at Blackstone.

Our Corporate Governance Framework is listed below:



A variety of lived experience allows businesses to make the best decisions. As Blackstone's values suggest, we believe a diversity of backgrounds, complemented by a diversity of experience on our Board is essential to a robust, innovative, and competitive business.



Corporate Governance in Practice

Blackstone used 2020 and early 2021 to develop policies in good governance and business practice. Given the stage of Blackstone's development and the need to establish and reinforce governance practices during exploration and prior to operations commencing, committees have been established to bolster oversight of Blackstone's risk management, audit, remuneration, people and diversity and ESG work. The Committee Charters outline the responsibilities and scope of these groups' work and are linked in the later 'policies' section below.

Our Policies

Our policies are developed in accordance with the Company adopted the 4th Edition of the ASX Corporate Governance Principles and Recommendations, approved 10 December 2020.

Corporate Governance Supporting Documents	Environment	Social	Governance
Corporate Governance Charter	✘	✘	✘
Anti-Bribery and Anti-Corruption		✘	✘
Audit, Risk and ESG Committee Charter	✘	✘	✘
BSX Board Charter	✘	✘	✘
Code of Conduct	✘	✘	✘
Continuous Disclosure Policy		✘	✘
Diversity and Inclusion Policy		✘	
Nomination Committee Charter			✘
People, Remuneration, Culture and Diversity Committee Charter		✘	✘
Performance Evaluation Policy		✘	✘
Selection, Appointment and Rotation of External Auditors Policy			✘
Risk Management Policy	✘	✘	✘
Shareholder Communications Policy			✘
Social Media Policy			✘
Statement of Values	✘	✘	✘
Sustainability Policy	✘	✘	✘
Security Trading Policy			✘
Whistleblower Policy	✘	✘	✘

Blackstone's Board members and Committee members are committed to further refining these policies and charters to ensure they accurately reflect our responsibilities and the expectations of our stakeholders as the business matures. Clear timelines for review, and dedicated teams to expand upon our governance documentation will support Blackstone's ambitions to lead in good governance for responsible mining.

Risk Management

In line with the 4th Edition of the ASX Governance Principals to recognise and manage risk, Blackstone has a Risk Management Policy and framework to support governance of risks to the business and the communities in which we operate. Our Board oversees and guides the integrity of our risk management processes. Further, a Risk Committee has been established to provide direction and additional oversight of risk management at Blackstone and informs the Board of any matters related to risk management and the business.

Reporting and responsibilities

In line with ASX Listing Rule 4.7.3, Blackstone lodges an annual report and corporate governance statement with the ASX. Blackstone's Shareholder Communication Policy recognises the importance to communicate and report back to our shareholders. For both shareholders and other stakeholders, all announcements, notices of meetings, reports, results and other investor presentations are uploaded to the website in accordance with its Policy. Blackstone is aware that many of its stakeholders are in Vietnam, where English is not the first language, and a focus for 2021 will be the translation of all corporate governance documents into Vietnamese to provide further transparency to our stakeholders.

Committees to strengthen governance

Each Committee is overseen by a Blackstone Board member, in addition to advisors from within and outside the business, where required and appropriate to strengthen opportunities for objective advice.

'Our committees provide a heightened level of governance and supervision of key aspects of organisational performance. The detailed charters for these committees ensure that all dimensions of governance receive attention and maximise our commitment to being a responsible business.'

Alison Gaines,
Non-Executive Director and Audit,
Risk and ESG Committee Chair

Committees	Board Member Participation				
	Scott Williamson	Hamish Halliday	Alison Gaines	Andrew Radonjic	Hoirim Jung
Blackstone Board	✘	Chair	✘	✘	✘
Audit, Risk and Environment, Social, and Governance Committee	✘	✘	Chair		
	Blackstone's ARESG Committee has the mandate of monitoring Blackstone's key operational, safety and financial risks; in addition, it assists the Board to understand and manage Blackstone's ESG performance and compliance to ensure best-practice standards in environmental, social and corporate governance performance are consistently implemented across corporate and operations functions. The Committee monitors the effectiveness of the audit process and makes recommendations to the Board on improvements.				
Nomination Committee	✘	Chair	✘	✘	
	This Committee works to provide assurance that the Board has the appropriate composition, size and experience to be an effective decision-making body. The committee conducts searches, monitors Board memberships and structures and develops a process for evaluating the performance of the Board to ensure the directors discharge their duties with regard to the law and the highest corporate governance standards. It supervises Board and executive succession and MD/CEO performance management and ensures there is a performance system for executives in place.				
People, Remuneration, Culture and Diversity Committee	✘		Chair	✘	
	This Committee works to monitor and fairly reward the performance of the executive in line with market remuneration expectations, and to attract and retain talent amongst Blackstone's employees. The Committee aims to monitor Blackstone's record in developing a workforce culture that achieves corporate goals and maintains a culture of continuous improvement. The Committee also monitors the Company's performance in valuing a diverse and highly skilled workforce that champions inclusive practices and behaviours and that provides equal and fair employment and career development opportunities for all staff.				



Ethical Business

Bribery and corruption has been identified as a material risk to our business and Operations. Through our policies listed above, we work to ensure that our Operations are protected from the risks of corruption in Australia and in the host countries in which we operate. However, we are aware that to demonstrate a strong commitment to our values of Transparency and Integrity, we need to ensure that our processes and practices reflect the policies we have developed to ensure business is conducted openly and complies with all relevant legislation.

Anti-Bribery and Corruption

In 2020, Blackstone developed an Anti-Bribery and Corruption Policy to outline a zero-tolerance approach to bribery, corruption and unethical business conduct. The Policy also outlines responsible persons to address bribery and corruption and provides guidance on identification and reporting. Our CFO and Company Secretary oversees our compliance with the Anti-Bribery and Anti-Corruption Policy; and we have a program of further work to demonstrate ethical practices and staff understanding and awareness. Our recruitment and due diligence processes in Vietnam, Australia and Canada ensure we prioritise potential candidates who display ethical business practices.

Whistle Blower Policy

Blackstone has developed a Whistle Blower Policy to support the reporting of behaviour and conduct, which is illegal and unethical. The Company maintains this Policy for: employees, (e.g. permanent, part-time, fixed term or temporary employees, interns, secondees); managers; current and former directors; suppliers of services or goods (whether paid or unpaid) including their employees (e.g., contractors, consultants, service providers and business partners); associates; as well as relatives, dependents or spouses of the individuals mentioned above.

Further work is to be conducted by the Blackstone team to ensure that all employees are aware of this Policy and understand that it can be used as a guidance document.

Government Engagement and Permitting

Permitting

In Vietnam, permitting is conducted at Provincial and Central Government levels. We have maintained positive working relationships with both Provincial and Central level around permitting processes. In terms of achieving project timelines, permitting remains a major risk to our projects given that the processes can be lengthy.

Taxation in Vietnam

The Company seeks advice from various legal and taxation firms - including the Big Four accounting firms - in relation to the highly regulated Vietnamese legal, tax, transfer pricing, customs and regulatory environment. The Company maintains good relationships with local, Provincial level Government authorities as well as Central Government representatives.

Political Donations

The Delegation of Authority Manual governs all roles and responsibilities and levels of authority. No employee of Blackstone or contractor has the authority to make a political donation other than the Board and the Managing Director. In 2020, no political donations were made across any of jurisdictions that Blackstone operated in.

Blackstone's Engagement with Government

In 2020, Blackstone supported the Seminar on Sustainable Cooperation and Coordination in Advanced Mineral Exploration Techniques and Downstream Mineral Processing in Northern Vietnam. This seminar received support from high level Vietnamese Government stakeholders including the Vice Minister of MONRE and the General Department of Minerals and Geology. The objectives of the session were to share and promote advanced geophysical exploration techniques being undertaken at Ban Phuc site along with case studies associated with various project targets. In addition to the keynote address given by Australian Trade Commissioner, Mr Shannon Leahy of Austrade, technical presentations were given by Blackstone's Dr. Dinh Huu Minh, Steve Ennor and Dr. Stuart Owen.

Blackstone is also a part of the Mining Working Group under the Vietnam Business Forum (VBF) and through this forum, can provide input to the Central Government on policies. Vietnam Business Forum (VBF) is an on-going policy dialogue channel between the Government of Vietnam and has been supporting business community for a favourable business environment since 1997.



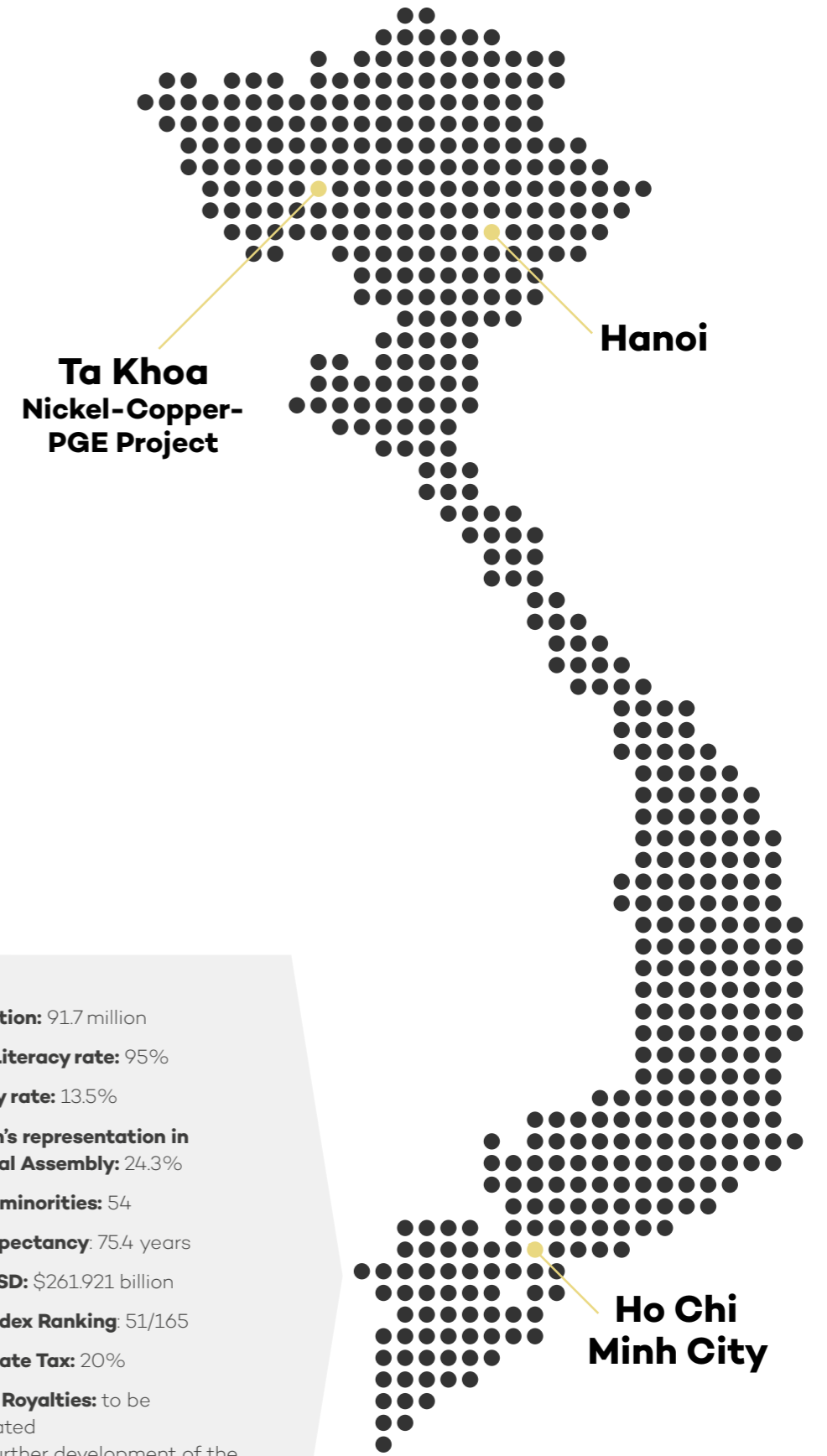
Mining in Vietnam

Currently, coal and bauxite are significant players in the mining sector in Vietnam. However, Vietnam is acknowledged as the second-largest producer of tungsten. There is also exploration and production of mineral sands, iron ore, copper, gold and other metals. The nickel mining sector remains nascent in Vietnam; with only one other known project being developed at present. The Vietnamese government is focused on initiatives and Policy to support Foreign Direct Investment, seen through recent trade agreements including:

- » Regional Comprehensive Economic Partnership
- » Comprehensive and Progressive Agreement for Trans-Pacific Partnership
- » Free Trade Agreement with South Korea
- » Free Trade Agreement with Europe
- » Economic partnership with Japan

Electronics companies, such as Samsung and LG, have demonstrated their companies' confidence to invest in the region for major projects and the Government's attitude toward industry projects, following their development of major electronics hubs in Hanoi and surrounding areas.

Blackstone's project in Son La province is in an area determined by the Central Government as a "Zone III" commune. The Zone III specification identifies communes with "special difficulties" as determined by the Central Government which have not met the new Vietnamese rural development standards. Given this allocation, Government investment in these regions receive significant support from both the Provincial and Central Governments to encourage economic and social benefits of projects such as Blackstone's. This Government support is embedded within Vietnamese tax legislation.



Vietnam Country profile

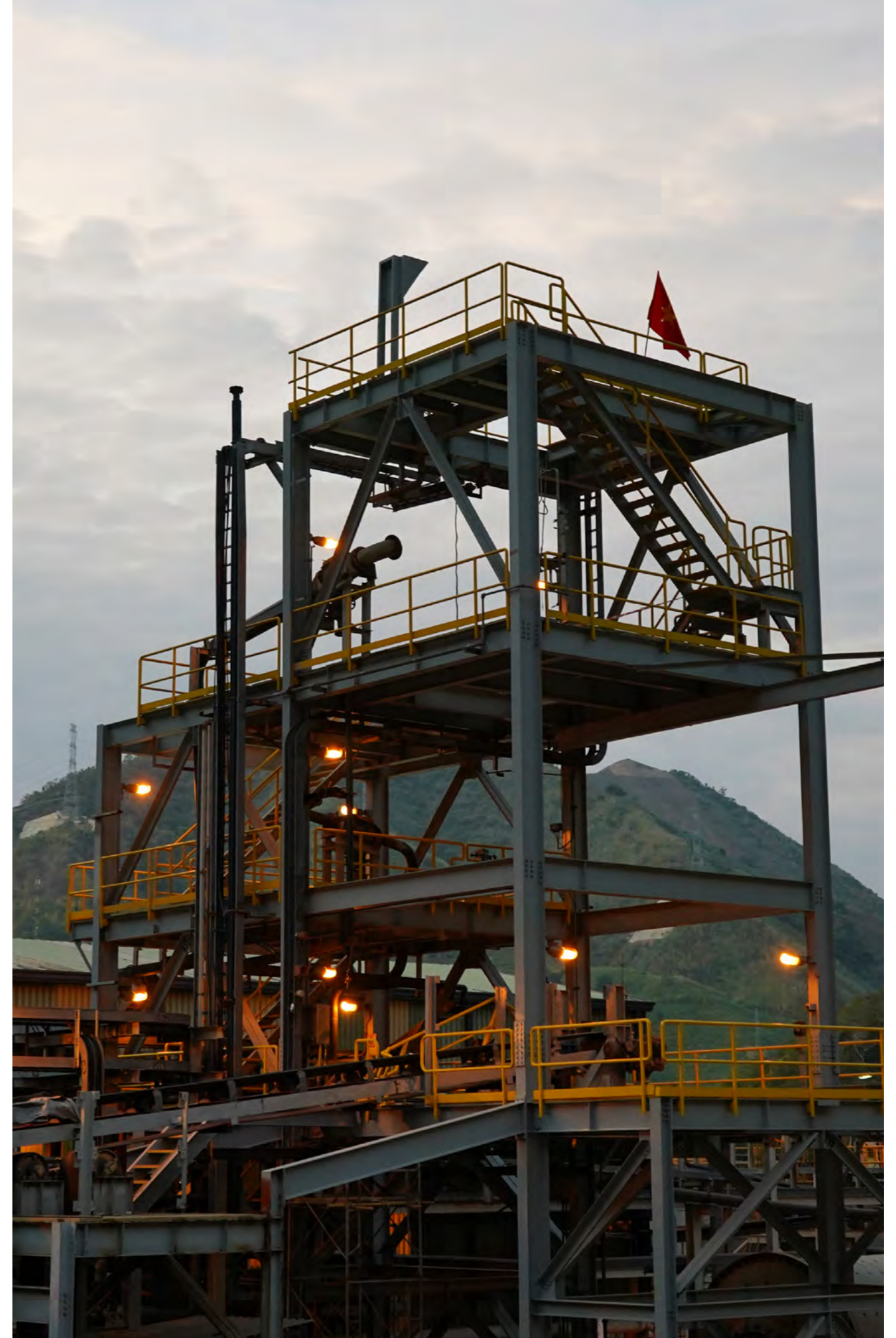
- Population:** 91.7 million
- Adult Literacy rate:** 95%
- Poverty rate:** 13.5%
- Women's representation in National Assembly:** 24.3%
- Ethnic minorities:** 54
- Life Expectancy:** 75.4 years
- GDP USD:** \$261.921 billion
- SDG Index Ranking:** 51/165
- Corporate Tax:** 20%
- Mining Royalties:** to be negotiated upon further development of the project.
- Sources:** World Bank, Sustainable Development Report, UNDP Vietnam



Future actions and activities for Blackstone

Several key areas have been identified for our business to focus our work on to enhance good governance at Blackstone in 2021 and early 2022, including:

- » Conduct a Blackstone Corporate level Vietnam-specific risk review in 2021
- » Develop a key risk register for Vietnam and appropriate action items
- » Conduct a quarterly report of the risk register
- » Conduct an annual review of the risk management framework
- » Implement the ESG Committee structure through regular scheduled meetings to manage ESG risks and to support good governance
- » Continued encouragement to employees and suppliers embedding our company culture and our Company values that are pertinent to responsible and open business activity
- » Targeted training from respected international agencies for our Vietnam teams in roles considered high risk such as Commercial and Finance, Procurement, Permitting, Human Resources and Management roles
- » Training from these same agencies delivered to Blackstone Board and management teams in updates to legislation in Australia and Vietnam
- » Active participation in the Minerals Council of Australia Anti-Bribery Committee to ensure knowledge of relevant updates to the Australian Criminal Code
- » Where applicable participation in Australian peak bodies' and international advocacy groups professional development activities in updates to Anti-Bribery and Corruption legislation
- » Continued refinement and development of robust internal processes and controls to identify and address non-compliances in business activities.





Our Environment and Climate Change

Blackstone seeks to protect its immediate environment and make a leading contribution to the global energy transition.

Materiality Index:

- » Net zero emissions and contribution to a circular economy – **High**
- » Creating a positive community legacy - **High**
- » Climate change and resilience - **Emerging**

Sustainable Development Goals Alignment:



SDG 9: Industry, Innovation and Infrastructure

2020 Activities

- » Early member of Electric Mining Consortium to improve innovation in the industry
- » Supporting employment of 25 local people and suppliers in rehabilitation efforts



SDG 15: Life on Land

2020 Activities

- » Supported reforestation projects that provided employment to local community members
- » Recruited local personnel, wherever possible, to reduce environmental pressures in Muong Khoa Commune
- » No major risks identified in annual Tailing's audit for 2020

Creating a positive legacy in our community and environment

No environmental incidents were recorded in Calendar Year 2020. However, given that 2020 activities largely consisted of exploration conducted by a small team, environmental risks were able to be managed closely. Two Environmental Officers will start on-site in 2021 to support the continued monitoring and management of our exploration programs as well as to prepare for refurbishment, construction and operations at site. The roles will also work to build the capacity of employees and contractors to support sampling and measuring activities and other environmental initiatives.

Biodiversity and Site Rehabilitation

When the original Ban Phuc Mine was constructed, it was built on land that was largely disturbed or classified as regrowth forest, which had been previously cleared for agriculture or timber harvesting. During 2020, rehabilitation at our drilling operations was overseen through our Reclamation and Rehabilitation Plan, approved by MONRE (National Environment Department) and was implemented by permanent employees and contractors, mostly from the local community.

CASE STUDY

Drilling Pad Rehabilitation

Blackstone's rehabilitation strategy restores disturbed exploration areas whilst also providing local employment for people living within areas neighbouring drill targets. The work is conducted on a seasonal basis and recent works have focused on Ban Khoa and Ban Chang prospects. 25 people were employed to carry out rehabilitation work, providing employment in the surrounding communities. In 2021, we expect to carry out over 4000m² of rehabilitation work with ongoing activities being conducted as drilling activities progress. We work closely with Muong Khoa Commune and leaders of Ban Khoa and Ban Chang villages, who inspect the refurbished and revegetated sites and authorise a compliance certificate when the appropriate rehabilitation standards are met.

"I feel happy that the Company has implemented their responsibility to protect the environment and that it pays attention to the community's safety. The rehabilitation is very significant work. It plays an important role in restoring nature's original conditions and reducing the risk of landslides and floods. We are minimising the human impacts on nature and keeping the environment and ourselves safe."
 Mr Lữ Văn Thịnh – local worker supporting Blackstone's environmental restoration work at different drill pad sites.



Tailings Storage

The Ban Phuc Tailings Storage Facility (TSF) was completed at the end of June 2015. The engineers also supervised all of the construction works of the facility.



Ban Phuc Tailings Storage Facility – July 2021

Following the project being placed in care and maintenance in October 2016, the TSF has been maintained and monitored according to the facilities operating manual prepared by Engineer on Record.

The TSF is manned on a 24-hour basis and subject to daily inspections. Piezometer pore pressures and embankment and spillway seepage flows are measured on a monthly basis with collected data forwarded on a regular basis to the Senior Design Engineer for review.

Embankment survey pin, deposition survey, discharge and ground water monitoring measurements are conducted every 6 months.

Quarterly TSF monitoring reports are submitted to both the Department of Industry and Trade and Industrial Safety Techniques and Environment Agency. The TSF is subject to an independent maintenance status and geotechnical audit on an annual basis. Recommendations from these audits form the basis for ongoing maintenance activities.

No significant issues have been identified from auditing and monitoring activities with all water discharge measurements within the guidelines of Vietnam's wastewater discharge guidelines.

Waste and Recycling

Blackstone's Materiality Assessment revealed that developing a circular approach to resource use is a high priority for our Company. To consider a baseline for waste management, Blackstone identified the key areas of waste management methods, and estimates of waste produced in 2020. By understanding this, Blackstone can better inform itself on areas for improvement in 2021 activities and site planning.

Water Management

Water management is a material concern for the community in which we operate. As such, we comply with water discharge permits in accordance with legislation and obtain usage permits issued by MONRE. All water management on site is followed in accordance with our Environmental Management Plan.

Waste types 2020	Waste Management Method	2020 Estimate
Hazardous Waste	Stored in hazardous waste bins onsite which are then collected by external company licensed to treat hazardous waste in accordance with Vietnamese regulations	1000L
Unreusable waste	Collected by an external based company, who treat domestic offsite.	132m ³
Paper and Scrap Metal	Considered 'reusable waste' which is sorted and sold to waste recyclers in Son La.	5820kg
Organic Waste	Provided to Bac Yen Village members who use to feed for their livestock.	7,300 kg

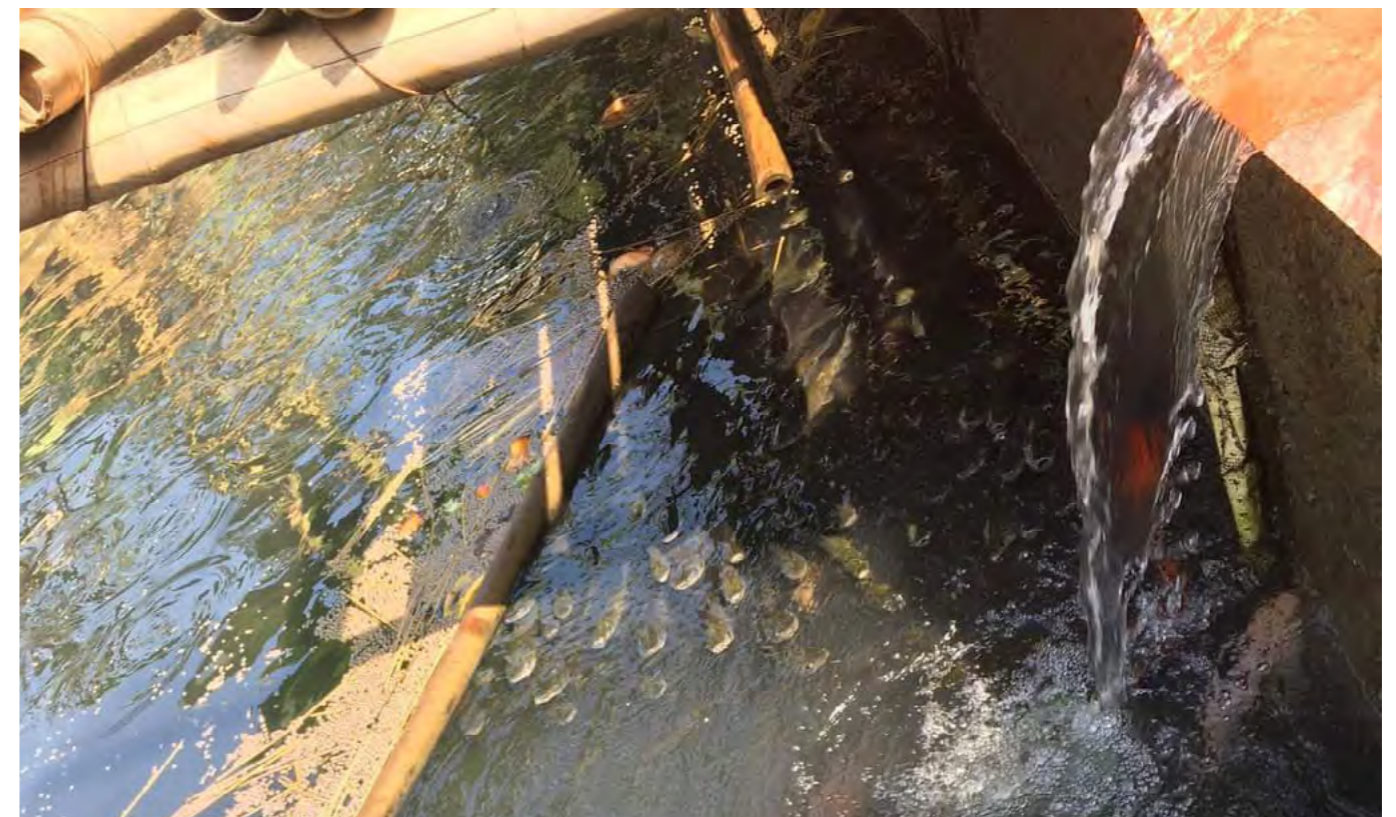
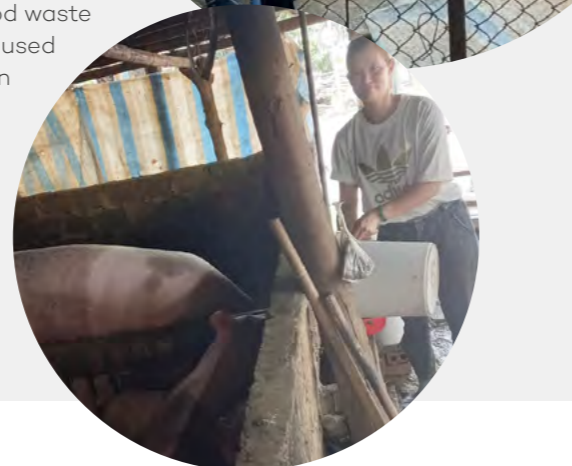
2020 Water Usage		Usage m3
Production purposes		0
Water for domestic purposes		720
Exploration	Bản Chạng	7,488
	Bản Phúc	24,043
	Bản Khoa	1,653
	Tà Cường	2,620
	King Snake	3,386
Total		39,912

CASE STUDY

Food Waste on Site

We pride ourselves on having a 'circular' mentality to our operations and resource use on site and looking ahead at the Ta Khoa project. A good indicator of progress so far has been our management of food waste of which we generate 20-30 kilograms each day. For some time, we have donated all this food waste to local residents to feed their livestock. Currently, our food waste supports about 36 ducks and 7 pigs which will be used as food sources for local families and to be sold in markets.

As our project continues to grow, both upstream and downstream, we hope to continue with local initiatives like this to support low-waste miles of our site kitchen operations.



Climate Change

Blackstone understands and accepts the science that climate change presents as one of the most critical challenges facing society now, and in coming decades.

The scientific evidence is compelling: average global temperatures are rising due to human activities increasing greenhouse gas emissions. Our community members close to our exploration sites have endorsed this view, given that they have stated their livelihoods and safety have been impacted by extreme weather events typified by a changing climate. As a result, we know that it is critical that we consider the risks and opportunities posed to our business through a changing climate. Blackstone understands that it has a significant opportunity to support initiatives to address climate change, through the development of battery minerals for EVs. Our ambition is to develop these materials as responsibly as possible, and in-line with our standard of 'Green Nickel™'.

NCM811 precursor and Electric Vehicles

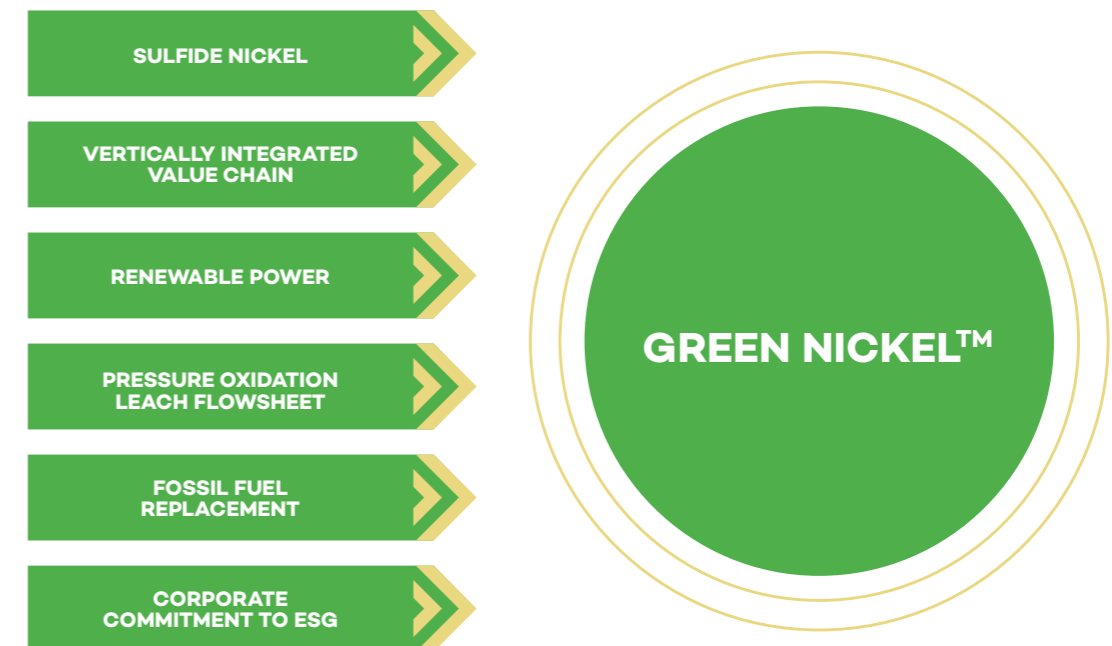
Blackstone's aim is to mine nickel and produce a refined NCM811 precursor product to support the global transition to EVs and decarbonise the economy. Our strategy is emerging at a time when there is a global gravitation to higher nickel content precursor amongst car manufacturers; NCM811 is forecast to become the dominant cathode chemistry for EVs. Beyond EV's, NCM811 precursor has a range of common applications including home battery storage, aeroplanes, and power tools. Globally, there is increasing awareness about the impacts associated with nickel production, as well as other critical raw materials sourced for the Lithium-ion battery industry and EV sector, with end users now demanding a level traceability for all their products



Green Nickel™

Our goal is to develop a sustainable product defined as 'Green Nickel' through our mining operations and our downstream refinery.

This will be done through our overall business strategy to develop a product that is made close to site, sourced and refined by being powered by renewable sources, and that is underpinned by a strong corporate commitment to ESG best practice.

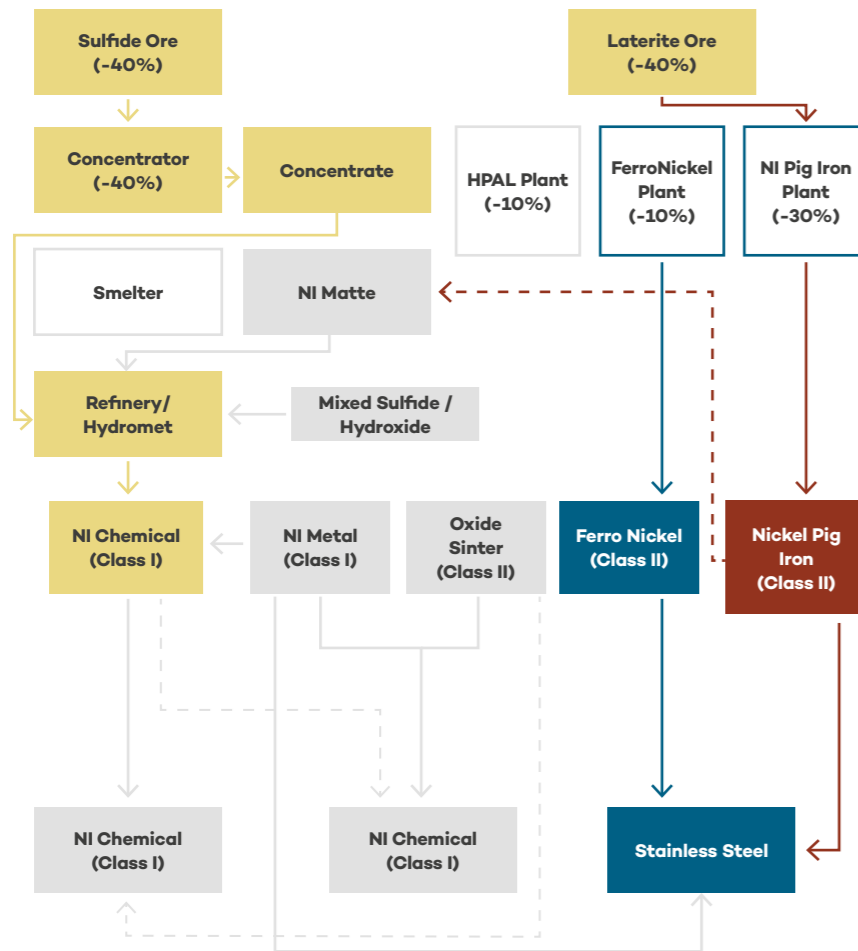


Sulfide Nickel

Access to nickel sulfide is a key aspect in the 'Green Nickel™' proposition. Firstly, nickel sulfide is specifically suitable for upgrading through mineral beneficiation processes such as froth flotation. This enables the sulfide nickel ore to be greatly concentrated when compared to other nickel forms such as laterites, with minimal processing input. Secondly, nickel sulfide reacts and generates its own acid and heat, enabling a simpler downstream refinery flowsheet, with fewer production inputs.

The comparisons to nickel laterite production make clear the credentials of Blackstone's approach.

Simplified Class 1 and Class 2 Processing Routes



We are working to build our Company and operations on the back of key demand drivers, including:

- » Blackstone is exposed to the rapidly intensifying green electrification movement for EVs, Lithium-ion Batteries and overall global requirements for energy storage of harvested power
- » A long-term barrier to EV adoption has been vehicle range; however, the chemistry of nickel rich cathodes such as those found at Ban Phuc, addresses these issues
- » The demand for nickel that is responsibility-sourced, and extracted and processed to high environmental standards will become the standard for EV production hubs and future investment
- » There is global recognition that the security of supply of responsibility-sourced nickel sulfide is of increasing concern.

Vertically Integrated Value Chain

The Blackstone Ta Khoa project minimises the need for intermediate product precipitation and transportation through vertical integration. With both the upstream mine and downstream refinery located adjacent to one another in northern Vietnam, the environmental cost of concentrate transportation is greatly reduced. Also, the production of a final precursor product, rather than an intermediate product, results in a final product which has traveled a far shorter distance by the time it reaches the customer. Both of these benefits help to minimise the overall environmental footprint of the final product. This assessment was conducted in accordance with the Green House Gas Protocol's Corporate Standard. The boundary of this assessment has been done on a direct control approach for 2020.



Renewable Power

Blackstone aims to develop a project that works towards net zero-carbon emissions. A key method in our strategy is to utilise nearby hydroelectric power sources. Our current operations source power from the biggest hydropower plant in Southeast Asia: Son La Hydro Electric Dam. The Dam is located close to the site; however there are two additional dams located nearby.

	Lai Chau	Son La	Hoa Binh
Location	Nam Nhun District, Lai Chau Province	Muong La District, Son La Province	Hoa Binh City, Hoa Binh Province
Distance from Hanoi (approximate, by road)	417km	340km	74km
Distance from Mine Site	254km	116km	165km
Construction started	2011	2005	1979
Construction completed	2016	2012	1994
Situated on River	Da River	Da River	Da River
Installed Capacity (MW)	1,200	2,400	1,920
Average Energy Generated (GWh/year)	4,690	10,250	8,600
Owner/Operator	Electricity of Vietnam (EVN)	EVN	EVN

Pressure Oxidation (POX) Leach Flowsheet

Blackstone's refinery ambitions will use Pressure Oxidation Technology to provide the least energy intensive process. Relative to other technologies, such as HPAL and Pyrometallurgy, which are commonly used for other nickel projects, Blackstone's approach proves a cost effective and proven process for extraction.

Ta Khoa Refinery

Pressure Oxidation (POX) Technology is Mature & Robust

Blackstone will investigate the potential to repurpose waste residues from the Ta Khoa Refinery

	Ta Khoa - Pressure Oxidation (POX) - Hydrometallurgy	Typical High Pressure Acid Leach (HPAL) - Hydrometallurgy	Pyromet (Smelter)
Typical Feed Ni grade, %	~10	0.8-1.5	>10
Mineral Type	Sulfide concentrate from sulfide ore	Oxide - laterite ore	High grade Ni ore, typically sulfide ore
Extraction process conditions	150-210 degree C, high pressure oxygen	250-270 degree C high pressure steam and high acid	1100-1700 degree C furnace - Energy intensive + Coke
Capital investment	Low - exotic material not required for construction	Very High - exotic material, acid plant, steam boiler, very large equipment need for high tonnage	Low - Medium
Technology	Mature since 1960's - low risk	Since 1990s - high risk	Mature - low risk
Ore Sensitivity	Robust	Sensitive with acid consumption	Sensitive with arsenic, magnesium, and sulfur

Fossil Fuel Replacement

Blackstone aims to develop a product that is green by identifying opportunities for Fossil Fuel Replacement wherever practicable. The first area identified is through the electrification of vehicles onsite, replacing diesel transport options. Blackstone also intends to complete a green hydrogen study in 2021 to understand the opportunities for using a hydrogen fleet throughout the project.

The design of the refinery site also seeks to use the most optimised techniques for material handling and transportation to reduce excessive requirements for external transportation of resources. The reduced transportation of products can also be avoided where local products or fabrication can be conducted as close to site as possible and reduce transportation emissions.



Electric Mine Consortium

Blackstone became an early member of the Electric Mine Consortium to enhance our focus on electrifying our operations in Vietnam and work towards our vision of Green Nickel. The Consortium consists of 14 leading global companies to share knowledge and work towards its goals. Our peers in this group include South 32, Barmenco, Goldfields and IGO. The Electric Mine Consortium is served by three core operating concepts which illustrate our vision:

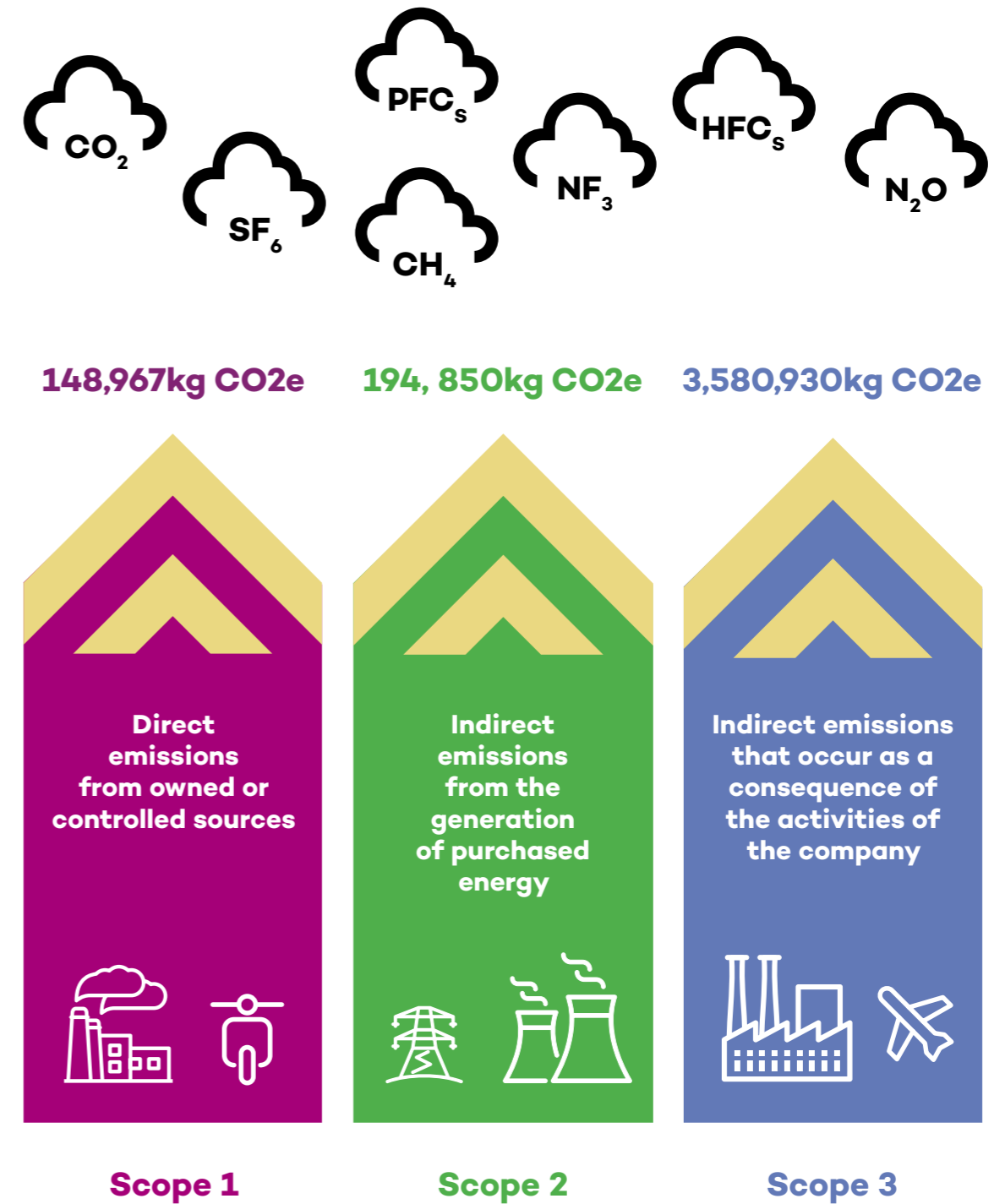
- › A zero-carbon emission mine powered by 100% renewables
- › A fully electrified, data-driven fleet, unlocking greater productivity
- › A people and community approved mine, that is safe and healthy

The electric mine is safer for the workforce, has less impact on the natural environment and is more productive for its operators. This is underpinned by new servicing and contract models, as new metrics for performance, driven by data, emerge and dominate.

2020 Calendar Year Emissions Assessment

To appreciate our baseline and build an understanding of current emissions prior to operations commencing, Blackstone engaged external consultants to assess our Scope 1, 2, and 3 Greenhouse Gas Emissions. We believe this is an important step in demonstrating our transparency, even in the exploration and development stage.

It is our view that by conducting this assessment now, Blackstone are empowered manage Greenhouse Gas Emissions risks earlier. It also allows us to identify reduction opportunities without relying heavily upon offsetting programs as a first solution. We acknowledge this assessment is only the first step in understanding our emissions journey, and that our immediate focus areas are in our Scope 3 emissions and our partnerships with suppliers.



Corporate Commitment to ESG

A Green Nickel™ strategy can only be driven in a business when leadership and the Executive team is responsible and kept informed of all elements of this approach. To do this, Blackstone has three pathways to solidify a corporate commitment to ESG. Blackstone has established an **ESG Committee** to oversee the commitments and performance of Blackstone's work, ensuring the Company and Board remain accountable and informed of risks to its environmental objectives.

Performance reporting plays an important role by maintaining accountability in an open and public forum. In addition to this inaugural Sustainability Report, Blackstone will now be required to report annually against progress on the Sustainable Development Goals and will incorporate other global reporting frameworks in 2021's Report. Further to this, to begin our journey to understand the risks that climate change poses to our business, in 2021 we have started a review of our business against the Taskforce on Climate-related Financial Disclosures (TCFD). This review is conducted in line with our peers and best practice approaches by businesses locally and globally. We expect to be able to update our stakeholders on this progress and report more on these outcomes in the 2021 Sustainability Report.

Finally, Blackstone has chosen to **engage in-house ESG support** early as a developer to drive our ESG work across several functions before we commence construction and operations.

Contributions to a Circular Economy

Blackstone is committed to designing opportunities for recycling and reuse of waste or excess materials wherever possible. For our planned downstream refinery, a key pillar in the project design is repurposing waste products into resources that can be reused in the project or that can benefit the local community.

In 2021 we will continue to develop and study the options for the use of:

- » Inert POX silica residue supplied to local landowners and brick manufacturers
- » Oxygen produced via the electrolysis of water, to then produce "green" hydrogen as by-product by abundant renewable hydroelectric power and water available at the Ta Khoa Project
- » Repurposing residue storage facilities at closure for new farmlands
- » Production of 'a' kiesertie by-product as a fertiliser for community use



Future actions and activities for Blackstone

- » Complete a Life Cycle Analysis of the Ta Khoa project
- » Complete Green Hydrogen Scoping Study
- » Complete retrospective Scope 1, 2, and 3 emissions assessments to understand baseline emissions
- » Hire two Environmental Officers to oversee environmental monitoring on site
- » Commence TCFD Benchmarking and Assessment exercise to map pathway for reporting for next 3 years
- » Expand the rehabilitation program for drilling pad rehabilitation through use of local labour





Materiality Index:

- » Investment in community capacity - **High**
- » Community safety, human rights and modern slavery - **High**
- » Employee engagement and development - **Medium**
- » Diversity and inclusion - **Medium**
- » Understanding cultural differences and ethnic minorities - **Medium**
- » Supply chain resilience - **Emerging**

Sustainable Development Goals Alignment:



SDG 8 Decent Work and Economic Growth:

2020 Activities:

- » Collaborated with Vietnamese Commune authorities to prepare for a 2021 intake of training and employment opportunities for approximately 35 unskilled workers
- » 99% of Ban Phuc site roles were filled by Vietnamese nationals



SDG 10 Reduced Inequalities:

2020 Activities:

- » 72% of site employees – permanent and casual – were from recognised ethnic minorities (Muong and Thai) in Muong Khoa Commune
- » 75% of Hanoi-based roles were filled by women
- » Female employees occupied 60% of leadership roles available in the Hanoi Office
- » We paid \$271,494 USD in salaries for permanent employees and contractors from the Muong Khoa Commune

Our People

At Blackstone, we recognise one of the most positive long-term contributions we can make is through the employment of our people

Our team

A key Blackstone value is Unity, which we see as being central to supporting and retaining our workforce. As a developing Company, Blackstone saw growth in its employees across its Vietnam and Australian sites in 2020, particularly in our Vietnam site team and our corporate team based in Australia.

A key responsibility of our work in Vietnam is to provide substantial employment opportunities to the local population near our mine, and to enhance the skills and knowledge of the Vietnamese workforce. The main employment opportunities for locals in the Muong Khoa Commune, and the Son La province more broadly, is employment in the agriculture and forestry industries. A significant number of the roles engaged in 2020 were casual contractors hired from Vietnam's Muong Khoa commune to support drilling campaigns.

2020 Employment Data	Australia	Canada	Vietnam	Total
Total number of permanent employees	16	1	48	65
Total number of casual employees	1	0	136	137
Total	17	1	184	202

In our early stages of development, we see our management and operations team as being integral to implementing our ESG strategy, in addition to our Board. Our team's experience spans many years across countries and projects with a focus on start-up and operations as well as corporate development and ESG governance. Importantly, our team has significant experience in Vietnam and a number of Australian based roles spend time in Vietnam to monitor the project's progress.



One of the benefits of Blackstone restarting the Ban Phuc Nickel Mine and Ta Khoa project has seen the reengagement of community members into employment at the site and being able to promote high performing employees. Two of our current employees share their stories:



Ms Mui Thi Thoa - Warehouse Officer

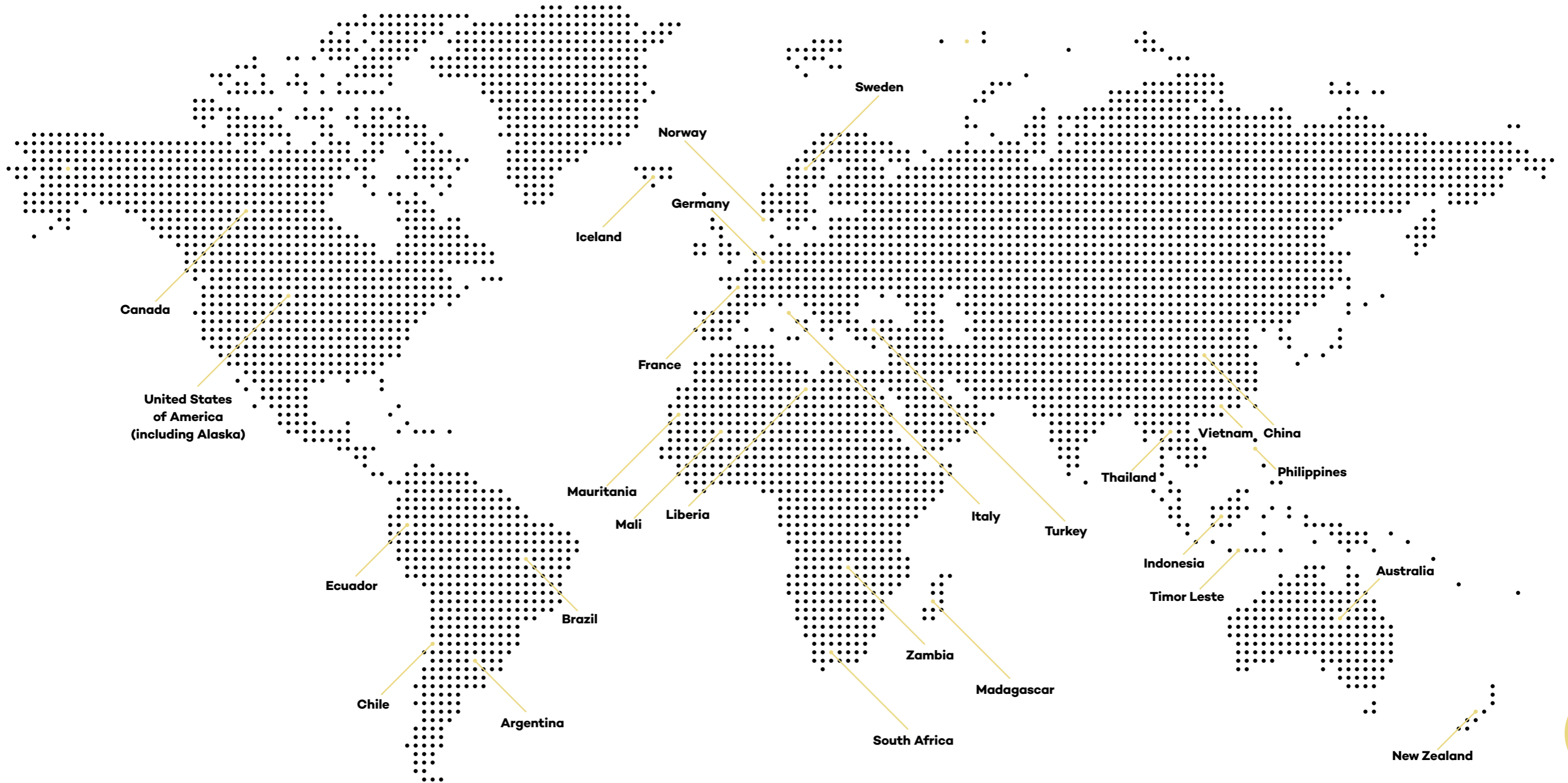
I live in Bac Yen and many years ago I graduated from University in Son La. I interviewed for a role with the Ban Phuc Nickel Mine in 2013 and was hired as a construction assistant of the tailings dam. At the time, my main responsibilities were monitoring the people, resources, and equipment outside of the construction site. After a year, the construction was completed, and I moved to the warehouse where I did the inventory and stock control. I worked there until the end of 2015 when the financial crisis hit and the mine closed. Following that, I was unemployed from 2015-2019 and caring for my daughter at home. In July 2019, I was really happy to be offered my old role again working in the warehouse. The mine generates jobs for local people, even without qualifications they can earn money to support their families. I have seen the Commune become 'livelier' with the re-start of exploration. One example that I can see of this, is that most people had houses that are very simple and small, but now people are earning a salary from the mine, so their houses are being built with more stable and permanent materials.

The most interesting aspects of my job are all the materials I work with and remember. I have to know more than 3000 types of materials! The working environment is very safe and very dynamic, and I can practice speaking my English at work. I am learning soft skills like problem solving and setting goals each day to fulfil my role. I think there are five qualities that you need to work in my role: accountability, hardworking, prioritising the safety of oneself and others, remaining calm in all situations, and always being transparent - if there is a problem you need to discuss it and solve it with your boss.



Our Global Experience

Our team's experience spans across countries and continents



Introduction

Our Sustainability Journey and Strategy

Health, Safety and Wellbeing

Responsible Business and Good Governance

Environment and Climate Change

Our People

Our Communities

Diversity and Inclusion at Blackstone

As with our Board, we understand that diversity of experience and background promotes a stronger Company with more creative and robust decision-making.

We understand that diversity does not happen by accident, and that policies and initiatives need to underpin our philosophy. So far, these strategies have included:

- » Recruiting from a diverse pool of candidates for all positions, including senior management and the Board;
 - » The requirement of at least one female candidate to be shortlisted for all appointments including executive and Board positions if a suitably qualified candidate exists in the applications;
 - » Setting a measurable objective even whilst we are not in the ASX 300 to consider where possible to achieve not less than 30% of directors from each gender;
 - » Reviewing succession plans to ensure an appropriate focus on diversity;
 - » Identifying specific factors to take account of in recruitment and selection processes to encourage diversity;
 - » Developing a broader pool of skilled and experienced senior management and Board candidates through workplace development programs, mentoring programs and targeted training and development;
 - » Providing opportunities for employees on extended parental leave to maintain their connection with the Company.
 - » Promote workplace structures that assist employees balance their work, family and other responsibilities effectively and assist in the development of a more diverse pool of skilled and experienced employees whilst improving performance;
 - » Developing a culture which takes account of the domestic responsibilities of employees.
- These strategies are not exclusive, and as we grow and review our performance annually, we expect to revise and add to these strategies.



Working in Vietnam

We believe that transparency around the working conditions of our staff in Vietnam is important given the material importance of human rights compliance to our stakeholders. The following expectations are known to all employees. This aligns with our company values and approach to transparency in how we conduct our business:

- » All staff have freedom of association, where employees can join trade unions or employee representative groups. In 2020, 19 of 48 permanent site-based employees were members of the local trade union.
- » All employees – regardless of location – work the standard working week which is in accordance with the Vietnamese laws
- » Where employees do work overtime hours, they are either paid additional wages for this time worked, or can accrue Time Off In Lieu
- » All site-based employees are provided with clean and safe living facilities and nutritious meals
- » Personnel recruited across all sites are above 18 years of age to ensure child slavery risks are eliminated.

Salary Contributions

	Local Permanent (from Muong Khoa Commune)	Local Contractor (from Muong Khoa Commune)	Local Permanent (from Son La Province) (Excluding people from Muong Khoa)	Local Contractor (from Son La Province) (Excluding people for Muong Khoa)
USD	62,515	208,979	14,233	2,169

Ethnic Groups in Vietnam

With 54 ethnic minorities represented across Vietnam, diversity amongst the national population of 89 million is clear. Kinh people make up the largest ethnic group in the country; with other minority groups being Thai (1.8%) and Muong (1.5%). Ethnic groups such as Thai and Muong are commonly associated with living in remote and mountainous areas of Vietnam, including where Blackstone's Ban Phuc site is located.

Blackstone seeks to represent the diversity of cultures in our Vietnamese workforce and ensure that minority groups present within our communities can enjoy the economic and social benefits that our project can bring.

At our Ban Phuc site, recognised ethnic minorities (Thai and Muong) formed 70% of our Vietnamese workforce.

Ethnic Groups represented on site	Kinh	Muong	Thai
Permanent	26	0	20
Casual	25	2	109
Total	51	2	129

Mr Tran Anh Son – Ban Phuc Nickel Mine Facilities Manager

I started at BPNM in 2013, after I applied for a position of a personal assistant and translator however given my English skills and University degree, they suggested I be a Camp Officer to assist with site operations. We consider the mine to be a second home to us; so when the mine closed in October 2016 it was a very difficult time, and I had to say goodbye to many colleagues. I stayed on when the mine was in caretaker mode. With such a small team, I was exposed to lots of additional responsibilities and quickly grew my skills and knowledge.

Blackstone arrived in 2019 and a highlight for me was seeing Blackstone and BPNM announce re-opening of the mine. Now I am seeing the mine grow again with many more people living on site and people from the local community being employed. There are about 40-50 camp residents that stay full time in the Camp with three meals a day, with the remainder of the employees living close by to the mine in Bac Yen district. I make sure that all the Camp services are running smoothly and oversee the refurbishment of the Camp buildings where I have a team of four guys fixing the buildings. I also plan and control the financial needs of the Camp.

I see myself as a bridge between the Board of management and the employees to show that we care about their life, their working environment and their safety. I always want to keep the people who come to BPNM to feel as happy as possible and create the best environment for them to work with us. My seven-year-old son, my wife and my parents are proud of me working in an international company. For them, and for me, being a part of Blackstone and BPNM is a significant success of my life.



Training and Development

As our project team develops, we have started to review the training requirements of our team. While training was limited in 2020 due to the size of our team and our operations, some opportunities were identified to support the priorities of developing our corporate and Hanoi team members. As we move into 2021, we are working to identify structured training programs and on the job coaching opportunities across our projects.

Formal Training Programs and Coaching:

Training programs included:

- » All Perth-based employees - Fortnightly Vietnamese language classes
- » 4 employees - Strategic Mine Planning Training, Whittle
- » 5 employees - Executive Coaching
- » 1 employee - Mining for Non-Miners, RPM Global
- » 2 employees - First Aid Training
- » 1 employee - Micromine online training course
- » 1 employee - Vulcan training course
- » 1 employee - Management Course, AMEBC

Annual Performance Reviews:

Blackstone understands that to drive improved performance as individuals and teams, Annual Performance Reviews can serve a vital role in providing a structured, objective process to assess performance.

In 2021, we aim to develop an Annual Performance Review program and commence the socialisation of this program amongst our international teams for rollout in 2022. This program development will include the adaptation to the unique cultural contexts we work within and ensuring that coaching is provided to supervisors to roll out this program.

The content of the annual performance review will include:

- » Opportunities to share successes and career concerns
- » Receive feedback on performance against key responsibilities of roles and Company values
- » Identification of training requests and opportunities to support career development.



CASE STUDY

Blackstone and BPNM's Annual Trainee program

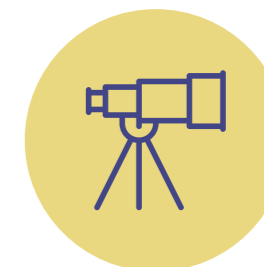
Blackstone is committed to developing the local workforce in the community surrounding Ta Khoa. One of our signature programs, is that every year we have recruited and trained local trainees for the Blackstone/BNPM trainee Programs. The focus of the program may change each year, depending on the site requirements: one year it may be a mining preparation program, while in 2021 it is nominated to be a drilling program. Every year, between 30 and 40 trainees are nominated by the local leadership representatives – the Muong Khoa People's Committee – and the candidates are recruited from this pool of nominees. The course content ranges from learning the safety requirements in operating the rig, developing drilling technical skills and learning fundamentals around fixing the rigs. The program is principally an 'on the job' training program with supervision from Blackstone management; however, the trainees receive regular visits from their trainers from the Vietnamese College of Industry and Trade who train and check on their progress. On finishing the program and passing the required competency testing, they are then progressed as drilling or mining technicians and become permanent members of the team.



“Before working at the mine, my job and income was very unstable. With the support of the commune and the Company, we got this job and it helps us to have stable income – it improves our life.”

Mr. Ngai
representative of the trainees

Future actions and activities for Blackstone



As we build targets to increase local participation, we will continue to seek to understand the context of the Province and the labor force in the area. Given we are at the development stage, we are aware that in 2021 and beyond we need to prioritise several key areas as we prepare to move into construction and operations:

- » Develop a Local Employment strategy to address barriers to employment for women and ethnic minorities in Vietnam
- » Provide support and coaching for female current and future leaders in Vietnam-based roles: in 2020, 60% of Hanoi office leadership roles were filled by women, however, women did not occupy any site-based leadership positions
- » Increase the opportunities and exposure to future site-based roles for women: in 2020, 9% of site-based Vietnam roles were occupied by females
- » As more technical roles become required for the project, continue to seek out skilled and technical labour from the Province wherever possible: in 2020 most of the site-based workforce was from the Province, however this was largely for semi-skilled positions as required by the project at the time of drilling and exploration
- » Conduct a Human Rights risk assessment across our worksite and supply chain to better understand and mitigate risks such as modern day slavery and child labour
- » Develop an Annual Performance Review program with Perth and Vietnamese teams, for rollout in 2022. Support our Vietnam HR team to lead these reviews in country
- » Develop a Training Needs Matrix to support competency development and compliance for all site-based roles
- » Develop and implement an onboarding program for all new staff across project countries
- » Develop a probationary review system for all new starters across all sites



Materiality Index:

- » Investment in community capacity - **High**
- » Creating a positive community legacy - **High**
- » Stakeholder engagement and partnerships - **Medium**
- » Understanding cultural differences and ethnic minorities - **Emerging**

Sustainable Development Goals Alignment:



SDG 10: Reduced Inequalities

2020 Activities:

- » Worked with Muong Khoa Commune Leadership to implement 4 community investment projects that addressed inequalities in disadvantaged or isolated populations.
- » Provided the community with opportunities for participation of community needs that can be supported by Blackstone.
- » Collaborated with 10 remote schools and a not-for-profit organization to provide 150 students resources to reduce barriers to school attendance



SDG 8: Decent Work and Economic Growth

2020 Activities:

- » Worked with Province-based companies to make supply opportunities to the mine more accessible
- » Spent USD \$40,365 on goods for the mine with local Muong Khoa Commune suppliers

Our Communities

Blackstone is building upon a strong historical legacy of community engagement in Vietnam. We are continuing to develop our programs based on community-identified needs and priorities.

Our Investments in Community Capacity

We see our ability to invest in community capacity as being done through two distinct ways: through targeted community investment projects that are developed in conjunction with community leaders; and through the procurement of goods and services from the local community and Province wherever practicable.



Community Investment through Projects

Blackstone considers contributing to social investment a privilege of working and living in small communities. Working with our communities to provide support and address community needs also directly aligns our Company value of Unity.

Throughout Blackstone's ownership of the project, as caretaker and during the current exploration phase, the Company has strived to be a positive presence in the community and has valued its social license to operate by supporting community-identified initiatives and shared infrastructure projects.

On all community investment projects, we work with our local partners – Commune leadership and community members – to support and plan community projects that reduce inequalities. In 2020, in response to requests from our community, we supported community initiatives that utilised local employment and suppliers from the Commune and/or Province wherever possible, including:

- » **Infrastructure repairs:** Major repairs to the Ban Phuc Suspension Bridge supported safer pedestrian and motorbike transit from one side of the community to the other.
- » **Road repairs:** In the wet season considerable rain caused landslides in Suoi Tang, where a part of the road to the Village linking to Commune Centre was blocked by mud. Blackstone hired an excavator and a truck to remove the mud and soil on 2.3km of road over a number of days.



Local residents employed by the mine contributed to the cleanup efforts.

» **Community Centre donation:** At the request of local leaders, it was identified that residents of the Khoa village wanted to expand their Community Centre. Blackstone provided 10 tonnes of cement to support its expansion for the benefit of the community.

» **Project Sprouts Partnership:** Blackstone provided support to Project Sprouts during the year. Project Sprouts is a Hanoi-based grassroots organisation that aims to address the inequalities that are seen in Vietnamese schools that ultimately prevent the progression of children who hail from rural areas, that have not enjoyed the development of the Vietnamese economy as opposed to some urban areas. Blackstone provided donations and in-kind support (staff labour, transport, connections to schools in ethnic minority areas) to support the donation of school supplies, clothing, and classroom infrastructure. Our project has a long-term relationship with Project Sprouts which seeks to address some of the educational inequalities experienced by young children typically living in remote areas and from ethnic minorities.





CASE STUDY

Ban Phuc Suspension Bridge

Blackstone believes that sound investments in infrastructure can support people's livelihoods and improve their daily quality of life. The previous owners of the mine, along with BPNM, built the Ban Phuc Suspension Bridge located in Ban Phuc Village, in Muong Khoa Commune. The bridge has provided a way for the community to get to their work, go to the markets, visit their farms and go up into the mountains. The bridge provides an important link for 15 families – or seventy community members to the No 37 National Road. The bridge is about 5 minutes' walk from the front gate of Ta Khoa mine. Without the bridge, many community members would be putting themselves in danger during the wet season, when trying to access these locations and necessary services by crossing the river by foot. After 10 years of usage, it required significant maintenance works to improve its safety, and as such in 2020 Blackstone supported a Province-based construction company to upgrade the bridge by replacing the steel structures, servicing the frames and repainting it. The existing wooden pads on the surface of the bridge were also replaced with 3mm steel to improve its longevity and safety.

"Before the suspension bridge was built, the villagers had a lot of difficulties. When they wanted to travel, they had to cross the Khuc river – when the rainy season came, the water flowed very fast. It made traveling to and from the village very difficult, affecting the lives of the people and socio-economic development activities. With the support from Ban Phuc Nickel Mines (to build the suspension bridge) and Blackstone to conduct the recent repairs, the people in the village have benefited. Their quality of life has improved. They can now travel by motorcycle to carry and exchange goods. The people here also get access to more necessary goods from outside. It has facilitated more socio-economic activities. The children can go to school without worrying about their books and bags getting wet or having to stay home when it is raining. The people no longer have to worry when the rainy season comes."

Mr Huynh Van Hien, Deputy Secretary of the People's Committee of Ban Phuc village.

“
Before the suspension bridge was built, the villagers had a lot of difficulties. When they wanted to travel, they had to cross the Khuc river
 Mr Huynh Van Hien

Community Investment through Local Procurement

A key area of importance to our employees and stakeholders is to provide opportunities for our local communities to compete for work and enhance Blackstone's ability to contribute to the economy.

Local Procurement Spend in 2020

	2020 USD Total	Examples of Spend
Muong Khoa Commune	\$40,365	Groceries and fuel
Son La Province <i>(excluding Muong Khoa Commune)</i>	\$567,301	Groceries, tools & spare parts, office equipment, drilling consumables, electricity
<i>National spend (excluding Muong Khoa Commune and Son La Province)</i>	\$1,333,114	Tools & spare parts, drilling consumables, office rental

Vietnam has seen an acceleration in the development of its economy and as a result, a decrease in its reported poverty rate under the initiatives of the Doi Moi and an increase in health and education outcomes. Son La Province, where the Ban Phuc mine site is located, is the largest province of Vietnam with 80% of the working age population engaged in agriculture or forestry. While acceleration of the national economy has seen poverty indicators decrease for Vietnam as a whole, it is reported that the remaining poor within the country are comprised mostly – around 86 percent – of ethnic minorities (World Bank).

The Central and Provincial Governments' classification of the area is "Zone 3", recognising what it terms an area experiencing "Special Difficulties" in economic and social development. This classification specifies the area sits lower in indicators around health, socio-economic status, and education than other areas of Vietnam. Blackstone understands that the ability to contribute through the procurement of local goods and services, has the potential to transform the livelihoods of its residents.





CASE STUDY

“
I have always tried my best to maintain my reputation of providing the project with a variety of clean and quality food, especially local ones

How do we keep our on-site workforce well fed?

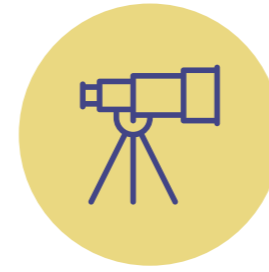
Lu Thi Ly is a vital part of our operations on-site, at the Ta Khoa Nickel-Copper-PGE Mine in Son La Province.

Ms Ly lives in Ban Khoa Village, in the Muong Khoa Commune. She runs her own fresh produce business, keeping our workers well fed with nutritious freshly grown produce from her gardens, including cabbage, kohlrabi, and fruits, such as plums and watermelons. Ms Ly has been supplying fruit, vegetables, and meat to Ta Khoa for the past 18 months. She is also skilled at raising animals to supply meat to the camp, including chicken and duck, and fish like perch and carp. Sourcing produce from her garden, is a full-time job for her. Ms Ly is characteristically upbeat about her future, as the contract with

Blackstone has provided a stable income for her and some family members that she engages to support her.

Blackstone is proud to have a history of supporting local suppliers, such as Ms Ly, to provide quality goods and services to the Ta Khoa project.

These arrangements align with our strategy to provide economic opportunities for the community and the province.



Future actions and activities for Blackstone

- » Recruit two Community Engagement Liaisons to support identification of community investment initiatives
- » Identify areas for Covid-19 community support in conjunction with local leaders
- » Review all upcoming scopes and identify potential scopes for local supplier participation
- » Identify barriers to local suppliers for the project and identify key areas for capacity development
- » Review existing procurement procedures; build strategies to support local supplier engagement
- » Develop a register of local suppliers for future use.

Looking Forward. Mining Green

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