

BLACKSTONE MINERALS LIMITED

ACN 614 534 226

PROSPECTUS

For a non-renounceable accelerated institutional and retail entitlement issue of one Share for every four Shares held by those Eligible Shareholders registered at the Record Date at an issue price of \$0.03 per Share to raise up to approximately \$3,981,449 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

Eligible Shareholders who apply for their full Entitlement will also be entitled to apply for additional Shares under the Shortfall Offer.

The Offer is partially underwritten by Nanjia Capital Limited (an entity incorporated in Hong Kong).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered highly speculative.

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CORPORATE DIRECTORY

Directors

Hamish Halliday
Non-Executive Chairman

Scott Williamson
Managing Director

Dr Frank Bierlein
Non-Executive Director

Alison Gaines
Non-Executive Director

Dan Lougher
Non-Executive Director

Company Secretary

Jamie Byrde

Registered Office

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600 Murray Street
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ASX Code

BSX

Share Registry*

Automic Group
Level 5
191 St Georges Terrace
PERTH WA 6000

Auditor*

Ernst & Young
EY Building
11 Mounts Bay Road
PERTH WA 6000

Legal Advisers

Steinepreis Paganin
Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

Lead Manager

Westar Capital Limited
Level 4, 216 St Georges Terrace
PERTH WA 6000

Underwriter

Nanjia Capital Limited
902 Grand City Plaza
Sai Lau Kok Road
HONG KONG

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

1. TIMETABLE

EVENT	DATE
Announcement of Offer Lodgement of Appendix 3B with ASX Lodgement of Prospectus with ASIC and ASX	Prior to noon (Sydney time), Monday, 4 November 2024
Institutional Offer opens	Monday, 4 November 2024
Institutional Offer closes	Tuesday, 5 November 2024 (5.00pm AWST)
Announcement of results of Institutional Offer	Before market open Wednesday, 6 November 2024
Trading halt lifted Trading resumes on an ex-entitlement basis	Wednesday, 6 November 2024
Record Date for the Retail Offer	Wednesday, 6 November 2024 (4:00pm AWST)
Prospectus despatched to Shareholders Company announces the despatch has completed Opening Date for Retail Offer	Monday, 11 November 2024
Settlement of Institutional Offer	Monday, 11 November 2024
Issue of Shares under Institutional Offer and Lodgement of Appendix 2A	Before noon (Sydney time), Tuesday, 12 November 2024
Quotation of Shares issued under the Institutional Offer	Wednesday, 13 November 2024
Last day to extend Retail Offer closing date	Prior to noon (Sydney time), Tuesday, 26 November 2024
Closing Date of the Retail Offer	Friday, 29 November 2024 (5.00pm AWST)
Announcement of results of Retail Offer	Tuesday, 3 December 2024
Issue of Shares under the Retail Offer and Lodgement of Appendix 2A	Wednesday, 4 December 2024
Quotation of Shares issued under the Retail Offer	Thursday, 5 December 2024

*All dates are indicative and subject to change. The Company reserves the right to alter this timetable at any time.

2. IMPORTANT NOTES

This Prospectus is dated 4 November 2024 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or a Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

2.1 No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Shares under this Prospectus to determine whether it meets your objectives, financial situation and needs.

2.2 Risk factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. There are factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance of the Company. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of the Company, dependent on the policies adopted and approaches taken by regulatory authorities or cannot otherwise be mitigated. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

2.3 Forward-Looking Statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets'; 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6 of this Prospectus.

2.4 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of applying for Shares under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with applying for Shares under this Prospectus.

2.5 Website – Electronic Prospectus

A copy of this Prospectus can be downloaded online from www.blackstoneminerals.com.au.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus, or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

2.6 Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

2.7 Disclaimer

No person is authorised to give information or to make any representation in connection with the Offer which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer. You should rely only on information in this Prospectus.

2.8 Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for securities under this Prospectus.

3. DETAILS OF THE OFFER

3.1 The Offer

The Offer is an accelerated non-renounceable entitlement offer of approximately 132,714,967 Shares at an issue price of \$0.03 per Share, on the basis of one Share for every four Shares held by Eligible Shareholders as at the Record Date. Fractional entitlements will be rounded down to the nearest whole number.

The Offer has two components:

- (a) an accelerated offer to Eligible Institutional Shareholders which opened on 4 November 2024, is due to close on 5 November at 5.00pm (AWST) and is due to settle on November 2024 (**Institutional Offer**); and
- (b) an offer to Eligible Retail Shareholders which is due to open on 11 November 2024 and close on 29 November 2024 (**Retail Offer**).

Both the Institutional Offer and the Retail Offer are non-renounceable. Accordingly, Entitlements cannot be traded on the ASX, nor can they be sold, transferred or otherwise disposed of.

Based on the capital structure of the Company as at the date of this Prospectus (and assuming no further Shares are issued prior to the Record Date), a maximum of approximately 132,714,967 Shares are to be issued to raise up to approximately \$3,981,449 (before costs of the Offer).

As at the date of this Prospectus the Company has:

- (a) 25,464,462 Options on issue, all of which may be exercised prior to the Record Date; and
- (b) 212,465 Service Rights on issue which remain subject to vesting conditions before they may be exercised.

Please refer to Section 4.4 of this Prospectus for information on the Options and Service Rights on issue.

All of the Shares offered under the Offer will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.1 for further information regarding the rights and liabilities attaching to the Shares.

The Directors may at any time decide to withdraw this Prospectus and the Offer made under this Prospectus, in which case the Company will return all applications monies (without interest).

The purpose of the Offer and the intended use of funds raised under the Offer are set out in Section 4 of this Prospectus.

3.2 Institutional Offer

The Institutional Offer will be conducted over a two trading-day period (**Institutional Offer Period**). During the Institutional Offer Period, Eligible Institutional Shareholders will be invited to participate in the Institutional Offer and will be afforded the opportunity to subscribe for all or a portion of their full Entitlement under the Institutional Offer, at the price of \$0.03 per Share (**Offer Price**).

Eligible Institutional Shareholders may subscribe for all or part of their Entitlement. Eligible Institutional Shareholders who accept their Entitlement in full may also apply for additional Shares from the Shortfall Offer. The Company reserves the right to allocate any additional Shares to Eligible Institutional Shareholders who wish to take up additional Shares at its sole discretion. The Company will not allocate or issue any additional Shares where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant law.

Unless otherwise agreed by the Company, any Eligible Institutional Shareholder that does not confirm their acceptance of the Institutional Offer by the close of the Institutional Offer will be deemed to have renounced all of their Entitlement and will not receive any value in respect of their Entitlement.

Shares equal in number to those Entitlements not taken up by Eligible Institutional Shareholders, will also be offered for subscription to Eligible Institutional Shareholders and, with the consent of the Company, selected institutional investors, through a volume bookbuild process over the Institutional Offer Period at the Offer Price.

All participants under the Institutional Offer will pay the same price for all of the Shares they subscribe for (being the Offer Price).

3.3 Retail Offer

Eligible Retail Shareholders are invited to participate in the Retail Offer under the Prospectus, on the same terms as the Institutional Offer.

The Retail Offer constitutes an offer to Eligible Retail Shareholders only.

Eligible Retail Shareholders who wish to acquire Shares under the Retail Offer will need to complete a BPay® payment using the reference number on their personalised Entitlement and Acceptance Form that will be sent to them accompanying a copy of the Prospectus or follow the instructions on the Entitlement and Acceptance Form to make a payment via EFT.

3.4 Minimum subscription

There is no minimum subscription to the Offer.

3.5 Your choices as an Eligible Retail Shareholder

Eligible Retail Shareholders may do any of the following:

- (a) take up their full Entitlement under the Offer;
- (b) take up their full Entitlement under the Offer and apply for shortfall under the Offer (**Shortfall**);
- (c) partially take up their Entitlement and allow the balance to lapse; or
- (d) decline to take up their Entitlement by taking no action.

There is no guarantee that Eligible Retail Shareholders who apply for additional Shares under the Shortfall will receive the number of additional Shares applied for, or indeed, any additional Shares at all. The number of new Shares issued under the Shortfall Offer will not exceed the Shortfall following the Offer. The Directors, in conjunction with the Lead Manager, shall allot and issue additional new Shares in accordance with the allocation policy for the Entitlement Shortfall set out in Section 3.14.

The Company, in consultation with the Lead Manager, may reject any application for additional new Shares under the Shortfall or allocate fewer additional new Shares than applied for by Eligible Retail Shareholders for additional new Shares. The ability for the Company to issue additional new Shares is dependent upon the extent of any Shortfall.

3.6 Acceptance

If you are an Eligible Retail Shareholder and you wish to take up all or part of your Entitlement, your acceptance of the Offer must be made by making a payment by (1) BPay® using the personal reference number on the Entitlement and Acceptance Form accompanying this Prospectus or (2) EFT by follow the instructions on the Entitlement and Acceptance Form, so that the payment is received prior to the Closing Date of the Offer. Your acceptance must not exceed your Entitlement as shown on that form, unless you intend to apply for additional Shares under the Shortfall Offer (refer to Section 3.14 for further information), in which case the additional Shares applied for will be deemed to be an application for Shares under the Shortfall Offer.

You may participate in the Offer as follows:

- (a) If you wish to accept your full Entitlement:
 - (i) Your application for Shares under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form.

- (ii) Payment can be made by the methods set out in Sections 3.7 or 3.8. You do not need to return the Entitlement and Acceptance Form.
- (b) If you wish to **apply for additional Shares after accepting your full Entitlement** in accordance with Section 3.6(a), then:
 - (i) Your application for your Entitlement and additional Shortfall Shares under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form.
 - (ii) Payment can be made by the methods set out in Sections 3.7 or 3.8. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying. You do not need to return the Entitlement and Acceptance Form.
 - (iii) If you apply for Shortfall Shares beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Shares is at the Company's discretion, as per the allocation policy set out in Section 3.14. Accordingly, your application for additional Shortfall Shares may be scaled-back. There is no guarantee that Eligible Shareholders will receive Shares applied for under the Shortfall Offer.
 - (iv) The Company's decision on the number of Shortfall Shares to be allocated to you will be final.
- (c) If you only wish to **accept part of your Entitlement**, your application must be made by making payment for the number of Shares you wish to take up using the payment methods set out in Sections 3.7 or 3.8 below. You do not need to return the Entitlement and Acceptance Form.
- (d) If you **do not wish to accept all or part of your Entitlement**, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the offer to you will lapse.

3.7 Payment by BPAY®

For payment by BPAY®, you must follow the instructions on the Entitlement and Acceptance Form. You will not need to return the Entitlement and Acceptance Form. You will be deemed to have accepted all or part of your Entitlement and subscribed for Shortfall Shares (as applicable) upon receipt of the BPAY® payment by the Company. You can only make a payment via BPAY® if you are a holder of an account with an Australian financial institution that supports BPAY® transactions.

When paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number on your personalised Entitlement and Acceptance Form. If you have more than one holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. If you receive more than one personalised Entitlement and Acceptance Form, please only use the Customer Reference Number specific to the Entitlement on that Entitlement and Acceptance Form.

Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations, representations and warranties on that personalised Entitlement and Acceptance Form and under this Prospectus; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application Monies; and
- (c) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for additional Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

Eligible Retail Shareholders should be aware that their own financial institution may implement earlier cut off times with regard to electronic payments and it is the responsibility of Applicants to ensure that funds are submitted through BPAY® by no later than 2:00pm (AWST) on the Closing Date. The Company shall not be responsible for any postal or delivery delays, or delay in the receipt of the BPAY® payment.

3.8 Payment by Electronic Funds Transfer

For payment by Electronic Funds Transfer (**EFT**), please follow the instructions on the Entitlement and Acceptance Form.

You will not need to return the Entitlement and Acceptance Form. You will be deemed to have accepted all or part of your Entitlement and subscribed for Shortfall Shares (as applicable) upon receipt of the EFT payment by the Company. You can only make a payment via EFT if you are a holder of an account that supports EFT transactions to an Australian bank account.

When paying by EFT, please make sure you use the unique reference number on your personalised Entitlement and Acceptance Form. If you have more than one holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. If you receive more than one personalised Entitlement and Acceptance Form, please only use the unique reference number specific to the Entitlement on that Entitlement and Acceptance Form.

Please note that should you choose to pay by EFT:

- (a) you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the declarations, representations and warranties on that personalised Entitlement and Acceptance Form and under this Prospectus; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application Monies; and
- (c) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for additional Shortfall Shares (if any) under the Shortfall Offer, to the extent of the excess.

Eligible Retail Shareholders should be aware that their own financial institution may implement earlier cut off times with regard to electronic payments and it is the responsibility of Applicants to ensure that funds are submitted through EFT by no later than 2:00pm (AWST) on the Closing Date. The Company shall not be responsible for any postal or delivery delays, or delay in the receipt of the EFT payment.

3.9 Implications of an acceptance

Paying any Application Monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once an Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application Monies, the application may not be varied or withdrawn except as required by law;
- (c) you are an Eligible Shareholder; and
- (d) if you are outside Australia, you are permitted to participate in the Offer as contemplated in Section 3.17.

3.10 Lead Manager

Westar Capital has been appointed as the lead manager to the Offer. A summary of the terms of the lead manager mandate and total fees payable are set out in Section 7.4(a).

3.11 Underwriting

The Retail Offer is partially underwritten by Nanjia Capital Limited (an entity incorporated in Hong Kong) (**Nanjia Capital** or **Underwriter**).

The Underwriter is a substantial shareholder of the Company and, together with its associates (as defined in the Corporations Act), has a relevant interest in 76,856,464 Shares as at the date of this Prospectus. The Underwriter, together with its associates, has:

- (a) given a firm commitment to subscribe for Entitlements under the Institutional Offer up to an amount of approximately \$559,500 (18,650,023 Shares); and
- (b) agreed to underwrite the Retail Offer up to an amount of approximately \$1,090,497 (36,349,900 Shares),

(together, the **Underwriter Amount**).

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. Refer to Section 7.4(b) for details regarding the key terms of the Underwriting Agreement.

For further information regarding the application and allocation of Shortfall Shares please refer to Section 3.14.

3.12 Effect on control of the Company

It is a general rule under section 606 of the Corporations Act that a person cannot acquire a relevant interest in issued voting shares in a company if, because of the transaction in relation to securities, a person's voting power in the company increase from 20% or below to more than 20% or from a starting point that is above 20% and below 90%.

There are certain exceptions to the above prohibition in section 611 of the Corporations Act.

Item 10 of section 611 of the Corporations Act (**Entitlement Issue Exception**) provides an exception for an increase in voting power pursuant to an entitlement issue if the following conditions are satisfied:

- (a) the company offers to issue securities to every person who holds securities on a pro-rata basis;
- (b) all those persons have a reasonable opportunity to accept the offers made to them;
- (c) agreements to issue are not entered into until the closing date of the offer; and
- (d) the terms of the offer are all the same.

Item 13 of section 611 of the Corporations Act (**Underwriting Exception**) provides an exception for an increase in voting power pursuant to a prospectus where:

- (a) the issue is to a person as an underwriter to the issue; and
- (b) the prospectus discloses the effect that the acquisition would have on the person's voting power in the company.

As set out in Section 3.11 above, the Underwriter is a substantial Shareholder and, together with its associates, has a relevant interest in 76,856,464 Shares as at the date of this Prospectus. The Underwriter has also agreed to subscribe for Entitlements under the Institutional Offer and to underwrite the Retail Offer up to a maximum of the Underwriter Amount (being approximately \$1,650,000). The Underwriter's maximum relevant interest in

Shares and voting power in the Company under several scenarios are set out in the table below (which assumes that no further Shares are issued):

EVENT	SHARES ²	% (UNDILUTED)
Fully subscribed ¹	96,070,580	14.48%
75% subscribed by Shareholders other than Underwriter	124,022,743	18.69%
50% subscribed by Shareholders other than Underwriter	131,856,407	20.51%
25% subscribed by Shareholders other than Underwriter	131,856,407	21.46%
No subscription – Underwriter Amount only ¹	131,856,407	22.51%

Notes:

1. Refer to Section 3.11 above for further details.
2. Includes Shares held by Underwriter (and its associates) as at the date of this Prospectus (refer to Section 4.5 for further details).

3.13 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 3.11, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 20% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

HOLDER	HOLDING AS AT RECORD DATE	% AT RECORD DATE	ENTITLEMENTS UNDER THE OFFER	HOLDINGS IF OFFER NOT TAKEN UP	% POST OFFER
Shareholder 1	10,000,000	1.88%	2,500,000	10,000,000	1.45%
Shareholder 2	5,000,000	0.94%	1,250,000	5,000,000	0.72%
Shareholder 3	1,500,000	0.28%	375,000	1,500,000	0.22%
Shareholder 4	400,000	0.08%	100,000	400,000	0.06%
Shareholder 5	50,000	0.01%	12,500	50,000	0.01%

Notes:

1. This is based on a share capital of 530,859,870 Shares as at the date of the Prospectus and assumes no other Shares are issued prior to the Record Date.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer and/or Underwriting Agreement. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

3.14 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer. The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date to allow the Company to place Shortfall including to unrelated investors who are not Eligible Shareholders. The Company reserves the right to close the Shortfall Offer at any time.

Eligible Shareholders are entitled to apply for Shortfall Shares under the Shortfall Offer subject to such applications being received by the Closing Date. The issue price for each Shortfall Share shall be \$0.03, being the price at which Shares have been offered under the Offer.

The Company will accept all valid Applications for Shortfall Shares made by Eligible Shareholders, except where acceptance of an Application or the issuance of new Shares would be to a related party of the Company, would contravene section 606 of the Corporations Act or where the number of Shares in respect of which valid Applications have been received under the Shortfall Offer would (when taken together with all other valid Applications received under the Offer) exceed the total number of new Shares proposed to be issued under the Offer (in which case, the Company will accept all valid applications up to the maximum number of new Shares proposed to be issued under the Offer in accordance with the allocation described in paragraph 3.14(a) below).

The Company intends to allocate the Shortfall Shares as follows:

- (a) to the extent there is a shortfall between Applications received for Shares under the Offer and the total number of new Shares proposed to be issued under the Offer (**First Shortfall**), each Eligible Shareholder who has applied for additional Shares will be allocated their proportionate share of the First Shortfall having regard to their shareholdings as at the Record Date. If an Eligible Shareholder has made an application for Shortfall Shares but has specified a maximum shortfall application amount which is less than the amount of new Shares which that Shareholder would otherwise be allocated under this process, that Shareholder will be allocated the lesser amount;
- (b) if, following allocation of the First Shortfall, there remains a shortfall between the allocated new Shares and total number of new Shares proposed to be issued under the Offer (**Second Shortfall**), the above allocation process will be repeated in respect of the Second Shortfall and any subsequent shortfalls until either all the new Shares proposed to be issued under the Offer have been allocated or all shortfall allocations have been satisfied in full; and
- (c) if there remains a shortfall between the allocated new Shares and total number of new Shares proposed to be issued under the Offer, the residual Shortfall Shares will be placed to the Underwriter (to the extent the Retail Offer is underwritten); and
- (d) if there remains any residual Shortfall Shares after the issue of Shortfall Shares under the Underwriting Agreement, the Lead Manager and the Company have the right (but not the obligation) to place such residual Shortfall Shares within 3 months of the Closing Date, with the allocation of such Shortfall Shares to be determined by the Lead Manager in agreement with the Company.

3.15 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application Monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

3.16 Issue of Shares

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Shortfall Offer may be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus Application Monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all Application Monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be

entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Offer will be sent in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

3.17 Overseas shareholders

The Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

The Offer is being extended to Shareholders with a registered address in Australia, New Zealand, Bermuda, British Virgin Islands, Brunei, Canada (British Columbia), Singapore, Germany, Hong Kong, Isle of Man, Thailand, United States of America (Texas), Vietnam and the United Kingdom (**Eligible Jurisdictions**).

It is the responsibility of overseas Applicants to ensure compliance with all laws of any country relevant to their Acceptance. The Offer may only be accepted by Eligible Shareholders and does not constitute an offer in any place in which or to any person to whom, it would be unlawful to make such an offer.

The distribution of this Prospectus in jurisdictions outside the Eligible Jurisdictions may be restricted by law and persons who come into possession of this Prospectus observe those restrictions. Any failure to comply with restrictions might constitute a violation of applicable securities laws.

New Zealand

The Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the *Financial Markets Conduct Act 2013 (New Zealand)* and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand)*.

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Bermuda

No offer or invitation to subscribe for Shares may be made to the public in Bermuda. The Shares will be offered in Bermuda only to existing shareholders of the Company. No invitation is being made to persons resident in Bermuda for exchange control purposes to subscribe for Shares.

British Virgin Islands

The Shares may not be offered in the British Virgin Islands unless the Company or the person offering the Shares on its behalf is licensed to carry on business in the British Virgin Islands. While the Company is not licensed to carry on business in the British Virgin Islands, the Shares may be offered to existing shareholders of the Company in the British Virgin Islands from outside the British Virgin Islands.

Brunei

This document is only intended to be distributed and made available, and the Shares to be offered only, to existing shareholders of the Company. This document may not be distributed, published or advertised, directly or indirectly, to the public in Brunei Darussalam. No recipient of this document may distribute it or make copies of it available to any other person. This document has not been registered with the Brunei Registrar of Companies.

Canada (British Columbia)

This document constitutes an offering of the Shares in the Canadian province of British Columbia (**Province**) where existing shareholders of the Company are resident. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Province.

No securities commission or other authority in the Province has reviewed or in any way passed upon this document, the merits of the Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Province with respect to the offering of Shares or the resale of such securities. Any person in the Province lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province.

Any resale of the Shares in Canada must be made in accordance with applicable Canadian securities laws, which may require resales to be made in accordance with an exemption from prospectus requirements. Such resale restrictions do not apply to a first trade in a security (such as Shares) of a foreign issuer (such as the Company) that is not a reporting issuer in Canada and that is made through an exchange or market outside of Canada (such as ASX).

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Germany

This document has not been, and will not be, registered with or approved by any securities regulator in Germany or elsewhere in the European Union. Accordingly, this document may not be made available, nor may the Shares be offered for sale, in Germany except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (**Prospectus Regulation**).

In accordance with Article 1(4) of the Prospectus Regulation, an offer of Shares in Germany is limited:

- (a) to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation);
- (b) to fewer than 150 natural or legal persons (other than qualified investors); or
- (c) in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

Hong Kong

WARNING: This document may be distributed in Hong Kong only to (i) not more than 50 existing shareholders of the Company and (ii) any other shareholder who is a "professional investor" (as defined in the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong). This document may not be distributed, published, reproduced or disclosed (in whole or in part) to any other person in Hong Kong or used for any purpose in Hong Kong other than in connection with the recipient's consideration of the Offer.

You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

This document has not been reviewed by any Hong Kong regulatory authority. In particular, this document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of the Laws of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong.

Isle of Man

No offer or invitation to subscribe for securities may be made to the public in the Isle of Man.

Singapore

This document and any other materials relating to the Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document relating to the Shares may not be issued, circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (**SFA**) or another exemption under the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. If you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Thailand

This document is not intended to be an offer, sale or invitation for subscription or purchase of securities in Thailand. This document has not been registered as a prospectus with the Office of the Securities and Exchange Commission of Thailand. Accordingly, this document and any other document relating to the offer, sale or invitation for subscription or purchase, of the Shares may not be circulated or distributed, nor may the Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public of Thailand. This document may be distributed in Thailand only to existing shareholders of the Company.

United Kingdom

Neither this document nor any other document relating to the offer of Shares has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Shares.

The Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing shareholders of the Company. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (**relevant persons**). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States of America (Texas)

The Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act of 1933 and applicable US state securities laws.

The Offer is being made in the United States only to a limited number of shareholders of the Company who are “accredited investors” (as defined in Rule 501(a) under the US Securities Act). In order to participate in the Offer, a US shareholder must sign and return a US investor certificate, together with an application form, that is available from the Company to confirm, amongst other things, that the US shareholder is an accredited investor.

Vietnam

The offer of Shares is limited to fewer than 100 shareholders of the Company in the Socialist Republic of Vietnam. In addition, the Shares may not be offered to any person in Vietnam or to any Vietnamese citizen (whether residing in Vietnam or outside Vietnam) or any foreign exchange resident of Vietnam unless such person has obtained the necessary approval/license as required by relevant local laws from the Vietnamese authorities (eg, the State Bank of Vietnam) to purchase and hold such securities.

Nominees and custodians

Nominees and custodians may not distribute this document, and may not permit any beneficial shareholder to participate in the Offer, in any country outside Australia, Bermuda, British Virgin Islands, Brunei, Canada (British Columbia province only), Isle of Man and Singapore, except with the consent of the Company, to beneficial shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Offer.

3.18 Enquiries

If you have any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker, legal, financial or other professional adviser without delay. Any questions concerning the Offer or how to accept the Offer should be directed to the Company Secretary, on +61 8 9425 5217 or admin@blackstoneminerals.com.au.

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer and funding needs of the Company

The purpose of the Offer is to raise approximately \$3,981,449 (before costs).

The Company is seeking funding to strengthen its balance sheet to provide immediate working capital, to fund ongoing studies associated with the Wabowden Project (held under option agreement), to fund completion of the Ta Khoa Refinery DFS and to further its strategic partnership activities for its upstream and refinery projects.

The funds raised from the Offer (assuming (i) only the Underwriter Amount is raised and (ii) all Entitlements are accepted) are planned to be used in accordance with the table set out below:

PROCEEDS OF THE OFFER	UNDERWRITER AMOUNT (\$)	PERCENTAGE (%)	MAXIMUM SUBSCRIPTION (\$)	PERCENTAGE (%)
Expenses of the Offer ¹	64,847	4	82,493	2
Ongoing Studies for Wabowden Project	500,000	30	1,000,000	25
Complete Strategic Partnership Process	500,000	30	1,000,000	25
Complete Ta Khoa Refinery DFS	200,000	12	400,000	10
General working capital ²	385,153 ²	23	1,498,956 ³	38
Total	1,650,000	100	3,981,449	100

Notes:

1. Further details set out in Section 7.9.
2. General working capital costs include, but are not limited to, salaries, wages, rent, overheads and compliance costs.

On completion of the Offer and taking into account existing cash reserves, the Board believes the Company will have sufficient working capital to achieve its stated objectives. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company. In the event the Offer is not fully subscribed, operational objectives are likely to be modified as outlined above, which may result in a delay or substantial changes to the Company's future plans.

If more than the Underwriter Amount but less than the Maximum Subscription is raised, excess funds will first be applied to any increase to the expenses of the Offer and are then proposed to be allocated proportionally amongst the other line items in the table.

The above tabled expenditures represent a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

4.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted and no other Shares are issued prior to the Record Date, will be to:

- (a) increase the cash reserves by approximately \$3,981,449 (before deducting the estimated expenses of the Offer) immediately after completion of the Offer; and

- (b) increase the number of Shares on issue from 530,859,870 as at the date of this Prospectus to approximately 663,574,837 Shares following completion of the Offer.

The Company confirms there will be no change to the number of Options or Service Rights on issue as a result of the Offer.

4.3 Pro-forma statement of financial position

The unaudited balance sheet as at 30 September 2024 and the unaudited pro-forma balance sheet as at 30 September 2024 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming (i) only the Underwriter Amount is raised and (b) all Entitlements are accepted, no further Shares are issued prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	BSX CONSOLIDATED - AUDITED	UNAUDITED	PRO FORMA - ADJUSTMENTS	TOTAL - PRO FORMA (100%)	UNDERWRITER AMOUNT - PRO FORMA (41%) \$1.65m
	(30 JUNE 2024)	(30 SEPTEMBER 2024)			
	\$	\$	CAPITAL RAISING	\$	\$
Current Assets					
Cash and cash equivalents	4,162,366	1,851,379	3,898,956	5,750,335	3,501,379
Receivables and Other Financial Assets	1,718,782	1,768,181		1,768,181	1,768,181
Total Current Assets	5,881,148	3,619,560	3,898,956	7,518,516	5,269,560
Non-Current Assets					
Other Financial Assets	2,028,162	2,022,434		2,022,434	2,022,434
Property, plant and equipment	3,748,222	3,651,303		3,651,303	3,651,303
Right of Use Asset	136,619	66,231		66,231	66,231
Exploration and evaluation expenditure	5,800,000	5,800,000		5,800,000	5,800,000
Investments in Listed Entities	1,658,283	1,130,143		1,130,143	1,130,143
Total Non-Current Assets	13,371,286	12,670,111	0	12,670,111	12,670,111
Total Assets	19,252,434	16,289,671	3,898,956	20,188,626	17,939,671
Current Liabilities					
Trade and other payables	1,081,949	996,708		996,708	996,708
Provisions	319,494	232,665		232,665	232,665

Lease Liabilities	117,704	72,160		72,160	72,160
Short-Term Loan	1,000,000	1,044,274		1,044,274	1,044,274
Total Current Liabilities	2,519,147	2,345,807	0	2,345,807	2,345,807
Non-Current Liabilities					
Provisions	475,595	459,838		459,838	459,838
Other LT Liabilities	0	0		0	0
Lease Liabilities	0	0		0	0
Total Non-Current Liabilities	475,595	459,838	0	459,838	459,838
Total Liabilities	2,994,742	2,805,645	0	2,805,645	15,134,026
Net Assets	16,257,692	13,484,026	3,898,956	17,382,981	17,382,981
Equity					
Issued Capital	131,527,132	131,575,328	3,898,956	135,474,284	133,225,328
Reserves	8,362,028	8,062,681		8,062,681	8,062,681
Accumulated Losses	-119,831,668	-122,445,714		-122,445,714	-122,445,714
Equity Attributable to the owners	20,057,492	17,192,295	3,898,956	21,091,251	18,842,295
Non-Controlling Interest	-3,799,800	-3,708,269		-3,708,269	-3,708,269
Total Equity	16,257,692	13,484,026	3,898,956	17,352,981	15,134,026

4.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming (i) only the Underwriter Amount is raised or (ii) all Entitlements are accepted, and no other Shares are issued (including upon the exercise or conversion of other Securities currently on issue), is set out below.

Shares

	UNDERWRITER AMOUNT	MAXIMUM SUBSCRIPTION
Shares currently on issue ¹	530,859,870	530,859,870
Shares to be issued pursuant to the Offer	55,000,000	132,714,967
Total Shares on issue after completion of the Offer	585,859,870	663,574,837

Notes:

1. Refer to Section 5.1 for a summary of the material terms and conditions of the Shares.

Options

	UNDERWRITER AMOUNT	MAXIMUM SUBSCRIPTION
Unquoted Options currently on issue		
Options exercisable at \$0.001 on or before 20 February 2025	600,000	600,000
Options exercisable on or before 20 October 2027	3,340,401	3,340,401
Options exercisable at \$0.001 on or before 20 August	500,000	500,000

	UNDERWRITER AMOUNT	MAXIMUM SUBSCRIPTION
2025		
Options exercisable at \$0.28 on or before 7 July 2025	20,345,735	20,345,735
Options exercisable on or before 3 December 2026	678,326	678,326
Total Options on issue as at the date of this Prospectus	25,464,462	25,464,462
Options to be issued pursuant to the Offer	Nil	Nil
Options to be issued to the Underwriter	10,000,000	10,000,000
Total Options on issue after completion of the Offer	35,464,462	35,464,462

Notes:

1. Refer to Section 7.4(b) for a summary of the terms and conditions of the Underwriting Agreement.

Service Rights

	UNDERWRITER AMOUNT	MAXIMUM SUBSCRIPTION
Service Rights currently on issue ¹	212,465	212,465
Service Rights to be issued pursuant to the Offer	Nil	Nil
Total Service Rights on issue after completion of the Offer	212,465	212,465

Notes:

1. Refer to the Company's Notice of Annual General Meeting lodged with ASX on 26 October 2021 for further details regarding the terms and conditions of the Service Rights.

4.5 Details of substantial holders

Based on information available to the Company as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

SHAREHOLDER	SHARES	% (UNDILUTED)	ENTITLEMENT (SHARES)	\$
Delphi Unternehmensberatung Aktiengesellschaft	32,325,015	6.09%	8,081,253	\$242,438
2invest AG	76,295,661	14.37%	19,073,915	\$572,217
Nanjia Capital Limited ¹	76,856,464	14.48%	19,214,116	\$576,423

Notes:

1. Nanjia Capital Limited's associates include Nanjia XSE Fund, Nanjia Capital Sac Limited - Cerberus Sub Fund, Nanjia Capital Master Fund Limited, Samuel M Coatham and Alexander H A Klein Tank. Refer to Sections 3.11 and 3.12 for details with respect to the intentions of Nanjia Capital Limited's commitment to take up its Entitlements and partially underwrite the Retail Offer.

5. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

5.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) Winding-up

If the company is wound up and the surplus assets are insufficient to repay the whole of the paid up capital, the surplus assets must be distributed so that, as nearly as may be, the losses are borne by the members in proportion to the capital paid up or which ought to have been paid up on the shares held by them at the commencement of the winding up.

If in a winding up the assets available for distribution among the members are more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess must be distributed among the members in proportion to the capital paid up or which ought to have been paid up on the shares held by them at the commencement of the winding up.

(e) Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) Transfer of shares

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) Future increase in capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) Alteration of constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6. RISK FACTORS

6.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 6, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. This Section is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 6 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

6.2 Company specific

RISK CATEGORY	RISK
'Going concern'	<p>While completing the audit review of the Company's annual report for the financial year ended 30 June 2024, the Company's auditor noted the following:</p> <p><i>"We draw attention to Note 1 in the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter."</i></p> <p>Notwithstanding the 'going concern' qualification included in the annual report, the Directors believe that upon the Company raising the Underwriter Amount under the Offer, the Company will have sufficient funds to adequately meet the Company's financial obligations, current exploration commitments and short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company.</p> <p>In the event the Underwriter Amount is not raised under the Offer, there is significant uncertainty as to whether the Company can continue as a going concern, and which is likely to have a material adverse effect on the Company's activities.</p>
Additional requirements for capital	<p>The funds raised under the Offer complement the Company's existing cash reserves and available current assets, and are considered sufficient to meet the current proposed short-term objectives of the Company. Additional funding will however likely be required in the medium term to effectively implement the Company's future business and operations</p>

RISK CATEGORY	RISK
	<p>plans and to meet any unanticipated liabilities or expenses which the Company may incur. Further, additional funding will be required in the event that the Company exercises its previously announced option over the Wabowden Project.</p> <p>The Company may seek to raise further funds through equity or debt financing, joint ventures or other means. Failure to obtain sufficient financing for the Company's activities and projects may result in delay and indefinite postponement of operations and further development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.</p>
Control risk	<p>The Underwriter, together with its associates, is currently the largest Shareholder of the Company and has a relevant interest in approximately 14.48% of the Shares in the Company. The Underwriter's significant interest in the capital of the Company means that it is in a position to potentially influence the financial decisions of the Company, and its interests may not align with those of all other Shareholders.</p> <p>The Underwriter, together with its associates, holds 76,856,464 Shares as at the date of this Prospectus, with a voting power in the Company of 14.48%. The Underwriter, together with its associates, given a firm commitment to subscribe for Entitlements under the Institutional Offer up to an amount of approximately \$559,500 (18,650,023 Shares) and agreed to underwrite the Retail Offer up to an amount of approximately \$1,090,497 (36,349,900 Shares). The Underwriter may therefore be issued 55,000,000 Shares under the Offer which could result in a maximum aggregate holding of 131,856,407 Shares and a voting power of 22.51%.</p>
Underwriting risk	<p>The Company has entered into the Underwriting Agreement with the Underwriter who has agreed to partially underwrite the Retail Offer, subject to certain terms and conditions (further details in respect of which are set out in Section 7.4(b)). If certain conditions are not satisfied or certain events occur, the Underwriter may terminate the Underwriting Agreement. There is a risk that the Underwriting Agreement may terminate before the Offer has settled. If the Underwriting Agreement is terminated and the Offer does not proceed, the Company would be required to find alternative financing to meet its objectives. In those circumstances, there is no guarantee that alternative funding could be sourced in the quantum and at the price sought.</p>
Acquisition Risk	<p>In the event that the Company exercises its option to acquire the Wabowden Project proceeds to complete the acquisition, it is a condition precedent that the Company completes an equity financing resulting in net proceeds of not less than CAD\$25,000,000, to be applied towards the CAD\$20,000,000 in cash consideration payable at completion. In addition, the agreement for the acquisition provides for deferred cash payments to be made by the Company upon satisfaction of certain time based and project milestones. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders. A failure to obtain necessary financing (depending on the timing and circumstances) could result in</p>

RISK CATEGORY	RISK
	<p>the Company breaching its obligations under the agreement for the acquisition or put completion of the acquisition in jeopardy. In addition to the financing condition, should the Company exercise the Wabowden option, completion of the acquisition will remain subject to the conditions precedent. If these conditions precedent are not satisfied or waived prior to the applicable end date, the acquisition agreement may be terminated and the acquisition may not proceed. Failure to complete the acquisition could have a material adverse effect on the Company and its share price.</p>
<p>Potential for dilution</p>	<p>In addition to the potential control impacts set out in Section 3.11, Shareholders should note that if they do not participate in the Offer and all of the other Eligible Shareholders take up their full Entitlement, their holdings are likely to be diluted by approximately 20% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus). It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters. The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.034 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.</p>
<p>Risks related to operational activities</p>	<p>The Company is a mineral exploration and development company, with a focus on nickel, copper and cobalt discoveries located in Vietnam and Canada. The Company has completed multiple drilling campaigns within its existing projects and has progressed the Ta Khoa Project to Preliminary Feasibility Study level, with the Definitive Feasibility Study advanced and nearing completion.</p> <p>The Company's operations generally involve a high degree of risk and are subject to all the hazards and risks normally encountered in the exploration and development of mineral deposits. These include rock bursts, cave-ins, adverse weather conditions, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimise risks are, and will continue to be, taken, the Company's operations are subject to risks which may result in environmental pollution and possible liability.</p> <p>Expenditures made or further drilling results are no guarantee for further developments or discoveries of profitable commercial mining operations. Lack of availability of drilling rigs could cause increased project expenditures and/or project delays.</p> <p>In addition, in the event that the Company exercises its option to acquire the Wabowden project and completes the acquisition, Shareholders should consider the inherent challenges associated with the integration of the Wabowden Project into the ongoing operations of the Company. While the addition of the Wabowden Project provides strategic opportunities, it also introduces complexities that may impact the overall operational efficiency and financial performance of the Company. Delays in the integration timeline, market fluctuations affecting commodity prices, and evolving regulatory landscapes are among the uncertainties that could influence the success of the integration process.</p>

RISK CATEGORY	RISK
Exploration risk	<p>The exploration for and development of mineral deposits involve significant risks which even careful evaluation, experience and knowledge may not eliminate. While the discovery of minerals may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expense may be incurred to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is not possible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation.</p> <p>Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure, commodity prices which are highly cyclical, government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.</p> <p>If any adverse event relating to exploration, mining and/or development should occur, then it could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows and/or prospects.</p>
Processing Risks	<p>The Company's operations will be subject the operating risks, including the related risks associated with storage and transportation of materials, products and wastes. These operating risks have the potential to cause personal injury, property damage or environmental contamination, and may result in the shutdown of affected facilities, business interruption, or the imposition of civil or criminal penalties, which may impact the Company's standing in the public eye.</p> <p>There are potential hazards associated with the Company's proposed processing operations and the related storage and transportation of products and wastes. Examples of such hazards that may arise from the Company's proposed operations could include:</p> <ul style="list-style-type: none"> (a) pipeline and storage tank leaks and ruptures; (b) explosions and fires; (c) mechanical failures; and (d) chemical spills and other discharges or releases of toxic or hazardous substances or gases. <p>These hazards may cause personal injury and loss of life, damage to property or contamination of the environment, which may result in suspension of operations or the imposition of civil or criminal penalties, including fines, expenses for remediation or claims by governmental entities or third parties.</p>
Risk of inaccurate estimates	<p>There is considerable uncertainty inherent in estimating the size and value of mineral resources and reserves. The estimate process is a subjective and inexact process where the estimation of the accumulation of mineral resources and reserves cannot be accurately measured. In order to evaluate the recoverable mineral volumes, a number of geological, geophysical, technical and production data</p>

RISK CATEGORY	RISK
	<p>must be evaluated. The evaluation conducted in relation to the Company's existing operations may later prove to be inaccurate, and there is a real risk that estimated resources and reserves may be adjusted downward.</p> <p>For example, minerals mined may be of a different quality, tonnage or strip ratio from the estimates. Resource estimates are necessarily imprecise and depend to some extent upon interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustment to the estimates of mineral resources and reserves could affect the Company's development and mining plans, which could have a materially adverse effect on the Company's business, financial condition, results of operations, cash flows and/or prospects.</p>
Risk of uninsured losses	<p>The Company's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, unusual or unexpected geological conditions, ground or slope failures, cave-ins, contamination, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, snow falls and avalanches. Such occurrences could have a material adverse effect on the Company's business, operating result or financial condition.</p> <p>Although the Company holds comprehensive insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with a mining company's operations. If such risks or hazards occur, it could have material adverse effect on the Company's business, financial position, results of operations, cash flows and/or prospects.</p>
Contractual and joint venture risks	<p>The Company's ability to efficiently conduct its operations in a number of respects depends upon third party product and service providers and contracts. Accordingly, in some circumstances, contractual arrangements have been entered into by the Company and its subsidiaries. As in any contractual relationship, the ability for the Company to ultimately receive benefits from these contracts is dependent upon the relevant third party complying with its contractual obligations.</p> <p>To the extent that such third parties default in their obligations, it may be necessary for the Company to enforce its rights under any of the contracts and pursue legal action. Such legal action may be costly, and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.</p> <p>Additionally, some existing contractual arrangements have been entered into by the Company and its subsidiaries may be subject to the consent of third parties being obtained to enable the Company to carry on all of its planned business and other activities and to obtain full contractual benefits.</p> <p>No assurance can be given that any such required consent will be forthcoming. Failure by the Company to obtain such consent may result in the Company not being able to carry on all of its planned business and other activities or proceed with its rights under any of the relevant contracts requiring such consent.</p> <p>In addition, the Company may wish to develop its projects or future projects through joint venture arrangements. Any joint</p>

RISK CATEGORY	RISK
	ventures entered into by, or interests in joint ventures assigned to, the Company could be affected by the failure or default of any of the joint venture participants.
Foreign Operations	<p>The Company is subject to risks relating to the general economic, regulatory, legal, social and political environment in the jurisdictions in which it operates. The Company's head office is located in Australia, with existing projects located in Vietnam and Canada. As part of its growth program, the Company may pursue opportunities in other jurisdictions in the future. Accordingly, the Company's business, financial condition and results of operations could be materially adversely affected by factors specific to investing in these jurisdictions.</p> <p>Some of these jurisdictions have experienced, and may continue to experience, significant political and social instability and may in some cases have less established judicial or legal systems, a more volatile political environment and/or more challenging trading conditions than in some other parts of the world. Moreover, the Company's business, financial condition and results of operations could be materially adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors or foreign policy in the areas in which the Company operates or will operate, sells or expects to sell its products, and holds or will hold its major assets, as well as other unforeseen matters. Unlawful, selective, discriminatory or arbitrary government action could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.</p> <p>The Company's operations may also be adversely affected by laws and policies of Australia or other jurisdictions in which or through which the Company operates affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with its operations, the Company may be subject to the exclusive jurisdiction of a foreign court or may not be successful in subjecting foreign persons to the jurisdiction of courts in Australia or enforcing Australian judgments in foreign jurisdictions.</p>
Investment in Emerging Markets	<p>The Vietnamese economy is vulnerable to market downturns and economic slowdowns elsewhere in the world, and, generally, investing in emerging markets such as Vietnam involves greater risk than investing in more developed markets, including in some cases significant legal, economic and political risks. Investors should also note that emerging markets such as Vietnam are subject to rapid change. Global financial or economic crises in any large emerging market country tend to adversely affect prices in equity markets of most or all emerging market countries as investors move their money to more stable, developed markets.</p> <p>As has happened in the past, financial problems or an increase in the perceived risks associated with investing in emerging economies could dampen foreign investment in Vietnam and adversely affect the economy. In addition, during such times, businesses that operate in emerging markets can face severe liquidity constraints as foreign funding sources are withdrawn. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Potential investors are urged</p>

RISK CATEGORY	RISK
	to consult with their own legal and financial advisors before making an investment in the Company.
Vietnam Infrastructure	Whilst Vietnam continues to invest in improving its physical infrastructure, certain elements remain in poor condition, which may lead to interruptions in effective financial and economic activity. Particularly affected are parts of the rail and road networks, power-generation and transmission networks. Poor infrastructure potentially disrupts the transportation of goods and supplies and adds costs to doing business, which could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.
Unexpected Policy and Regulatory Changes	<p>A recurring feature of the Vietnamese mining industry, over many years, has been unexpected changes in Government policy and regulation which create uncertainty for mining companies, both domestic and foreign owned.</p> <p>Policy and regulatory areas such as the local value added obligation, the export ban on unprocessed metal minerals and foreign ownership of mining projects have been the subject of particularly serious and unexpected changes over a long period of time.</p> <p>This is also applicable to the Australian and Canadian mining industries, which have experienced unexpected changes in Government policy and regulation and may do so again in the future.</p>
Vietnam Environmental License Cancellation Risk	As part of the mining permitting and licensing processes in Vietnam, the Company will need to apply for and receive an Environmental License before mining and refinery activities can start. The Vietnamese government has the right to revoke/suspend the Environmental License if the Company is in breach of its obligations under the license. If the license is revoked/suspended, operations will cease until the breach(s) have been remedied and the license re-instated.

6.3 Industry specific

RISK CATEGORY	RISK
Exploration success	<p>The mineral tenements of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.</p> <p>There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.</p> <p>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.</p> <p>The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its tenements and obtaining all required approvals for its activities. In the event that</p>

RISK CATEGORY	RISK
	<p>exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the tenements, a reduction in the case reserves of the Company and possible relinquishment of the tenements.</p> <p>The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.</p>
Mine development	<p>Possible future development of a mining operation at any of the Company's tenements is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its tenements.</p> <p>The risks associated with the development of a mine will be considered in full should the tenements reach that stage and will be managed with ongoing consideration of stakeholder interests.</p>
Occupational health and safety risk	<p>The Company is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Mining activities have inherent risks and hazards. The Company provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational, health and safety management systems.</p>
Operational Risks	<p>The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, insufficient or unreliable infrastructure such as power, water and transport, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes</p>

RISK CATEGORY	RISK
	<p>and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.</p> <p>In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.</p>
Safety	<p>Safety is a fundamental risk for any exploration and production company in relation to personal injury, damage to property and equipment and other losses. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage or destruction of property, regulatory investigation, and penalties or suspension of operations.</p> <p>Damage occurring to third parties as a result of such risks may give rise to claims against the Company.</p>

6.4 General risks

RISK CATEGORY	RISK
Market conditions	<p>Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities, including but not limited to the current military and political conflict between Israel and Palestine, which is contributing to volatility in global economies and financial markets. <p>The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
Regulatory risk and change in government policy and legislation	<p>The Company's operations require governmental approvals. There is a risk that onerous conditions may be attached to the approvals or that the grant of approvals may be delayed or not granted. The Company is also subject to extensive laws and regulations relevant for mining operations, in particular to environmental and operational issues, which has become more stringent over time. Compliance with respect to environmental regulations, closure and other matters may involve significant costs and/or other liabilities.</p> <p>Any material adverse changes in relevant government policies or legislation of Australia, Canada or Vietnam may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the</p>

RISK CATEGORY	RISK
	<p>Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.</p> <p>Particularly, Vietnam has a relatively undeveloped legal system, however the government has embarked on substantial programme of legislative reform. There is no certainty that the Company will be able to obtain effective enforcement of its rights by arbitration or legal proceedings in Vietnam.</p>
Sovereign risk and risk relating to international trade laws and regulations	<p>The Company has projects situated in Canada and Vietnam, and are thus subject to the risk associated in operating in foreign countries. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.</p> <p>Business expansion may expose the Company to more extensive trade laws and regulations. Import activities may also be governed by unique customs laws and regulations. Moreover, many countries control the export and re-export of certain goods, services and technology and impose related export recordkeeping and reporting obligations. Governments also may impose economic sanctions or embargoes against certain countries, persons and other entities that may restrict or prohibit transactions involving such countries, persons and entities. The laws and regulations concerning import activity, export record keeping and reporting, export control and economic sanctions are complex and constantly changing. These laws and regulations may be enacted, amended, enforced or interpreted in a manner that materially impacts the Company's operations. Further, there can be no assurance that relevant sanction regimes will not be expanded to include countries in which the Company currently operates or that the Company will not expand its operations into countries subject to sanctions. Any failure to comply with applicable legal and regulatory trading obligations could also result in criminal and civil penalties and sanctions, such as fines, imprisonment, debarment from government contracts, loss of import and export privilege, and damage to the Company's reputation.</p>
Taxation	<p>The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.</p>

RISK CATEGORY	RISK
Competition risk	<p>The mineral industry is highly competitive in all its phases. There is strong competition for the discovery and acquisition of properties considered to have commercial potential. The Company competes with other exploration and production companies, many of which may have greater financial resources, staff and facilities than those of the Company. These companies may have strong market power as a result of several factors, such as the diversification and reduction of risk, including geological, price and currency risks; better financial strength facilitating major capital expenditures; greater integration and the exploitation of economies of scale in technology and organization; stronger technical experience; better infrastructure and reserves; and stronger brand recognition. Due to this competitive environment, the Company may be unable to acquire attractive suitable properties or prospects on terms that it considers acceptable. As a result, the Company's revenues may decline over time, thereby materially and adversely affecting its financial condition, business, cash flow, prospects and/or results.</p>
Reliance on key personnel	<p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p>
Product pricing risk	<p>Product pricing can be subject to the general economic conditions of customers, which may have an adverse effect on the Company's cash flows and funding.</p> <p>Additionally, the Company's prospects and perceived value will be influenced from time to time by the prevailing short-term prices of the commodities targeted in its mining and exploration programs. Commodity prices fluctuate and are affected by factors including supply and demand for mineral products, hedge activities associated with commodity markets, the costs of production and general global economic and financial market conditions.</p> <p>Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand factors. These factors may have an adverse effect on the Company's mining and exploration activities and any subsequent development and production activities, as well as its ability to fund its future activities.</p> <p>These factors may cause volatility which in turn, may affect the Company's ability to finance its future exploration and/or bring the Company's products to market.</p>
Economic risks	<p>General economic conditions, movements in interest and inflation rates, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.</p>

RISK CATEGORY	RISK
	<p>General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.</p> <p>Globally, the mineral sector is currently experiencing supply chain, shipping lane, logistical and transportation disruptions resulting from many factors including (but not limited to) government policy, international economic conditions, significant acts of terrorism, hostilities, war, pandemics and natural disasters.</p> <p>The nature and extent of the effect of these factors on the performance of the Company and the value of the Company's Shares remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the abovementioned factors and overall impacts on global macroeconomics, outcomes and consequences are inevitably uncertain.</p>
Climate change risk	<p>Climate change is a risk the Company has considered, particularly related to its operations in the mineral industry. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>

6.5 Speculative investment

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

7. ADDITIONAL INFORMATION

7.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

7.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the date of lodgement of this Prospectus with the ASIC are set out in the table below.

DATE	DESCRIPTION OF ANNOUNCEMENT
30 October 2024	Trading Halt
30 October 2024	Quarterly Activities / Appendix 5B Cash Flow Report
11 October 2024	Cleansing Notice
11 October 2024	Application for quotation of securities - BSX
11 October 2024	Change of Director's Interest Notice
11 October 2024	Date of AGM and Closing Date for Director Nominations
8 October 2024	Notification of cessation of securities - BSX
7 October 2024	Investor Webinar Presentation
4 October 2024	Change in substantial holding
4 October 2024	2024 Sustainability Report
30 September 2024	2024 Corporate Governance Statement and Appendix 4G
30 September 2024	2024 Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website, <https://investorhub.blackstoneminerals.com.au/announcements>.

7.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective most recent date of those sales were:

	(\$)	DATE
Highest	0.055	30 August 2024
Lowest	0.025	16 August 2024, 19 August 2024
Last	0.034	30 October 2024

7.4 Material contracts

(a) Lead Managers Mandate

The Company has entered into a mandate letter with Westar Capital pursuant to which Westar Capital will act as lead manager to the Offer (**Mandate**), the material terms and conditions of which are summarised below:

- (i) **Fees:** In consideration for providing the services under the Mandate, the Company has agreed to pay Westar:
 - (A) 0.5% of the gross proceeds of the Offer; and
 - (B) 4% of the gross proceeds raised directly by Westar by placement of Shortfall Shares.
- (ii) **Expenses:** The Company has agreed to reimburse the lead manager for all reasonable out-of-pocket expenses, with the lead managers seeking

the prior approval of the Company before incurring any expense greater than \$2,000.

- (iii) **Termination:** In event that the Company terminates or Westar Capital terminates with cause, Westar will be reimbursed any incurred or accrued reasonable expenses up to the termination date and a termination fee of \$7,500.

The Mandate contains other terms and conditions considered standard for an agreement of its nature. This includes, but is not limited to, clauses in relation to termination, representations and warranties, indemnities and confidential information.

(b) Underwriting Agreement

The Company has entered into an underwriting agreement (**Underwriting Agreement**) with the Underwriter, pursuant to which the Underwriter has agreed to:

- (i) subscribe (and procure that its associates subscribe) for Entitlements under the Institutional Offer up to an amount of approximately \$559,500 (18,650,023 Shares); and
- (ii) underwrite the Retail Offer up to an amount of approximately \$1,090,497 (36,349,900 Shares).

The material terms and conditions of the Underwriting Agreement are summarised below:

Fees	On Completion of the Offer, the Company will issue 10,000,000 Underwriter Options to the Underwriter as an underwriting fee pursuant to the Company's placement capacity under ASX Listing Rule 7.1. Termination of the Underwriting Agreement in accordance with paragraph (a) below will also terminate the Company's obligation to issue the Underwriter Options.
Termination Events	<p>(a) The Underwriter may, by notice given to the Company, and without cost or liability, immediately terminate if any one or more of the termination events (listed below) occurs or has occurred at any time before closing of the Offer (or such other time as specified in such event):</p> <ul style="list-style-type: none"> (i) the Underwriter forms the view (acting reasonably) that a statement contained in the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive (including by omission), or a matter required by the Corporations Act is omitted from the Prospectus or the issue of the Prospectus becomes misleading or deceptive or likely to mislead or deceive; (ii) a new circumstance arises which is a matter that is materially adverse to investors in respect of the Offer and which would have been required by the Corporation Act to be included in the Prospectus had the new circumstance arisen before the Prospectus were given to ASX; (iii) a statement in any of the public information is or becomes misleading

	or deceptive or likely to mislead or deceive;
(iv)	a person gives a notice to the Company under section 730 of the Corporations Act in relation to the Prospectus (other than the Underwriter);
(v)	any person (other than the Underwriter) whose consent to the issue of the Prospectus or any supplementary prospectus is required and who has previously consented to the issue of the Prospectus or any supplementary prospectus withdraws such consent;
(vi)	the Company lodges a supplementary prospectus without the consent of the Underwriter or fails to lodge a supplementary prospectus in a form acceptable to the Underwriter or, in the Underwriter's opinion (acting reasonably), becomes required to lodge a supplementary prospectus;
(vii)	any material or adverse change occurs in the assets, liabilities, the equity of any Company shareholders, financial position or performance, profits, losses or prospects of the Company or any subsidiary (in so far as the position in relation to the subsidiary affects the overall position of the Company), from the position disclosed in the Offer announcement, the Prospectus or a duly completed Appendix 3B on the date of announcement or as most recently disclosed to ASX by the Company before the date of this agreement;
(viii)	the ASX/S&P 200 or 300 Index has fallen at any time to a level that is 10% or more below its level as at the close of trading on the Business Day before the date of this agreement;
(ix)	the Company ceases to be admitted to the official list of ASX or the Shares cease trading or are suspended from quotation on ASX other than in connection with the Offer (for the avoidance of doubt, excluding a trading halt that may be in place as at the date of this agreement);
(x)	ASX makes any official statement to any person, or indicates to the Company or the Underwriter that official quotation on ASX of the Shares will not be granted; or
(xi)	approval is refused or approval is not granted which is unconditional (or conditional only on customary listing conditions which would not, in the

	<p>opinion of the Underwriter, have a material adverse effect on the success of the Offer), to the official quotation of the Shares on ASX on or before the dates referred to in the Timetable, or if granted, the approval is subsequently withdrawn, qualified or withheld;</p>
(xii)	<p>any of the following notifications are made in relation to the Offer or the Prospectus:</p> <p>(A) ASIC applies for an order under sections 1324B or 1325 of the Corporations Act in relation to an Prospectus or prosecutes or commences proceedings against or gives notice of an intention to prosecute or commence proceedings against the Company; or</p> <p>(B) an application is made by ASIC for an order under Part 9.5 in relation to the Offer or an Prospectus or ASIC commences, or gives notice of an intention to hold, any investigation or hearing under Part 3 of the ASIC Act or other applicable laws;</p>
(xiii)	<p>an event specified in the Timetable is delayed by more than five business days without the prior written consent of the Underwriter;</p>
(xiv)	<p>the Company withdraws an Prospectus or the Offer or indicates that it does not intend to proceed with the Offer or the Company repays monies received pursuant to the Offer or the Company offers applicants under the Offer the opportunity to withdraw their application for Shares and be repaid their application money;</p>
(xv)	<p>the Company is prevented from granting the Entitlements or issuing Shares within the time required by the Timetable or by or in accordance with ASX Listing Rules applicable laws, a government agency or an order of a court of competent jurisdiction;</p>
(xvi)	<p>ASIC withdraws, revokes or amends any ASIC modification;</p>
(xvii)	<p>ASX withdraws, revokes or amends any ASX waiver;</p>
(xviii)	<p>any of the following occur:</p> <p>(A) a director of the Company is charged with an indictable offence;</p>

	<p>(B) any government agency commences any public proceedings against the Company or any of the Directors in their capacity as a director of the Company, or announces that it intends to take such action;</p> <p>(C) any director of the Company is disqualified from managing a corporation under Part 2D.6 of the Corporations Act; or</p> <p>(D) proceedings are commenced or there is a public announcement of an intention to commence proceedings before a court or tribunal of competent jurisdiction in Australia seeking an injunction or other order in relation to the Offer, which in the Underwriter's opinion has reasonable prospects of success or are likely to have a material or adverse effect on the Company or the Offer;</p> <p>(xix) a director or officer of the Company or key management personnel engages in any fraudulent conduct, whether or not in connection with the Offer;</p> <p>(xx) the Company or a subsidiary is or becomes insolvent or there is an act or omission which is likely to result in the Company or a subsidiary becoming insolvent;</p> <p>(xxi) there is an event or occurrence, including an official directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any government agency which makes it illegal or commercially impractical for the Underwriter to satisfy any obligation under this agreement, or to market, promote or settle the Offer, or delays the Underwriter from doing any of the foregoing;</p> <p>(xxii) a certificate is not given by the Company in accordance with the Underwriting Agreement or a statement in a Certificate is untrue or incorrect, or misleading or deceptive or contains omissions of any required information; and</p>
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	<p>(xxiii) there is a material change in the major or controlling shareholdings of the Company or any its subsidiaries other than as a result of the Offer, or a takeover offer (which has become unconditional and the person making the takeover bid has a relevant interest in 50% or more of the Shares) or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company or any its subsidiaries.</p> <p>(b) If the Underwriter has grounds to believe or actually believe that the event has, or is likely to have, a material or adverse effect on the financial position or performance, profits, losses, results, condition, operations or prospects of the Company, or the market price of shares on ASX or has given or could reasonably be expected to give rise to a contravention by, or a liability of, the Underwriter under any applicable law or regulation (including the Corporations Act), the Underwriter may, by notice given to the Company, and without cost or liability, immediately terminate if any one or more of the termination events (listed below) has occurred at any time before completion:</p> <p>(i) any of the documents required to be provided under the due diligence planning memorandum having been withdrawn, or varied without the prior written consent of the Underwriter, or any such documents being false, misleading or deceptive (or likely to be false, misleading or deceptive) or containing an omission;</p> <p>(ii) litigation, arbitration, administrative or industrial proceedings of any nature are after the date of this agreement commenced against any subsidiary or against any director of the Company in their capacity as such, other than any claims foreshadowed in the Prospectus (or any vexatious or frivolous claims);</p> <p>(iii) a contravention by a subsidiary of any provision of its constitution, the Corporations Act, the Listing Rules or any other material applicable legislation or any policy or requirement of ASIC or ASX;</p> <p>(iv) the information provided by or on behalf of the Company to the Underwriter in relation to the due diligence program, the Prospectus (and associated documents) or the Offer, is false, misleading or deceptive or likely to mislead or deceive (including by omission);</p> <p>(v) an obligation, undertaking, representation or warranty made or</p>
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	given by the Company under this agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive;
(vi)	any regulatory body commences any enquiry or public action against a subsidiary or any person is appointed under any legislation in respect of the Company to investigate the affairs of a subsidiary;
(vii)	<p>the Company or a subsidiary:</p> <p>(A) varies any term of the Constitution;</p> <p>(B) disposes, attempts or agrees to dispose of a substantial part of the business or property of the Company (including any material Subsidiary),</p> <p>without the prior written consent of the Underwriter;</p>
(viii)	the Company or subsidiary, Prospectus (and its associated documents) or any aspect of the Offer, does not or fails to comply with the Constitution, the Corporations Act, the ASX Listing Rules, any ASX waivers, any ASIC modifications or any other applicable law or regulation;
(ix)	a default by the Company in the performance of any of its obligations under this agreement occurs;
(x)	a representation and warranty contained in this agreement on the part of the Company was or is not true or correct or becomes untrue or incorrect;
(xi)	the due diligence committee sign-off, or the information provided by or on behalf of the Company to the Underwriter in relation to the due diligence investigations, the Prospectus or the Offer, is false, misleading or deceptive or likely to mislead or deceive (including by omission);
(xii)	any contract, deed or other agreement to which any subsidiary is or becomes party and which is material to the making of an informed investment decision in relation to the Offer is breached or defaulted under by the relevant subsidiary or is terminated, rescinded, altered or amended without the prior written consent of the Underwriter or is found to be void or voidable;

	<p>(xiii) either:</p> <p>(A) a general moratorium on commercial banking activities in Australia, the United States of America, Canada, the United Kingdom, Hong Kong, Singapore or the People's Republic of China is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or</p> <p>(B) trading in all securities quoted or listed on ASX, the London Stock Exchange, the Hong Kong Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange or the New York Stock Exchange is suspended or limited for more than 1 trading day;</p> <p>(xiv) any of the following occurs which does or is likely to prohibit, materially restrict or regulate the Offer or materially reduce the likely level of valid applications or materially affects the financial position of the Company or has a material adverse effect on the success of the offer:</p> <p>(A) the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia; or</p> <p>(B) the public announcement of prospective legislation or policy by the Federal Government or the Government of any State or Territory or the Reserve Bank of Australia; or</p> <p>(C) the adoption by ASX or their respective delegates of any regulations or policy;</p> <p>(xv) Major hostilities not existing at the date of this agreement commence (whether war has been declared or not) or an escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more members of the North Atlantic Treaty Organisation, Finland, Sweden, Africa, Australia, New Zealand, the United States, Canada,</p>
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		the United Kingdom, China, Hong Kong, Singapore, Japan or a member state of the European Union or a national emergency is declared by any of those countries;
	(xvi)	the occurrence of any adverse change or disruption to financial, political or economic conditions, or controls or financial markets in Australia, New Zealand, Hong Kong, Singapore, the United States of America, the United Kingdom, Canada and China or elsewhere or any change or development involving a prospective adverse change in any of those conditions or markets;
	(xvii)	a prescribed occurrence in respect of the Company occurs during the Offer period, other than: <ul style="list-style-type: none"> (A) as contemplated by this agreement; (B) the Company issuing securities pursuant to:
	(xviii)	the exercise or conversion of any security on issue as at the date of this agreement;
	(xix)	any employee incentive scheme in operation as at the date of this agreement; or
	(xx)	any distribution reinvestment plan; <ul style="list-style-type: none"> (A) as permitted in writing by the Underwriter; or (B) as announced by the Company prior to the date of this agreement.

The Underwriting Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

7.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or

(ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

DIRECTOR	SHARES	OPTIONS	SERVICE RIGHTS	ENTITLEMENT (SHARES)	\$
Hamish Halliday ¹	11,481,383	Nil	Nil	2,870,345	\$86,110
Scott Williamson ²	9,200,000	1,883,447	Nil	2,300,000	\$69,000
Frank Bierlein ³	Nil	Nil	Nil	Nil	Nil
Alison Gaines ⁴	Nil	Nil	212,465	Nil	Nil
Dan Lougher ⁵	Nil	Nil	Nil	Nil	Nil

Notes:

- 10,581,382 Shares are held directly by Mr Halliday; 900,000 Shares held indirectly by McTavish Industries Pty Ltd <McTavish Superannuation A/C> (of which Mr Halliday is a director); and 1 Share is held by McTavish Industries Pty Ltd <McTavish Trust A/C> (of which Mr Halliday is a director). Refer to the Appendix 3Y lodged with the ASX on 28 August 2020.
- 6,650,000 Shares are held indirectly by Mrs Candice Williamson (Mr Williamson's spouse); 2,350,000 Shares are held indirectly by Umuna Holdings Pty Ltd <Williamson Family S/F A/C> (of which Mr Williamson is a director and beneficiary); 200,000 Shares are held indirectly by Umuna Holdings Pty Ltd <Williamson Family Trust A/C> (of which Mr Williamson is a director and beneficiary). All 2,590,531 ZEPs are held indirectly by Mrs Candice Williamson (Mr Williamson's spouse). Refer to the Appendix 3Y lodged with the ASX on 11 October 2024.
- Refer to the Appendix 3Y lodged with the ASX on 12 November 2021.
- 212,465 Service Rights are held indirectly by Alison Gaines ATF <Gaines Smith Trust A/C>. Refer to the Appendix 3Y dated 23 December 2021.
- Refer to the Appendix 3Y lodged with the ASX on 26 October 2022.

7.6

Remuneration

The total maximum remuneration of non-executive Directors is set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total annual remuneration paid to both executive and non-executive Directors for the one year prior to the date of this Prospectus and the proposed remuneration for the year ended 30 June 2023.

DIRECTOR	REMUNERATION FOR THE FINANCIAL YEAR ENDING 30 JUNE 2024	PROPOSED REMUNERATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025
Hamish Halliday	\$159,267 ¹	\$159,267

DIRECTOR	REMUNERATION FOR THE FINANCIAL YEAR ENDING 30 JUNE 2024	PROPOSED REMUNERATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025
Scott Williamson	\$547,015 ²	\$415,102
Frank Bierlein	\$104,467 ³	\$104,467
Alison Gaines	\$106,560 ⁴	\$106,560
Dan Lougher	\$104,467 ⁵	\$104,467

Notes:

1. Comprising of \$92,000 salary & fees; \$63,000 consulting fees; and \$4,267 other amounts. The Company has noted that 50% of the salary and fees are accrued and are to be paid in equity subject to shareholder approval.
2. Comprising of \$362,500 salary & fees; \$20,835 leave entitlements; \$4,267 other amounts; \$27,500 superannuation; and \$131,913 Share-based payments. The Company has noted that 50% of the salary and fees are accrued and are to be paid in equity subject to shareholder approval.
3. Comprising of \$90,270 salary & fees; \$4,267 other amounts; and \$9,930 superannuation. The Company has noted that 50% of the salary and fees are accrued and are to be paid in equity subject to shareholder approval.
4. Comprising of \$80,000 salary & fees; \$4,267 other amounts; \$8,800 superannuation; and \$13,493 Share based payments. The Company has noted that 50% of the salary and fees are accrued and are to be paid in equity subject to shareholder approval.
5. Comprising of \$90,270 salary & fees; \$4,267 other amounts; and \$9,930 superannuation. The Company has noted that 50% of the salary and fees are accrued and are to be paid in equity subject to shareholder approval.
6. The Company has noted that 50% of the salary and fees for the financial year ending 30 June 2025 are accrued and are to be paid in equity subject to shareholder approval.

7.7 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- (b) promoter of the Company,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (c) the formation or promotion of the Company;
- (d) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (e) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (i) the formation or promotion of the Company; or
- (ii) the Offer.

Nanjia Capital has acted as partial underwriter of the Offer. The Company estimates it will issue 10,000,000 Underwriter Options in consideration for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Nanjia Capital has received \$0 in fees from the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin approximately \$20,000 (excluding GST and disbursements) for these services.

Westar Capital has acted as Lead Manager to the Company in relation to the Offer. The fees payable by the Company for these services are set out above at Sections 7.4(a) of this Prospectus.

7.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section;

Nanjia Capital has given its written consent to being named as the underwriter to the Offer in this Prospectus. Nanjia Capital (including its related entities) is a Shareholder of the Company and currently has a relevant interest in 76,856,464 Shares.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Westar Capital has given its written consent to being named as Lead Manager to the Company in this Prospectus. Westar Capital has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

7.9 Expenses of the Offer

The maximum total expenses of the Offer are estimated to be approximately \$82,493 (excluding GST) and are expected to be applied towards the items set out in the table below:

	UNDERWRITER AMOUNT \$	MAXIMUM SUBSCRIPTION \$
ASIC fees	3,206	3,206
ASX fees	8,391	14,380
Underwriter Fee ¹	Nil	Nil
Lead Manager Fee ²	8,250	19,907
Legal fees	20,000	20,000
Printing and distribution	25,000	25,000
Total	64,847	82,493

Notes:

- The Underwriter will be issued 10,000,000 Underwriter Options in consideration for underwriting services. Refer to Section 7.4(b) for a summary of the Underwriting Agreement.
- Refer to Section 7.4(a) for a summary of the Mandate. This amount does not include any fees payable to the Lead Manager for the placement of Shortfall Shares.

7.10 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the relevant Application Form. If you have not, please phone the Company on +61 8 9425 5217 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from online from www.blackstoneminerals.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

7.11 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share or option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

7.12 Privacy Statement

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

8. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

9. GLOSSARY

\$ or AUD\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a Shareholder who applies for Shares pursuant to the Offer or other party who applies for Shortfall Shares pursuant to the Shortfall Offer.

Application Monies means money submitted by Applicants in respect of the Offer.

ASIC means the Australian Shares and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHES.

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

CAD\$ means the official currency of the Commonwealth of Canada.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus for the closure of the Retail Offer (unless extended).

Company means Blackstone Minerals Limited (ACN 614 534 226).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

EFT has the meaning given in Section 2.8.

Eligible Institutional Shareholder means a Shareholder who:

- (a) is an Institutional Investor on the commencement of the Institutional Offer, with a registered address in Eligible Jurisdiction; and
- (b) has received an offer under the Institutional Offer (either directly or through a nominee) during the Institutional Offer Period.

Eligible Jurisdiction has the meaning set out in Section 3.17.

Eligible Retail Shareholder means a Retail Shareholder of the Company on the Record Date whose registered address is in an Eligible Jurisdiction and is eligible under all applicable securities laws to receive an offer under the Retail Offer.

Eligible Shareholder means a person who is an Eligible Institutional Shareholder or an Eligible Retail Shareholder.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer to subscribe for new Shares under this Prospectus.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Institutional Offer means the offer of Shares to Eligible Institutional Shareholders under the Offer.

Institutional Offer Period has the meaning given in Section 2.2.

Institutional Investor means investors selected by the Company who are (i) in Australia, investors who fall within the exemptions provided by sections 708(8) to (12) of the

Corporations Act, (ii) outside Australia, institutional or professional investors in the Eligible Jurisdiction.

Mandate has the meaning given in Section 7.4(a).

Nanjia Capital has the meaning given in Section 3.11.

Offer means the issue of Shares under this Prospectus.

Offer Price has the meaning given in Section 3.2.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Relevant Interest has the meaning given to that term in the Corporations Act.

Retail Offer means the offer of Shares to Eligible Retail Shareholders under the Offer.

Retail Shareholder means a Shareholder of the Company on the Record Date who is not an Eligible Institutional Investor.

Section means a section of this Prospectus.

Service Rights means rights which are convertible to Shares subject to the satisfaction of certain conditions and the terms and conditions of the Company's Performance Rights and Option Plan adopted by Shareholders on 20 November 2020.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall has the meaning given in Section 2.5(b).

Shortfall Application Form means the shortfall application form either attached to or accompanying this Prospectus, or which can be provided upon request.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 3.14.

Shortfall Shares means those Shares issued pursuant to the Shortfall Offer.

Westar Capital means Westar Capital Limited (ACN 009 372 838) (AFSL 255789).

Underwriter has the meaning given in Section 3.11.

Underwriter Options means Options exercisable at \$0.07 on or before the date that is three years from the date of issue.

Underwriter Amount has the meaning given in Section 3.11.