

ASX RELEASE  
07 September 2020

ASX: BSX

## BLACKSTONE COMMENCES DRILLING NEW NICKEL TARGETS AT TA CUONG

- Blackstone has commenced drilling at Ta Cuong, using electromagnetic (EM) plates to test **new massive sulfide vein (MSV) targets for high impact drilling over the coming months;**
- The drilling at Ta Cuong sees Blackstone continue its aggressive exploration program with multiple rigs targeting MSV prospects **analogous to the recently discovered Ban Chang prospect and the flagship Ban Phuc orebody;**
- Ta Cuong is 6km along strike from Ban Chang and **proximal to a major regional structure** that is also close to the Ban Phuc and Ban Chang prospects;
- Drilling by previous owners did not target geophysical anomalies, however Blackstone has used its highly successful, in-house geophysics team to define new targets at Ta Cuong for high impact drill testing (*Refer to figure 4*);
- Blackstone's recent assaying of historic drill holes (**previously unassayed**) from Ta Cuong returned the following significant results (*Refer to figures 1, 2 & 3, Appendix One and ASX announcement from 16 July 2020*):

**BKh18-02** 15.6m @ 0.66% Ni, 0.6% Cu, 0.04% Co & 0.31g/t PGE<sup>1</sup> from 45.9m

incl. **0.6m @ 1.95% Ni, 4.47% Cu, 0.12% Co & 0.66g/t PGE** from 51.7m

**BKh18-03** 5.0m @ 0.84% Ni, 0.59% Cu, 0.05% Co & 0.87g/t PGE from 150.0m

incl. **2.55m @ 1.43% Ni, 0.86% Cu, 0.09% Co & 0.78g/t PGE** from 150.45m

<sup>1</sup>Platinum (Pt) + Palladium (Pd) + Gold (Au)

- Ta Cuong is the Company's second high priority MSV prospect within Blackstone's portfolio of 25 MSV prospects to be systematically tested with modern techniques;
- A recently purchased fourth drill rig will follow the geophysics crew throughout the Ta Khoa nickel sulfide district, **testing high priority EM targets generated from 25 MSV prospects** including Ban Chang, Ta Cuong, Ban Khoa and King Snake (*Refer to figure 5*);
- Drilling continues at the King Cobra Discovery zone (KCZ) and Ban Chang;
- The current Scoping Study is focused on **downstream processing to produce nickel sulfate** for the lithium-ion battery industry with the **maiden resource on track** for completion in Q3, CY20;

Blackstone Minerals' Managing Director Scott Williamson commented:

*"We are pleased to announce drilling has commenced at Ta Cuong, our second MSV prospect. Based on geological similarities and now with some exciting EM plates to target, we believe it has the potential to deliver similar results to Ban Chang and Ban Phuc."*

*"We continue to systematically test our 25 MSV prospects and with our in-house geophysics crew and Blackstone-owned drill rigs, we can cost effectively explore this globally significant nickel sulfide district using modern geophysical techniques."*

*"We see potential to increase future annual nickel production from the Ta Khoa Nickel-Cu-PGE project through targeting high-grade MSV to complement the base load nickel sulfide feed from the bulk open pit mining scenario we are currently modelling at Ban Phuc and King Cobra."*

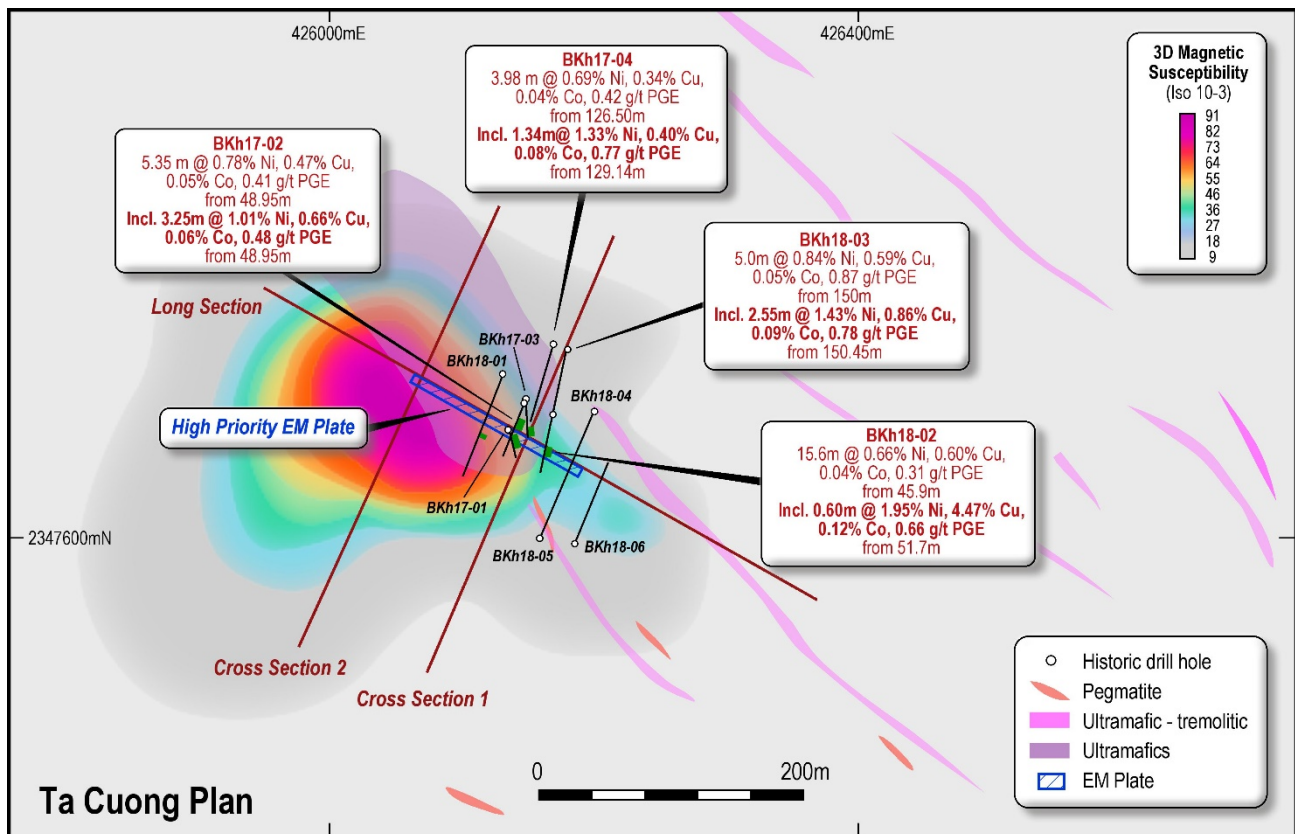


Figure 1: Ta Cuong MSV target showing drilling by previous owners (Refer to Appendix One and ASX announcement from 16 July 2020)

## Ta Cuong

The Ta Cuong prospect is associated with the Ban Khang intrusion which is located approximately 6km north-west of Ban Phuc and is hosted in the Ban Phuc Horizon, adjacent to the Chim Van Co Muong Fault (Refer to figure 5). A series of 20 trenches for a total of 722m was completed at Ta Cuong in 2016 and resulted in the discovery of a 130m strike of gossan assaying 0.48% Ni and 0.54% Cu, adjacent to the mapped ultramafic body. Tremolite dykes exposed near surface and in trenches yielded disseminated sulfide (DSS) mineralisation assaying up to 0.48% Ni and 0.29% Cu. Blackstone will continue ground-based EM at Ta Cuong over the coming months and will then follow up with further drill testing.



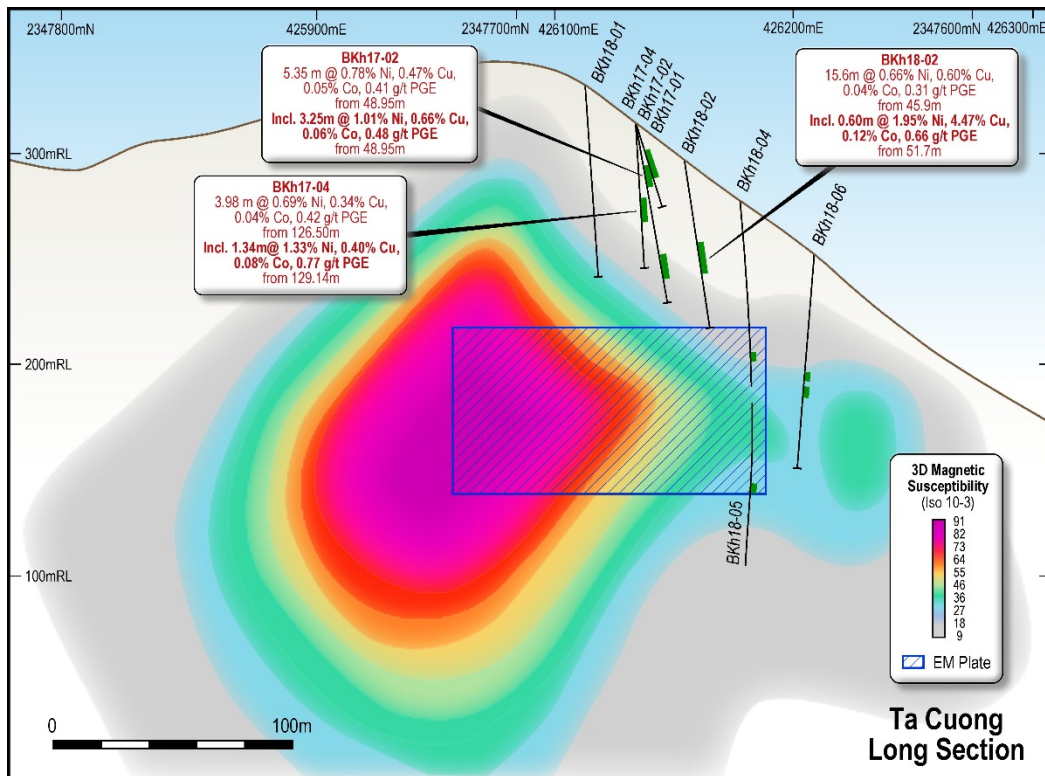


Figure 2: Ta Cuong Long Section showing maiden drillholes BKh17-02, BKh17-04 & BKh18-02 (Refer to Appendix One and ASX announcement from 16 July 2020)

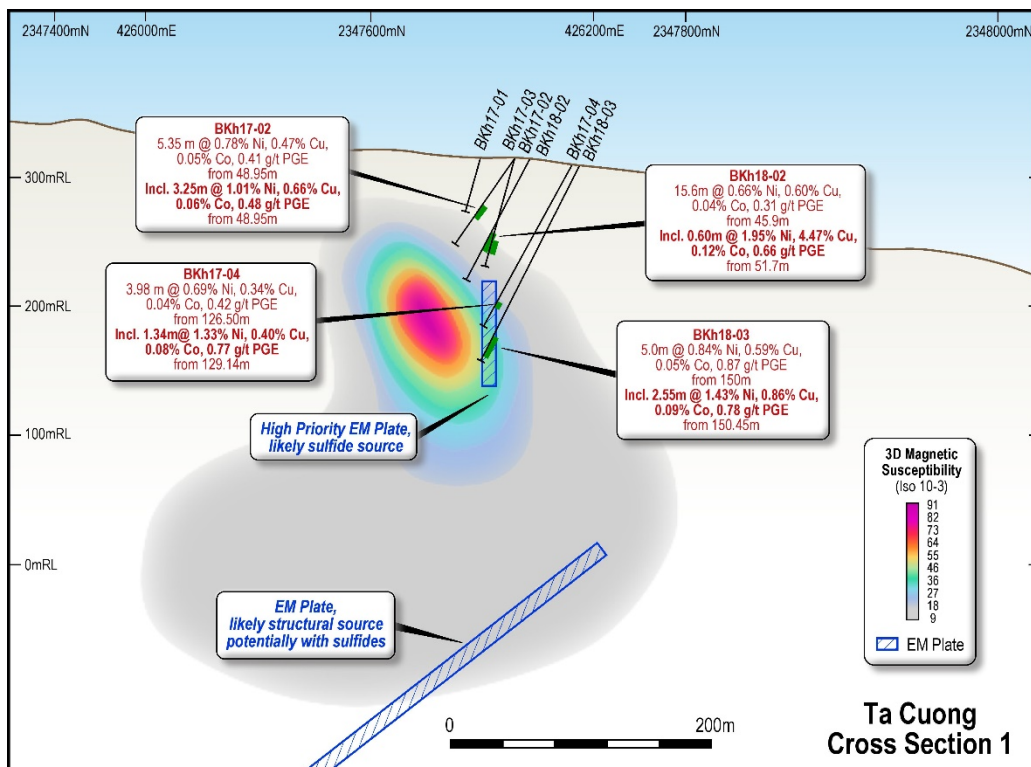


Figure 3: Ta Cuong Cross Section 1 showing maiden drillholes BKh17-02, BKh17-04, Bkh18-02 & BKh18-03 (Refer to Appendix One and ASX announcement from 16 July 2020)

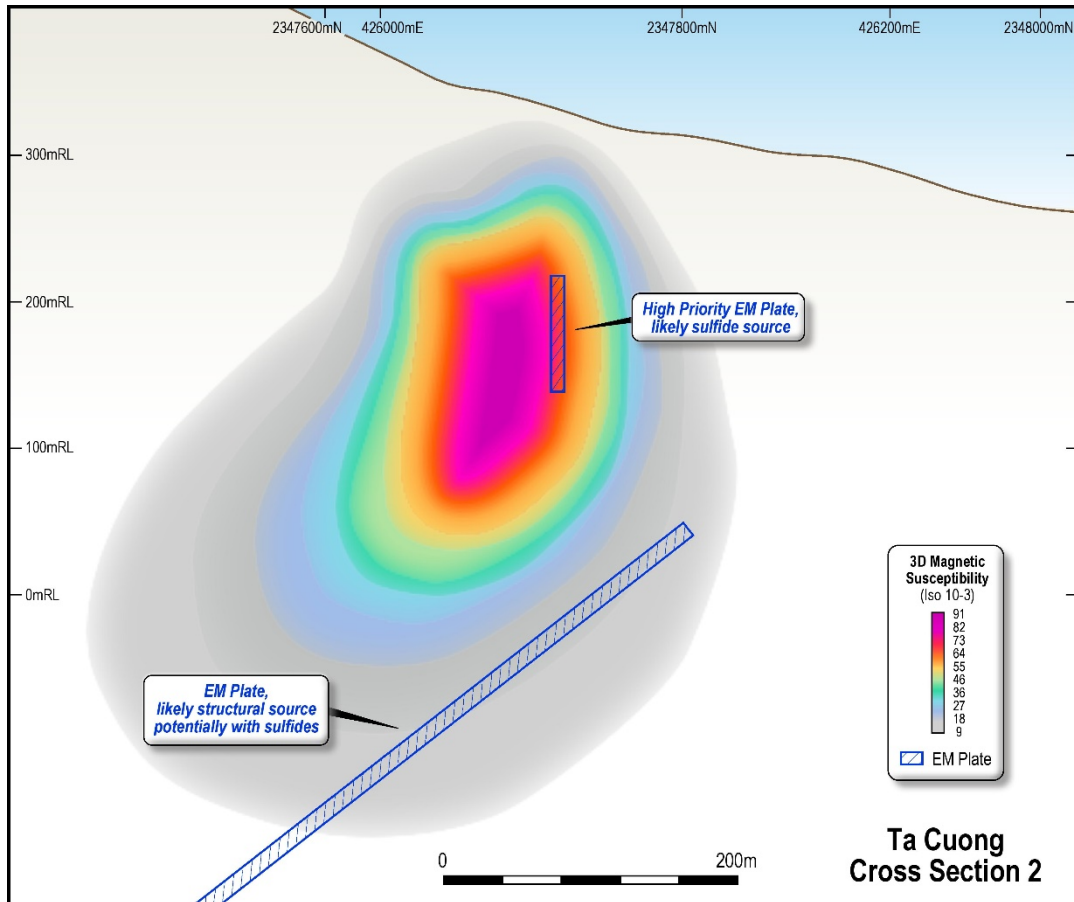


Figure 4: Ta Cuong Cross section 2 showing EM plates

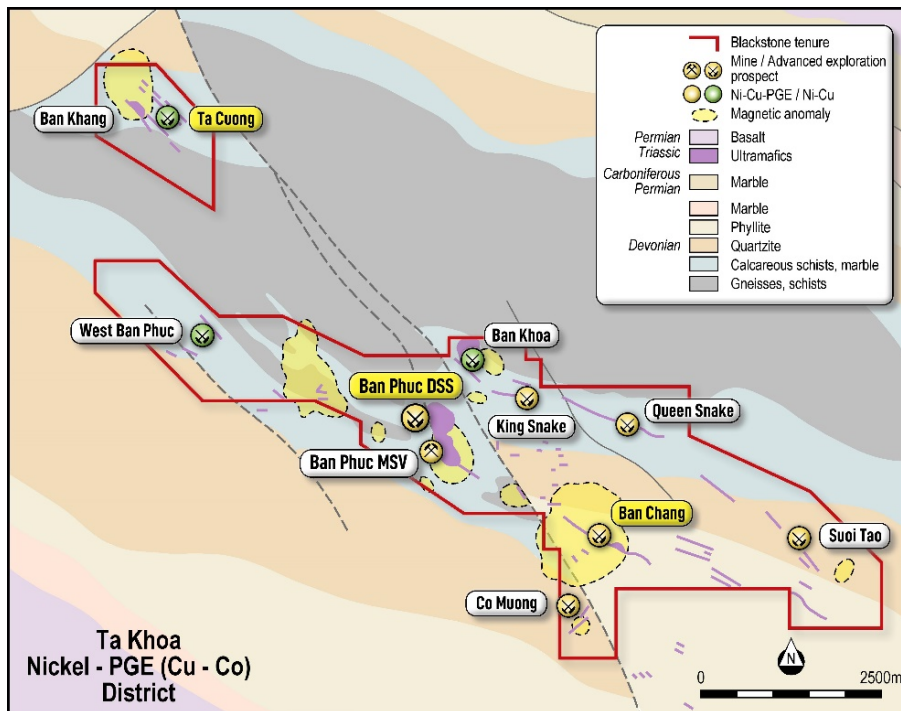
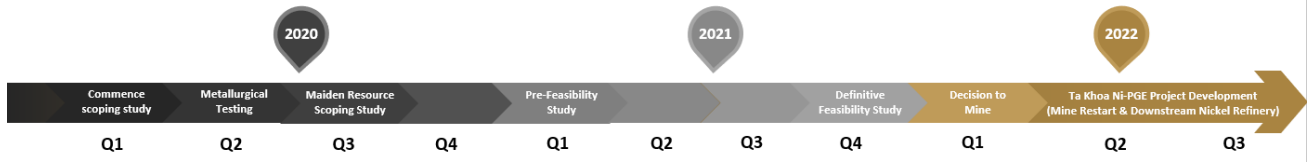


Figure 5: Ta Khoa Nickel-PGE (Cu-Co) district

## Ta Khoa Nickel-Cu-PGE Project – Next Steps



Blackstone Minerals aims to deliver a maiden resource in the current quarter, focused initially on the DSS at Ban Phuc and continues to investigate the potential to restart the existing Ban Phuc concentrator through focused exploration on both MSV and DSS deposits. Blackstone has commenced a scoping study on the downstream processing facility at Ta Khoa. The scoping study, also to be announced in Q3, will provide details for joint venture partners to formalise the next stage of investment.

Blackstone has commenced metallurgical testing on the Ban Phuc DSS deposit with an aim to develop a flow sheet for a product suitable for the lithium-ion battery industry. In addition, Blackstone Minerals will investigate the potential to develop downstream processing infrastructure in Vietnam to produce a downstream nickel and cobalt product to supply Asia’s growing lithium-ion battery industry.



Figure 6: Ta Khoa Nickel-Cu-PGE Project location

The Ta Khoa Nickel-Cu-PGE Project in northern Vietnam includes an existing modern nickel mine, which has been under care and maintenance since 2016 due to falling nickel prices. Existing infrastructure includes an internationally designed 450ktpa processing plant. Previous project owners focused mining and exploration efforts primarily on the MSV at Ban Phuc. Blackstone plans to explore both MSV and DSS targets throughout the project, initially within a 5km radius of the existing processing facility. Blackstone will conduct further geophysics on the MSV and DSS targets and continue its maiden drilling campaign. Online readers can click [here](#) for footage taken from our Ta Khoa Nickel-Cu-PGE Project.

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**About Blackstone**

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

**Competent Person Statement**

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr Andrew Radonjic, a Director and Technical Consultant of the company, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Andrew Radonjic has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Andrew Radonjic consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



## Appendix One

### JORC Code, 2012 Edition | 'Table 1' Report

#### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections).

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg: cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>The EM models shown in this release are based on Fixed Loop Electromagnetic (FLEM) data collected by personnel of the Vietnamese government Geophysical Division and Ban Phuc Nickel Mines. Data collection was monitored, validated and processed by geophysical consultants Core Geophysics. Summary survey parameters are provided below.</li> <li>The magnetic inversion model presented in this release were produced by geophysical consultant Terra Resources using 200m line spacing heli-magnetic data collected in 1999. Summary survey parameters are provided below.</li> <li>No new drilling is being announced.</li> <li>All drill hole data included in this release has been reported in previous Blackstone Minerals announcements to the ASX and additionally available from <a href="http://blackstoneminerals.com.au">http://blackstoneminerals.com.au</a>.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> </ul>

Criteria	Explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> <li>The FLEM survey was conducted along the Ban Phuc Mine Grid lines using Total Station and GPS survey control.</li> <li>All locational information in this announcement is in UTM Zone 48N WGS84.</li> <li>Topographic control is provided by government topographic map sheets and a Digital Terrain Model based on the 30 m Shuttle Radar Topographic Mission data.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>The Fixed Loop Electromagnetic (FLEM) models shown in this release were produced by Core Geophysics Pty Ltd using Maxwell™ software from data collected by Ban Phuc Nickel Mines survey crews using EMIT 40A SMARTx4 EM transmitter, SMART Fluxgate, and SMARTem24 16 channel receiver system. Loop dimensions are 500 m and receiver spacing 50 m along UTM NNE trending lines 100 m apart.</li> <li>The airborne magnetic survey was flown by High-Sense Geophysics Ltd for Ban Phuc Nickel Mines Ltd in 1999. Equipment comprised a Geometric G-822 magnetic sensor with a resolution of 0.01 nT on a bird 30 m below the helicopter, Magnavox MX9212 twelve channel GPS receiver, Terra TRA 3000 radar altimeter, HS-GFCS II digital data acquisition system, RMS GR-33 dot-matrix recorder,</li> </ul>



		<p>Scitrex caesium H8 magnetometer base station, Novatel 3151 twelve channel GPS base station with post-flight differential correction. Traverse line direction was N20E and spacing 200 m, control line direction N70W and spacing 8,000 to 10,000 m, nominal mag bird height 30 m, measurement interval 0.1 s, nominal airspeed 120 km/h, nominal measurement interval 3.5 m.</p> <ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> <li>All drill hole data included in this release has been reported in previous Blackstone Minerals announcements to the ASX and additionally available from <a href="http://blackstoneminerals.com.au">http://blackstoneminerals.com.au</a>.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>The FLEM survey acquisition team was monitored by geophysical consultants Core Geophysics. Data was digitally transferred to Core Geophysics for modelling as described above.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>The data was independently validated, processed and modelled by geophysical consultants Core Geophysics.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The Ta Cuong prospect is located within the Ta Khoa Concession and is covered by the Foreign Investment Licence, 522 G/P, which Ban Phuc Nickel Mines Joint Venture Enterprise (BPNMJVE) was granted on January 29<sup>th</sup>, 1993. An Exploration Licence issued by the Ministry of Natural Resources and Environment covering 34.8 km<sup>2</sup> within the Ta Khoa Concession is currently in force. Blackstone Minerals Limited owns 90% of Ban Phuc Nickel Mines</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>The first significant work on the Ban Phuc nickel deposit and various adjacent prospects was by the Vietnamese Geological Survey in the 1959-1963 period. The next significant phase of exploration and mining activity was by Asian Mineral Resources from 1996 to 2018, including mining of the Ban Phuc massive sulfide vein mining during the 2013 to 2016 period. The Ban Phuc Ni mine, plant and infrastructure has been on care and maintenance since 2016.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The late Permian Ta Khoa nickel-copper-sulfide deposits and prospects are excellent examples of the globally well-known and economically exploited magmatic nickel – copper sulfide deposits. The identified nickel and copper sulfide mineralisation within the project include disseminated, net texture and massive sulfide types. The disseminated and net textured mineralisation occurs within dunite adcumulate intrusions, while the massive sulfide veins typically occur in the adjacent metasedimentary wallrocks and usually associated with narrow tremolite replaced pyroxenite dykes. For more detail of the deposit and regional geology see DB Mapleson and BA Grguric N43-101 Technical Report on the Ta Khoa (Ni Cu Co PGE) Prospects Son La Province, Vietnam available from System for Electronic Document Analysis and Retrieval (<a href="http://www.sedar.com">www.sedar.com</a>) for Asian Minerals Resources</li> </ul>

Criteria	Explanation	Commentary
		Limited. A summary of the geology of the Ban Phuc intrusion can be found in Wang et al 2018, A synthesis of magmatic Ni-Cu-(PGE) sulfide deposits in the ~260 Ma Emeishan large igneous province, SW China and northern Vietnam, <i>Journal of Asian Earth Sciences</i> 154.
Drill hole Information	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>- easting and northing of the drill hole collar;</li> <li>- elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar;</li> <li>- dip and azimuth of the hole</li> <li>- down hole length and interception depth;</li> <li>- hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> <li>For the Company’s best understanding of previous owners drilling please refer to previous Blackstone Minerals announcements to the ASX and additionally available from <a href="http://blackstoneminerals.com.au">http://blackstoneminerals.com.au</a></li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate exploration plans and sections are included in the body of this release.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>No new drilling is being announced, not applicable.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate exploration plans are included in the body of this release.</li> <li>For the Company’s understanding of previous owners exploration and drilling within the broader Ta Khoa Project please refer to Blackstone Minerals’ announcements of 8 May 2019 and 29 May 2020 to the ASX and additionally available from <a href="http://blackstoneminerals.com.au">http://blackstoneminerals.com.au</a>.</li> </ul>

Criteria	Explanation	Commentary
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Blackstone Minerals proposes to conduct further drilling and associated activities to better define and extend the identified mineralised zones.</li> <li>An appropriate exploration plan is included in the body of this release.</li> </ul>