

ASX ANNOUNCEMENT

ASX : BSX

31 July 2024

## QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2024

### HIGHLIGHTS

- The Company commenced the precursor cathode active material (“pCAM”) NCM811 (nickel-cobalt-manganese in a ratio of 8-1-1) pilot program in May 2024. This is the last stage of outstanding testwork required to finalise the definitive feasibility studies (“DFS”).
- The Company is in the final stages of completing the Ta Khoa Refinery (“TKR”) DFS. Outstanding DFS activities include, pCAM piloting program, residue handling testwork and facility design and finalising geotechnical assessments. Completion of these activities will allow the Company to release the DFS within CY24.
- The Company continues to engage the Son La Provincial Government and with respect to the TKR Investment Policy application. The Company has progressed drafting the Ta Khoa Nickel (“TKN”) Investment Policy Application document.
- End of quarter cash position of \$4.16m, following receipt of ~\$1m research and development advance funding agreement.
- Listed investments of \$1.6m at the end of the quarter.

For a video summary of the announcement head to the Blackstone Investor Hub <https://investorhub.blackstoneminerals.com.au/link/7PRd7e>

### PROJECT UPDATE

#### TA KHOA REFINERY COMMENCES pCAM PILOTING

After successful completion of both the Ta Khoa Nickel (“TKN”) and Ta Khoa Refinery (“TKR”) pilot campaigns to produce battery grade nickel and cobalt sulphates (Refer to ASX announcement 15 November 2022), Blackstone commenced pCAM piloting in May 2024. The pCAM pilot program is the last stage of testwork required to allow the Company to finalise TKR DFS testwork activities.

The pCAM pilot program will utilise feedstock generated during the TKR pilot program to produce on-specification pCAM material in the chemistry of NCM811 to ‘typical’ lithium-ion battery standards for the EV market.

The pCAM pilot program will be carried out over 12 weeks, focused on delivering on-specification pCAM samples which can be distributed to JV partners and for marketing purposes. Successful generation of pCAM NCM811 during the pilot program will confirm the Company’s flowsheet is ‘fit-for-purpose’ and allow the Company to progress through to DFS completion.

In July 2024, the Company hosted a number of strategic investor and external technical personnel tours of the piloting facility to showcase the team's capability and technical viability of the Project. The tour allowed the Company to demonstrate its commitment to developing a vertically integrated flowsheet from pit to pCAM. pCAM piloting results are expected to be released in CY24.



**Figure 1: pCAM testwork facility and Blackstone pCAM NCM811 sample**

## RESIDUE REPURPOSING STUDIES

During the period, the Company worked with its TKR residue repurposing technical partners (Refer to ASX announcement 13 March 2024) to define future testwork and research scope. In addition, the Company has successfully transported residue (or construction material) to Vietnam to allow further testwork, successfully achieved 'non-hazardous' waste classification to Vietnamese standards, progressed design of the Construction Aggregate Storage Facility and integrated residue repurposing within the DFS flowsheet.

For the upcoming period, the Company will distribute a larger shipment of construction material from the TKR pilot campaign (Refer to ASX announcement 15 November 2022) to Vietnam to allow technical partners to progress their studies and research. Within Australia, the Company, with the aid of Real Material will produce larger batches of bricks and other construction materials in the aid of optimising design and test the structural integrity against Australian Standards.



**Figure 2: Bricks manufactured from TKR residue**

## TA KHOA REFINERY DFS ACTIVITIES

The Company remains focused to finalise the remaining outstanding study activities for its flagship project, Ta Khoa Refinery. The outstanding DFS activities include, pCAM piloting program, residue handling testwork, Construction Aggregate Storage Facility design and finalising geotechnical assessments. Completion of these activities will allow for the release of the DFS within CY24.

Following on the announcement of the Wabowden Option Agreement late last year (Refer to ASX announcement, 5 December 2023), the Ta Khoa Refinery DFS has included the Wabowden feedstock within the project design. As such, several design changes were required and now incorporated within the TKR DFS. The inclusion of the Wabowden feedstock allows for longer term feedstock security, thus providing greater project certainty and improving financial model outcomes.

## PERMITTING UPDATE

The Vietnamese team continues to engage the Son La Provincial Government on the Company's TKR Investment Policy application. Good progress has been made by working in close collaboration with the province and in particular the recent implementation of a new land law (effective from 1 August 2024) will have a positive impact on the approvals process.

The Company, working with VIMLUKI (Consultancy under the Ministry of Industry & Trade) has progressed the drafting of the Investment Policy Application document for TKN. It is anticipated that formal submission of the TKN application will happen after approval of the TKR Investment Policy is received over the coming months.

## CORPORATE

Key Corporate matters include:

- \$1,016,000 on exploration activities (refer to Item 1.2(a) of Appendix 5B), relating to ongoing exploration, mine site and refinery activities at its Ta Khoa Nickel-Copper-PGE Project. Full details of exploration activity during the quarter are set out in this report (ASX Listing Rule 5.3.1),
- No substantive costs incurred on mining and development activities during the quarter (ASX Listing Rule 5.3.2), and
- \$89,000 of payments made to related parties or their associates (refer to Item 6.1 of Appendix 5B) including (ASX Listing Rule 5.3.5):
  - Directors' fees, salaries, superannuation, and consulting fees of \$89,000.

## FUNDS RECEIVED FROM PARTIAL SALE OF CODRUS SHARES

Blackstone announced that it received A\$0.9m from the sale of 25 million Codrus Minerals Limited (ASX: CDR) shares through broker facilitated off market transfers.

Blackstone retains 10 million shares in Codrus and will maintain exposure to the portfolio of gold, uranium and rare earths projects.

## BLACKSTONE RECEIVES A\$1 MILLION R&D REFUND ADVANCE

Blackstone announced that it received A\$1 million as an advance from research & development ("R&D") lending fund backed by Asymmetric Innovation Finance ("Asymmetric") and Fiftyone Capital ("Fiftyone"), on Blackstone's future 2024 refundable tax offset for R&D expenditure.

The advanced payment of A\$1m received reflects the ongoing investment by Blackstone to develop the Ta Khoa Refinery process and Blackstone's unique strategy to convert nickel concentrate blends into battery products in the form of precursor cathode active material. The majority of Blackstone's investment was directed to process development and piloting programs in Australia. The \$1 million will be repaid following lodgement of the R&D claim under the R&D Tax Incentive Program.

## ACUITY EXTENSION

The company has agreed with Acuity Capital to extend the expiry date of its At-the-Market Subscription Agreement (ATM) to 31 July 2029.

As previously announced, the ATM was initially established with an expiry date of 31 July 2024 (Refer to previous announcements on 22 March 2022 and 30 October 2023).

Please note there is no requirement for Blackstone to utilise the ATM and there were no fees or costs associated with the extension of the ATM.

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

Ends.

### Scott Williamson

Managing Director

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Investors are also encouraged to join and engage through the Blackstone Minerals Investor Hub, read a summary [here](#), post questions and feedback through the Q&A function accompanying each piece of content, and [engage directly](#) with the Blackstone team.

## How to join the Blackstone Minerals InvestorHub

1. Head to our [Investor Hub](#) or scan the QR code with your smart device
2. Follow the prompts to sign up for an Investor Hub Account
3. Complete your account profile and link your shareholdings if you are a current shareholder.



## COMPETENT PERSON DISCLOSURE STATEMENT

### Exploration Results, Mineral Resources and Ore Reserves

No new Exploration Results, Minerals Resources or Ore Reserves are included in this report. Information in this report that refers to such items is taken from information previously presented to the public and remains relevant. Where previous information is re-stated or referred to, the original report and report data is referenced.

### New Information

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person and Qualified Person's findings as presented have not been materially modified from the relevant original market announcement.

### Forward Looking Statements

This report contains certain forward-looking statements. The words "expect", "forecast", "should", "projected", "could", "may", "predict", "plan", "will" and other similar expressions are intended to identify forward looking statements. Indications of, and guidance on, future earnings, cash flow costs and financial position and performance are also forward-looking statements. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results or trends to differ materially. These variations, if materially adverse, may affect the timing or the feasibility of the development of the Ta Khoa Project.

## APPENDIX A: Tenements

### Mineral tenements held at the end of June 2024 quarter.

Project	Location	Tenement	Interest at June 2024
Gold Bridge	British Columbia, Canada	501174, 502808	100%
	British Columbia, Canada	503409, 564599	100%
	British Columbia, Canada	573344, 796483	100%
	British Columbia, Canada	844114, 1020030	100%
	British Columbia, Canada	1047915, 1055449	100%
	British Columbia, Canada	1046246, 1046253	100%
	British Columbia, Canada	1050797, 1052563	100%
	British Columbia, Canada	1052564, 1052989	100%
	British Columbia, Canada	1052990, 1052991	100%
	British Columbia, Canada	1052992, 1052993	100%
	British Columbia, Canada	1055836, 1055837	100%
	British Columbia, Canada	1055838, 1055839	100%
	British Columbia, Canada	1055840, 1055859	100%
	British Columbia, Canada	1055860, 1055861	100%
	British Columbia, Canada	1055862, 1055863	100%
	British Columbia, Canada	1055864, 1052630	100%
	British Columbia, Canada	1052893, 1065892	100%
	British Columbia, Canada	1066580, 1066581	100%
Ta Khoa	Vietnam	ML 1211/GPKT- BTNMT	90%
		and 522 G/P	90%

### Mining tenements acquired and disposed during the June 2024 quarter.

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
<b>Mining tenements relinquished</b>				
Nil				
<b>Mining tenements acquired</b>				
Nil				

**Beneficial percentage interest in joint venture agreements at end of quarter.**

Project	Location	Tenement	Interest at end of Quarter
Nil			

**Beneficial percentage interest in farm-in or farm-out agreements acquired or disposed of during the quarter.**

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
<b>Mining tenements relinquished</b>				

Nil

**Mining tenements acquired**

Nil

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Blackstone Minerals Limited

ABN

96 614 534 226

Quarter ended ("current quarter")

30 June 2024

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(1,016)	(12,985)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(304)	(2,484)
	(e) administration and corporate costs	(579)	(2,007)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	57
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	4,444
1.8	Other (provide details if material) – Corporate restructuring costs	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(1,887)</b>	<b>(12,975)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	(1,250)
	(e) investments	-	(136)
	(f) other non-current assets	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	875	2,926
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>875</b>	<b>1,540</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	4,388
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1)	(297)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(2,836)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other— R&D Advance net of costs.	995	3,669
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>994</b>	<b>4,924</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,180	10,654
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,887)	(12,975)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	875	1,540
4.4	Net cash from / (used in) financing activities (item 3.10 above)	994	4,924

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	19
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,162</b>	<b>4,162</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	4,162	4,180
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,162*</b>	<b>4,180</b>

\*Excludes market value of listed equity investments held at 30 June 2024 of \$1.6m.

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	89
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,887)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,887)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,162
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,162
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.2
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....31 July 2024.....

Jamie Byrde  
Chief Financial Officer/Company Secretary

Authorised by: .....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.