

## Quarterly Report for the Period Ending 30 September 2021

### Highlights

#### Ta Khoa Nickel - Copper - PGE Project

##### Upstream Business Unit (UBU)

- Blackstone continued to progress the UBU Pre-Feasibility Study (PFS), primarily focused on updating the mineral resource estimate for the Ban Phuc disseminated sulfide (DSS) deposit;
  - Infill drilling further demonstrated the large bulk tonnage potential of the Ban Phuc DSS deposit (refer ASX announcement 24 August 2021). Significant results included:

**BP20-55**                      **374.7m @ 0.30% Ni, 0.01% Cu, 0.01% Co & 0.07g/t PGE<sup>1</sup> from 2.0m**  
incl.                          49.0m @ 0.45% Ni, 0.04% Cu, 0.01% Co & 0.17g/t PGE<sup>1</sup> from 2.0m

**BP20-57**                      **211.38m @ 0.43% Ni, 0.03% Cu, 0.01% Co & 0.13g/t PGE<sup>1</sup> from 111.62m**  
incl.                          52.24m @ 0.74% Ni, 0.11% Cu, 0.01% Co & 0.31g/t PGE<sup>1</sup> from 241.0m

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

- The Company progressed work aimed at establishing maiden mineral resource estimates for Ban Chang, King Snake, Ta Cuong and Ban Khoa;
  - Blackstone's maiden drilling at Ban Khoa intersected 147m of disseminated nickel sulfide (refer ASX announcement 2 September 2021)
  - Infill drilling at Ban Chang neared completion and included an intersection of 5.35m of massive sulfide vein (MSV) (refer ASX announcement 9 September 2021)
  - Drilling at King Snake ramped up during the quarter, with immediate success from infill drilling including 8.5m of MSV, semi-massive sulfide vein (SMSV) and net textured sulfide (NTS) (refer ASX announcement 16 September 2021).

##### Downstream Business Unit (DBU)

- Blackstone delivered exceptional Downstream Pre-feasibility Study (PFS) results for the proposed Ta Khoa Refinery (TKR) in Northern Vietnam (refer ASX announcement 26 July 2021);
  - Refinery capacity of 400ktpa
  - 10-year life-of-Operations aligned with the Ban Phuc Disseminated orebody and availability of known third party concentrate feed (3PF)
  - Upfront Project Capital of US\$491m paid back in 1.5 years from first production
  - Base case post-tax NPV<sub>8</sub> of US\$2.01bn and internal rate of return (IRR) of 67%
  - Average annual refined nickel output of 43.5ktpa (85.6ktpa NCM811 Precursor)
  - Life-of-operations All-in Cost of US\$11,997/t NCM811 as compared to study weighted average forecast price on sale of NCM811 of US\$16,397/t NCM811

- On the back of the compelling TKR PFS, Blackstone's board approved the first phase of pilot plant work and the Definitive Feasibility Study (DFS) for the TKR
- During the September 2021 quarter Blackstone successfully produced battery-grade sample of NCM811 Precursor.

## Corporate

- Blackstone appointed leading independent advisors Korea Development Bank (KDB) and BurnVoor Corporate Finance to arrange debt financing for the development of Ta Khoa Project
- Cash balance of A\$13.5m at end of quarter.

Blackstone Minerals' Managing Director Scott Williamson said:

*"The September quarter marked a major milestone event in the history of the Company, being the delivery of the Ta Khoa Refinery Pre-feasibility Study. The compelling economics and globally significant scale of the proposed TKR has shone a light on Blackstone's credentials in the nickel and battery metals space more broadly."*

*"Underpinning Blackstone's vertically integrated supply chain strategy in Vietnam is the highly prospective Ta Khoa district. Blackstone's exploration strategy and confidence in the Ta Khoa geology increases with each successive target being tested. A 100% success rate has been achieved from the Company's first five targets, and the successful drilling from current and prior quarters will culminate into the upcoming UBU PFS to demonstrate supply certainty for the TKR."*

*"Blackstone is in the right place at the right time, located in the heart of Southeast-Asia's established lithium-ion battery hub, being located adjacent to South Korea, Japan and China, and has direct exposure to a growing electric vehicle market in Vietnam itself. The Company has barely scratched the surface of Northern Vietnam's nickel mineral potential and Blackstone's sustainable development strategy to upgrade nickel concentrates and produce premium Nickel: Cobalt: Manganese Precursor products drive stunning potential returns for investors."*

## Ta Khoa Project Snapshot

Blackstone Minerals Ltd (ASX: BSX / OTCQX: BLSTF / FRA: B9S) is focused on building an integrated upstream and downstream battery metals processing business in Vietnam that produces Nickel: Cobalt: Manganese (NCM) Precursor products for Asia's growing Lithium-ion battery industry (refer Figure 1)

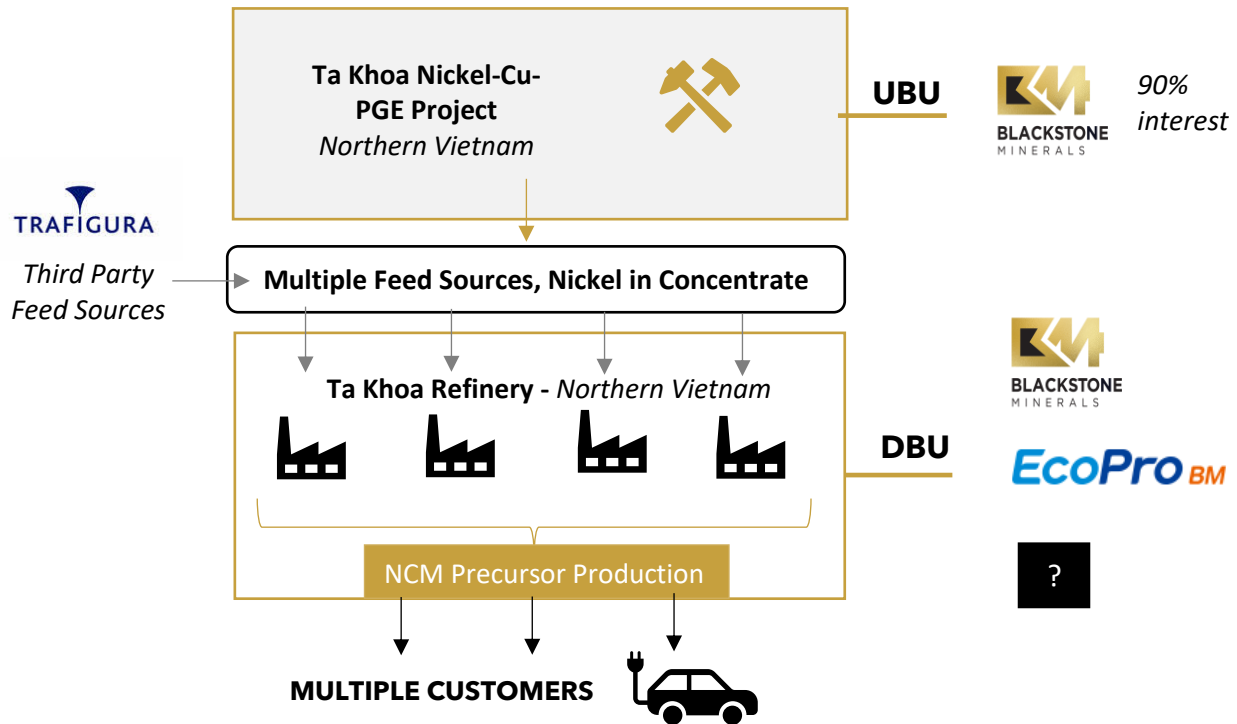


Figure 1 -Ta Khoa Project Snapshot

The Company owns a 90% interest in the Ta Khoa Nickel-Copper-PGE Project. The Ta Khoa Project is located 160km west of Hanoi in the Son La Province of Vietnam and includes an existing modern nickel mine built to Australian standards which is currently under care and maintenance (refer Figure 2). The Ban Phuc nickel mine successfully operated as a mechanised underground nickel mine from 2013 to 2016.

In October 2020, the Company completed a Scoping Study which investigated mining the Ban Phuc Disseminated nickel sulfide ore body (upstream) and the construction of a 200ktpa downstream refinery (refer to ASX announcement of 14 October 2020, including for the full details of the Company's Mineral Resource Estimate at Ban Phuc).

Building on the outcomes of the Scoping Study, the Company has since completed a technically and economically robust Pre-feasibility Study for its Downstream Business Unit (DBU) which sees expanded downstream capacity. This is based on the Ta Khoa refinery being designed to process 400ktpa of nickel concentrate, supplied from the Ta Khoa Nickel - Cu - PGE mine as well as third party concentrate.

The Company is continuing to advance a PFS for the UBU. The UBU PFS will contemplate the option to mine several higher-grade massive sulfide vein (MSV) deposits, which has the potential to reduce initial upfront capital requirements for the UBU by enabling the Company to restart the existing Ban Phuc Concentrator (450ktpa).

By combining the Company's existing mineral inventory (Ban Phuc Disseminated Sulfide - DSS), exploration potential presented by high priority targets such as Ban Chang, King Snake, Ta Cuong and Ban Khoa, and the ability to source third party concentrate, Blackstone will be able to increase the scale of its downstream business to cater to the rising demand for downstream nickel products.



Figure 2. Ta Khoa Nickel-Cu-PGE Project Location

## Ta Khoa Downstream Business Unit

### DBU delivers exceptional PFS results

In July 2021, Blackstone delivered a PFS for its Downstream Business Unit which confirmed a technically and economically robust hydrometallurgical refining process to upgrade nickel sulfide concentrate to produce battery grade NCM811 precursor for the lithium-ion battery industry.

On a Base Case, the PFS estimated post-tax Net Present Value (8% discount) of US\$2.01 billion and internal rate of return (IRR) of 67%.

#### Base Case Economics

- Life-of-Operations revenue of US\$14.0bn and operating cash flow of US\$4.5bn
- Average annual operating cash flow of US\$451m
- Average annual post-tax cash flow of US\$365m
- Life-of-operations All-in Cost of US\$11,997/ t NCM811 as compared to study weighted average forecast price on sale of NCM811 of US\$16,397/ t NCM811

#### Base Case Physicals

- Refinery capacity of 400ktpa
- 10-year life-of-Operations aligned with the Ban Phuc Disseminated orebody and availability of known third party concentrate feed (3PF)
- Average annual refined nickel output of 43.5ktpa
- Average annual NCM811 Precursor Production of 85.6ktpa
- First production currently targeted in 2024 and ramp up to steady state operations currently forecast to be achieved in CY 2026
- 3.9Mt of concentrate feed with average Ni in concentrate grade of 11.5% Co in concentrate grade of 0.3% and Cu in concentrate grade of 1.1%
- Average annual copper by-product of 4.1ktpa.

The TKR PFS is a critical milestone for the Company and reiterates the competitive advantages of nickel sulfide projects and adding value via an integrated downstream processing strategy. The PFS demonstrates that a very low capital intensity is required for the TKR to produce Class I nickel at a scale that would make Blackstone a globally significant producer.

Blackstone's development strategy is supported by using 3PF to supplement nickel concentrate supply from the Ta Khoa Nickel Project. Concentrate feed from Blackstone's Ban Phuc Disseminated Sulfide (DSS) orebody forms part of the overall concentrate blend. With ongoing drilling and further exploration success Blackstone believes the Base Case Refinery has the potential to be fed entirely by feedstock from the Ta Khoa Nickel Project.

Life-of-Operation Physicals	Unit	Base Case
Refinery Capacity	ktpa	400
Life of Refinery	years	10
Concentrate Feed	kt	3,894
Ni in Concentrate Grade	%	11.5%
Co in Concentrate Grade	%	0.3%
Cu in Concentrate Grade	%	1.1%
Metallurgical Recovery - Ni into NCM Precursor Product	%	96.8%
Metallurgical Recovery - Co into NCM Precursor Product	%	96.7%
Metallurgical Recovery - Cu into Copper Cathode	%	93.1%
<b>NCM Precursor Production Breakdown:</b>		
Nickel recovered in NCM Precursor Product	Kt	435
Cobalt recovered in NCM Precursor Product	Kt	11
Cobalt make-up Quantities	Kt	44
Manganese	Kt	51
Hydroxide	Kt	315
<b>Total NCM Precursor Production</b>	<b>kt</b>	<b>856</b>
<b>Average Annual NCM Precursor Production</b>	<b>ktpa</b>	<b>85.6</b>
<b>Average Annual Refined Nickel Output</b>	<b>ktpa</b>	<b>43.5</b>

Table 1 -Ta Khoa Refinery Life-of-Operation Physicals

Project Capital (US\$m)	Base Case
<b>Process Plant</b>	<b>245</b>
<b>Site Infrastructure</b>	<b>16</b>
<b>Residue Storage</b>	<b>8</b>
<b>Owners Direct</b>	<b>43</b>
<b>Precommitment Costs</b>	<b>-</b>
<b>EPCM</b>	<b>51</b>
<b>Owners Costs</b>	<b>47</b>
<b>Contingency</b>	<b>82</b>
<b>Total Project Capital</b>	<b>491</b>

Table 2 -Ta Khoa Refinery Project Capital Estimate

Life-of-Operation Economics	Unit	Base Case
Revenue - Sale of NCM811 Precursor	US\$m	14,032
NCM811 Precursor Price (avg realised)	US\$/t NCM811	16,397
C1 Cash Costs	US\$/t NCM811	11,125
All-in Sustaining Costs	US\$/t NCM811	11,423
All-in Cost	US\$/t NCM811	11,997
<b>Avg Annual Operating Cash Flow</b>	<b>US\$mpa</b>	<b>451</b>
Operating Cash Flow	US\$m	4,512
Net Cash Flow (Pre-tax)	US\$m	3,766
Net Cash Flow (Post-tax)	US\$m	3,646
<b>Post-tax NPV (8% real)</b>	<b>US\$m</b>	<b>2,007</b>
<b>IRR (Post-tax)</b>	<b>%</b>	<b>67%</b>
<b>Capital Payback Period - from first production</b>	<b>years</b>	<b>1.5</b>

Table 3 -Ta Khoa Refinery Life-of-Operation Economics

Additional detail on the TKR PFS is available in the ASX Announcement dated 26 July 2021.

### Ta Khoa Refinery DFS & Pilot Plant Phase 1

Following the PFS delivery, on 3 August 2021, Blackstone's board approved the first phase of pilot plant work and a Definitive Feasibility Study (DFS) for the TKR. Subsequent to the September 2021 quarter the Company provided further details of the appointment of globally renowned hydromet experts Wood and ALS, both of whom have been engaged to advance these respective workstreams for the TKR.

### Battery-grade NCM811 precursor sample produced

Ahead of the delivery of the TKR PFS, Blackstone produced its first batch of battery grade NCM811 Precursor sample. The NCM811 Precursor sample was produced in Stimulus Engineer's laboratory using a nickel concentrate blend that includes material from Blackstone's Ban Phuc DSS orebody and other 3PF feed sources.

The NCM811 Precursor sample produced achieved a NCM purity of >99.7% (refer ASX announcement 23 July 2021 for further details).



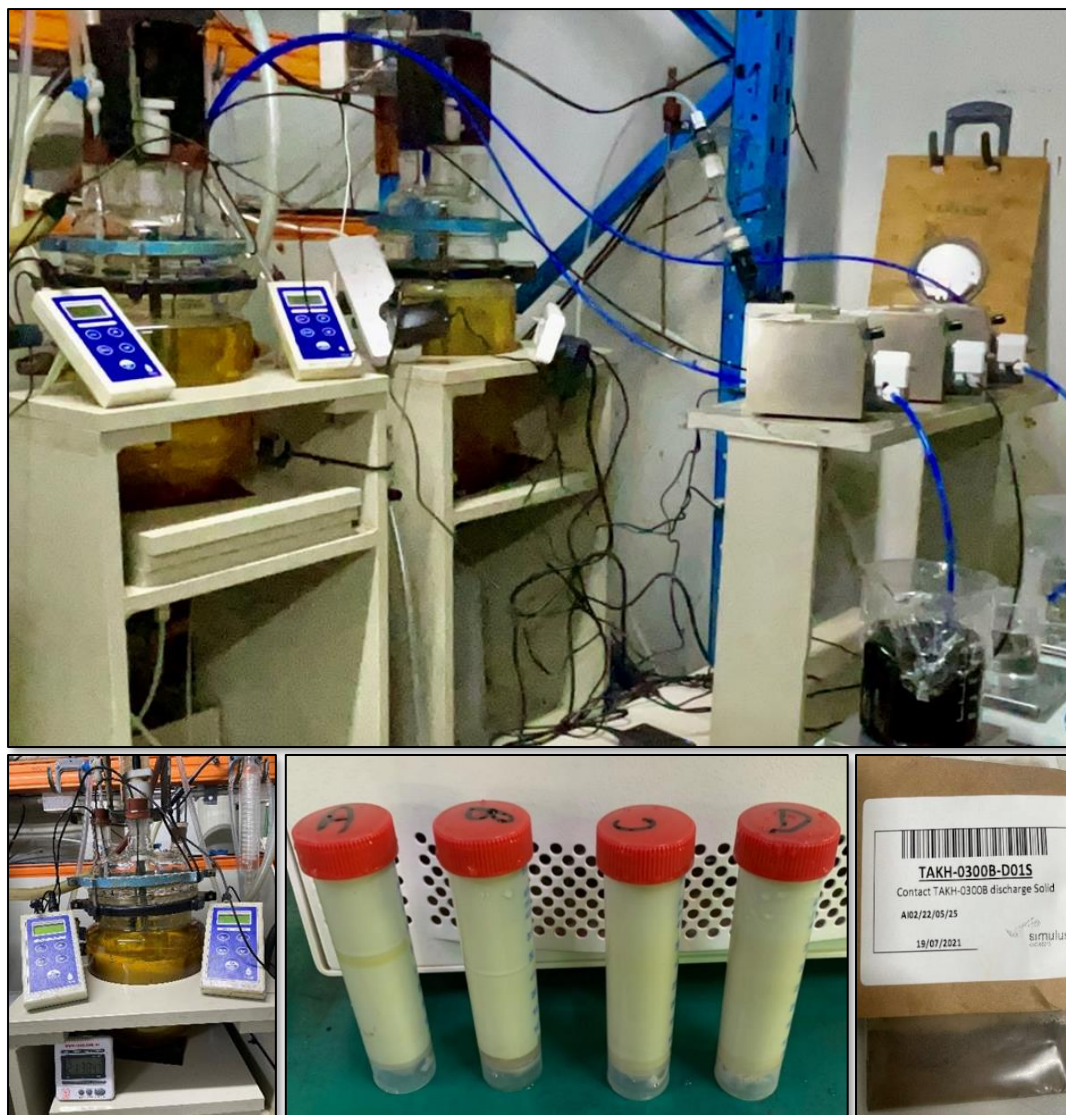


Figure 3. NCM811 Precursor - Batch Precipitation Test

### Ta Khoa Upstream Business Unit

The UBU PFS is being targeted for delivery in the final quarter of 2021 and will demonstrate supply potential from the Ta Khoa mine to the Ta Khoa Refinery. The UBU PFS will focus on incorporating the following initiatives and workstreams that are being progressed by the company;

- Updated mineral resource and mine plan for the Ban Phuc DSS deposit following the successful completion of the final infill drilling program. The current mineral resource estimate for the Ban Phuc DSS deposit is:
  - Indicated Mineral Resource of 44.3Mt @ 0.52% Ni for 229kt Ni; and
  - Inferred Mineral Resource of 14.3Mt @0.35% Ni for 50Kt Ni (refer ASX announcement 14 October 2020)
- Incorporating high-grade MSV deposits into the mine plan, capturing ongoing success at multiple prospects including Ban Chang, King Snake and Ta Cuong



- Mine and process optimisation studies, to determine an appropriate sequencing and potential to blend ore from the Company's MSV and DSS deposits

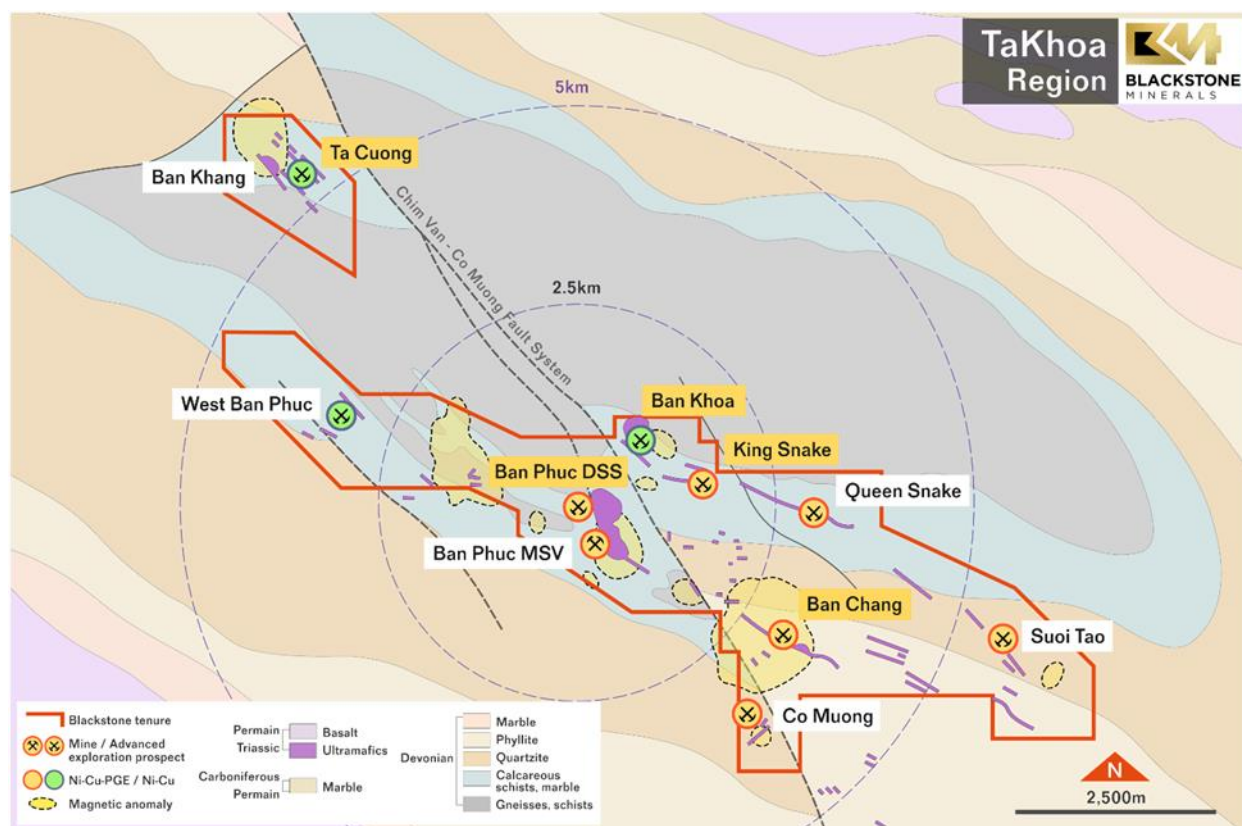


Figure 4. Ta Khoa Mining District

## Ban Phuc DSS

Blackstone reported results from its final infill drilling program at the Ban Phuc DSS deposit at Ta Khoa in August 2021, which included some of the best broad DSS intersections at the prospect to date:

<b>BP20-55</b>	<b>374.7m @ 0.30% Ni, 0.01% Cu, 0.01% Co &amp; 0.07g/t PGE<sup>1</sup> from 2.0m</b>
incl.	49.0m @ 0.45% Ni, 0.04% Cu, 0.01% Co & 0.17g/t PGE <sup>1</sup> from 2.0m
<b>BP20-57</b>	<b>211.38m @ 0.43% Ni, 0.03% Cu, 0.01% Co &amp; 0.13g/t PGE<sup>1</sup> from 111.62m</b>
incl.	52.24m @ 0.74% Ni, 0.11% Cu, 0.01% Co & 0.31g/t PGE <sup>1</sup> from 241.0m
<b>BP21-17</b>	<b>156.25m @ 0.50% Ni, 0.07% Cu, 0.01% Co &amp; 0.15g/t PGE<sup>1</sup> from 79.75m</b>
incl.	31.05m @ 0.75% Ni, 0.14% Cu, 0.01% Co & 0.26g/t PGE <sup>1</sup> from 83.75m
<b>BP21-31</b>	<b>169.0m @ 0.43% Ni, 0.04% Cu, 0.01% Co &amp; 0.15g/t PGE<sup>1</sup> from 62.0m</b>
incl.	10.3m @ 1.13% Ni, 0.18% Cu, 0.02% Co & 0.48g/t PGE <sup>1</sup> from 98.0m
<b>BP21-35</b>	<b>52.0m @ 0.79% Ni, 0.10% Cu, 0.01% Co &amp; 0.26g/t PGE<sup>1</sup> from 22.0m</b>
incl.	30.0m @ 1.10% Ni, 0.14% Cu, 0.02% Co & 0.41g/t PGE <sup>1</sup> from 40.0m

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

Blackstone will incorporate results from the final infill drilling program at the Ban Phuc deposit (refer Figure 5) into an updated resource estimate and form the basis of an updated mine plan to be included in the upcoming UBU PFS.

The Company will assess mining scenarios as part of the UBU PFS. Results from the final infill drilling program bode well for the potential to increase mining inventory at Ban Phuc, as compared to the Company's previously completed Scoping Study (refer ASX announcement 14 October 2020).

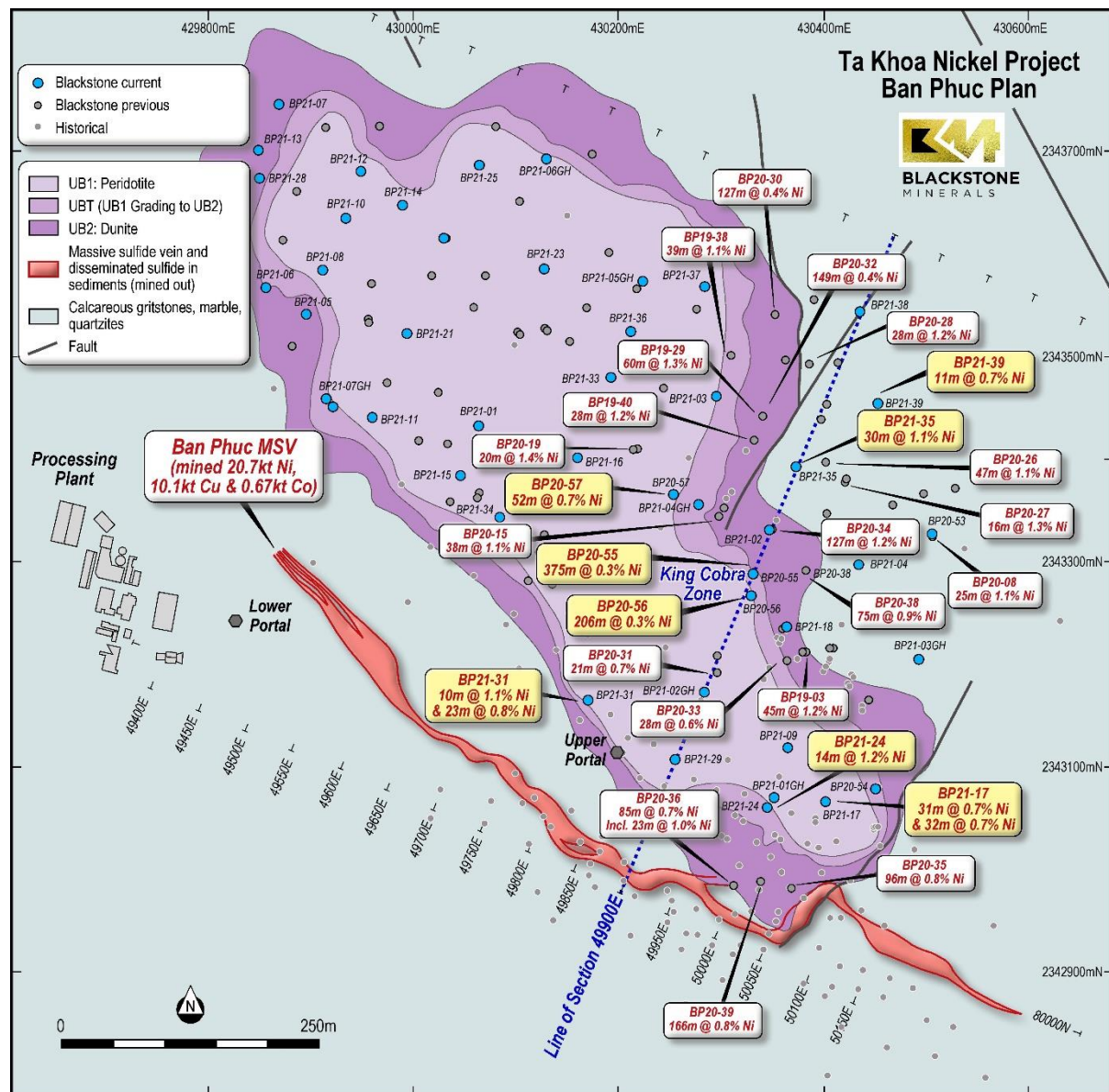


Figure 5. Ban Phuc Plan View

## Ban Khoa DSS

In September 2021, Blackstone reported assay results from its maiden drilling program at its Ban Khoa DSS prospect.

Ban Khoa is a bulk tonnage open pit opportunity that has potential to provide mine life extension and complement mining at the nearby (approximately 1km) large Ban Phuc open-pit deposit (refer Figure 4). The Ban Khoa DSS prospect is being targeted for inclusion in the Company's upcoming Upstream Business Unit (UBU) PFS. Highlights from the maiden drill program included (also refer Figures 6 & 7):

**BK21-11**      **147.0m @ 0.31% Ni, 0.04% Cu, 0.01% Co & 0.14g/t PGE<sup>1</sup> from 62.0m**  
**incl.**          **34.65m @ 0.55% Ni, 0.08% Cu, 0.01% Co & 0.37g/t PGE<sup>1</sup> from 103.7m**  
incl.              10.6m @ 1.06% Ni, 0.11% Cu, 0.02% Co & 0.88g/t PGE<sup>1</sup> from 123.3m

**BK21-10**      **67.7m @ 0.33% Ni, 0.04% Cu, 0.01% Co & 0.19g/t PGE<sup>1</sup> from 105.3m**  
**and**            **32.1m @ 0.48% Ni, 0.08% Cu, 0.01% Co & 0.33g/t PGE<sup>1</sup> from 193.1m**

**BK21-08**      **60.2m @ 0.37% Ni, 0.07% Cu, 0.01% Co & 0.09g/t PGE<sup>1</sup> from 208.6m**  
incl.              10.8m @ 1.03% Ni, 0.13% Cu, 0.02% Co & 0.39g/t PGE<sup>1</sup> from 210.2m

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

The Ban Khoa disseminated Ni sulfide deposit is hosted by a synclinal or boat-shaped serpentinitised peridotite, approximately 1km north of the Ban Phuc disseminated Ni sulfide deposit (refer Figure 4). The Ban Khoa mineralisation comprises broad zones (to c. 150 – 190m thick) with a few percent Ni sulfides disseminated throughout the serpentinite similar to the Ban Phuc deposit, with lenses of heavily disseminated high grade Ni sulfide and PGEs.

Ban Khoa is located on a hill, similar to the Ban Phuc DSS deposit, which is expected to be advantageous for mining. Ban Khoa presents another bulk tonnage DSS opportunity which has potential to extend mine life and/ or increase throughput, noting that a 4Mtpa concentrator was contemplated as the base case scenario by the Company in its Scoping Study (refer ASX announcement 14 October 2020).

The Company is currently performing metallurgical test work to determine the blending characteristics for Ban Phuc and Ban Khoa ore.

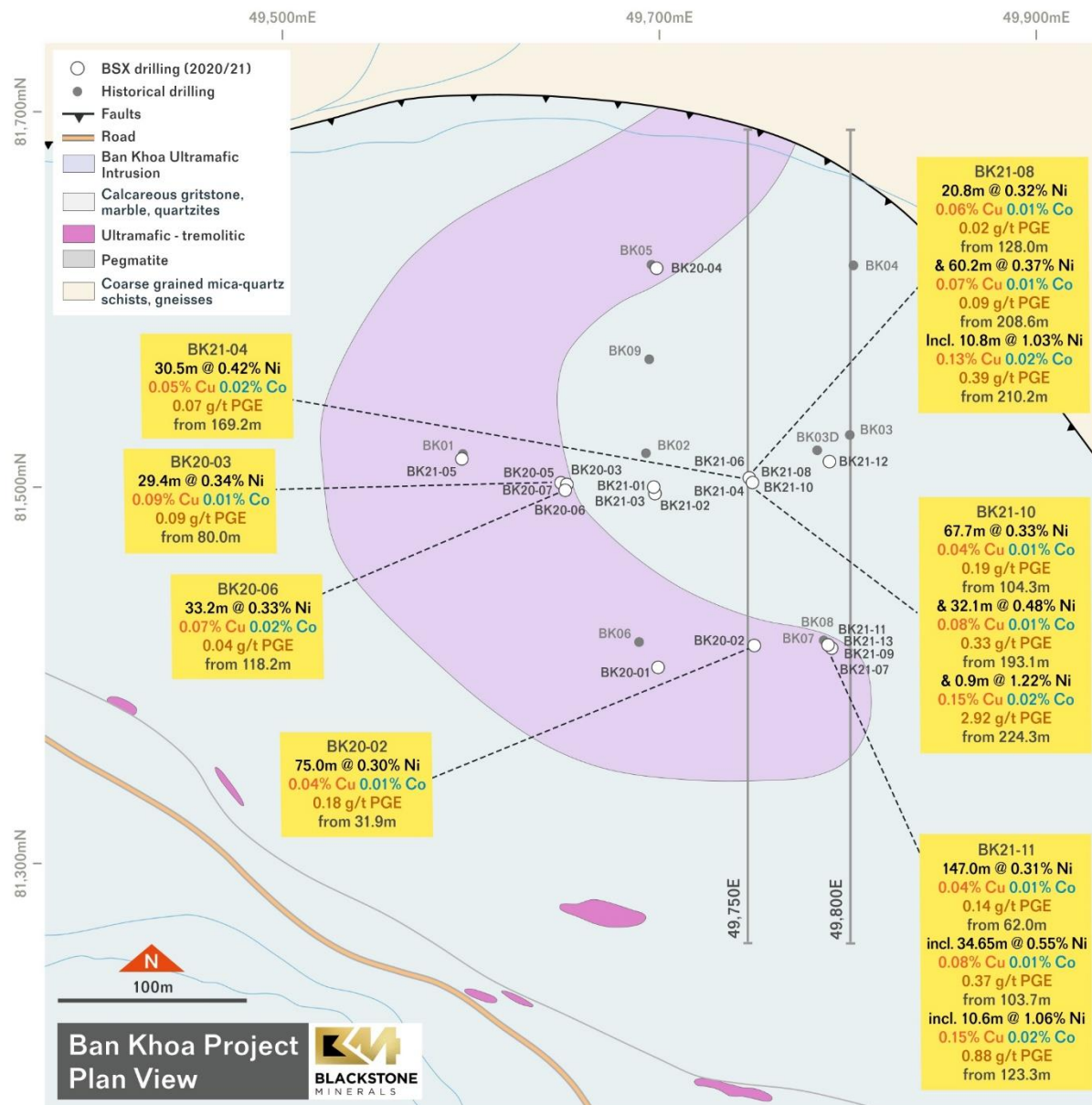


Figure 6. Ban Khoa Plan View showing results from Blackstone's maiden drill program



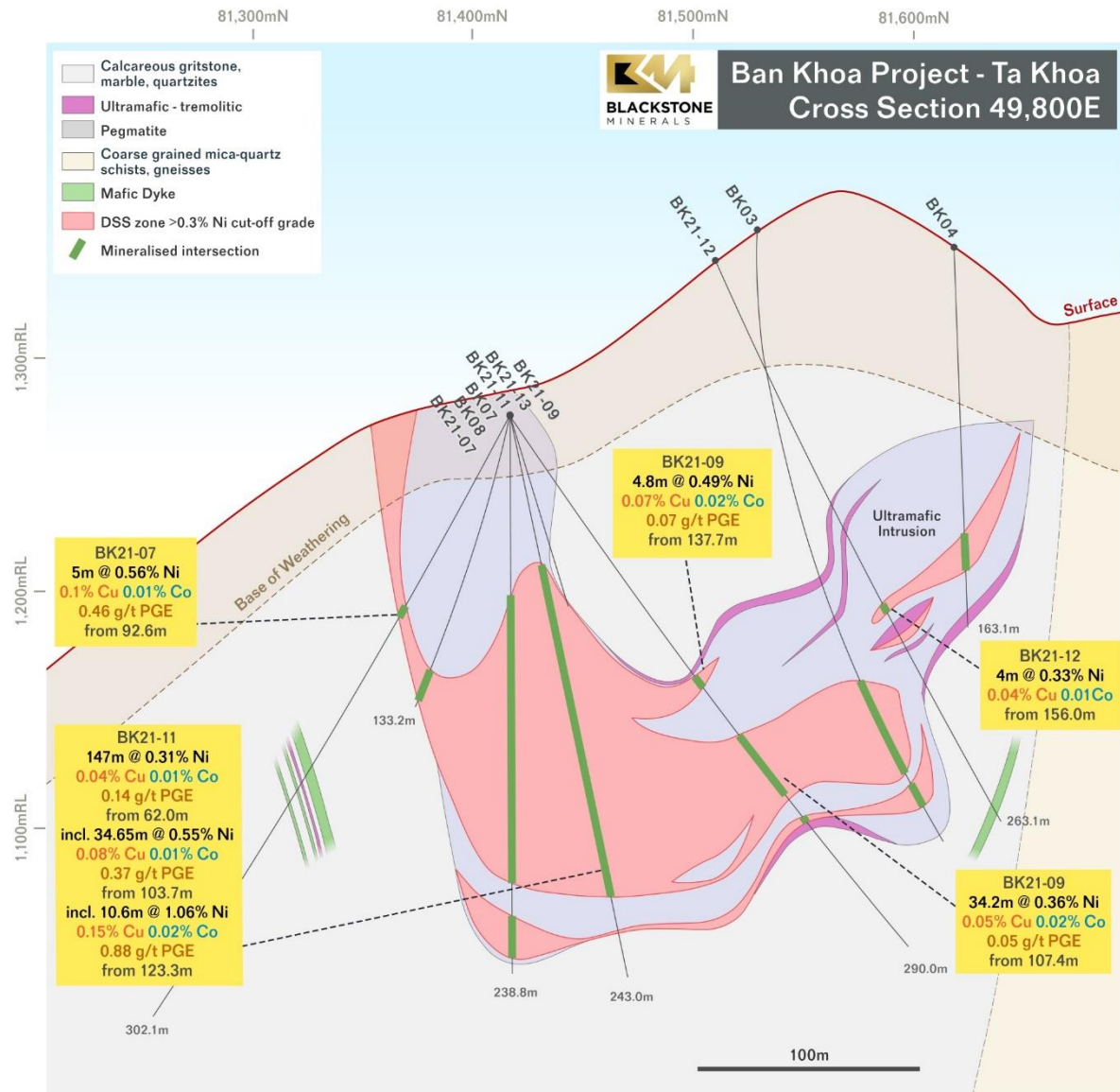


Figure 7. Ban Khoa Cross Section 49800E

## Massive Sulfide Vein (MSV) Deposits

### Ban Chang

Ban Chang is located 2.5km south-east of the existing processing facility and the Ban Phuc DSS deposit adjacent to the Chim Van - Co Muong fault system (refer Figure 4). The prospect geology consists of massive and disseminated sulfides hosted within a tremolitic dyke swarm which intruded into phyllites, sericite schists and quartzites of the Devonian Ban Cai Formation (refer Figure 8).

The known dyke swarm is approximately 900m long and varies between 5m and 60m wide. The dykes and massive sulfide are interpreted to be hosted within a splay (and subsidiary structures) off the major regional Chim Van - Co Muong fault system.

Drilling at Ban Chang has identified multiple massive sulfide lenses, which are often associated with broader disseminated sulfide zones.



Blackstone provided an update on its drilling at Ban Chang in September, being the most advanced MSV target at Ta Khoa. Highlights included 5.35m of massive sulfide nickel intersected in drill hole BC21-66.

Other significant assays reported at Ban Chang included:

BC21-18	3.8m @ 1.13% Ni, 0.59% Cu, 0.06% Co & 0.52g/t PGE <sup>1</sup> from 92.5m
<b>incl.</b>	<b>1.6m @ 2.49% Ni, 0.65% Cu, 0.14% Co &amp; 1.01g/t PGE<sup>1</sup> from 93m</b>
BC21-23	1.83m @ 1.57% Ni, 0.32% Cu, 0.09% Co & 0.96g/t PGE <sup>1</sup> from 82.39m
<b>incl.</b>	<b>1.27m @ 2.01% Ni, 0.42% Cu, 0.12% Co &amp; 1.13g/t PGE<sup>1</sup> from 82.39m</b>
BC21-24	<b>1.52m @ 1.95% Ni, 0.42% Cu, 0.1% Co &amp; 0.78g/t PGE<sup>1</sup> from 51.02m</b>
BC21-34	13.85m @ 0.51% Ni, 0.33% Cu, 0.03% Co & 0.3g/t PGE <sup>1</sup> from 56m
<b>incl.</b>	<b>4.13m @ 1.16% Ni, 0.72% Cu, 0.07% Co &amp; 0.67g/t PGE<sup>1</sup> from 65.72m</b>
BC21-35	3.6m @ 1.15% Ni, 1.1% Cu, 0.07% Co & 0.7g/t PGE <sup>1</sup> from 38.3m
<b>incl.</b>	<b>2m @ 1.85% Ni, 1.57% Cu, 0.1% Co &amp; 1.1g/t PGE<sup>1</sup> from 39.6m</b>
BC21-38	6.1m @ 1.07% Ni, 0.63% Cu, 0.06% Co & 0.94g/t PGE <sup>1</sup> from 43.9m
<b>incl.</b>	<b>1.37m @ 1.63% Ni, 0.62% Cu, 0.09% Co &amp; 1.41g/t PGE<sup>1</sup> from 48.63m</b>

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

Assays reported during the quarter at Ban Chang were primarily received from infill drilling at Ban Chang West (refer Figure 9). The focus of Blackstone's most recent drilling (results pending) has been at Ban Chang East (refer Figure 10). A maiden resource estimate for Ban Chang (East & West) is expected in Q4 2021, the outcomes of which will be incorporated into Blackstone's upcoming UBU PFS.

As part of its UBU PFS, Blackstone is assessing Ban Chang as an ore source for the existing 450ktpa concentrator and/or as a feedstock that complements processing of disseminated sulfide ore (i.e., from Ban Phuc) for the larger proposed concentrator.

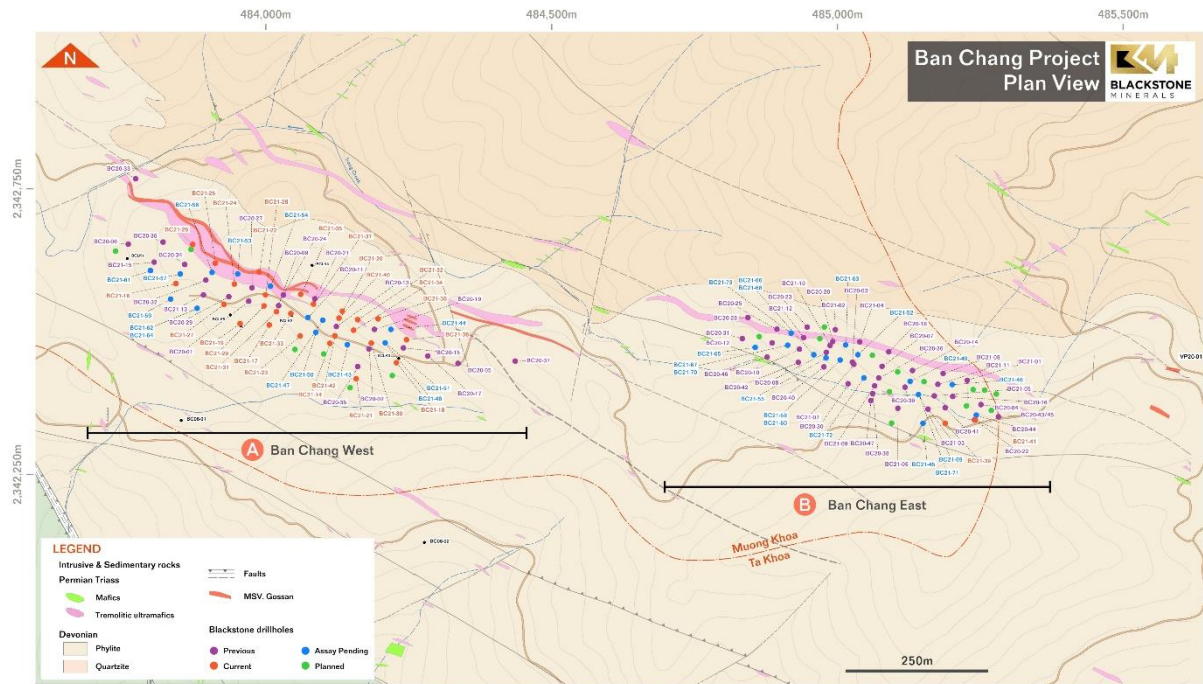


Figure 8. Ban Chang Plan View showing locations of Blackstone drill holes

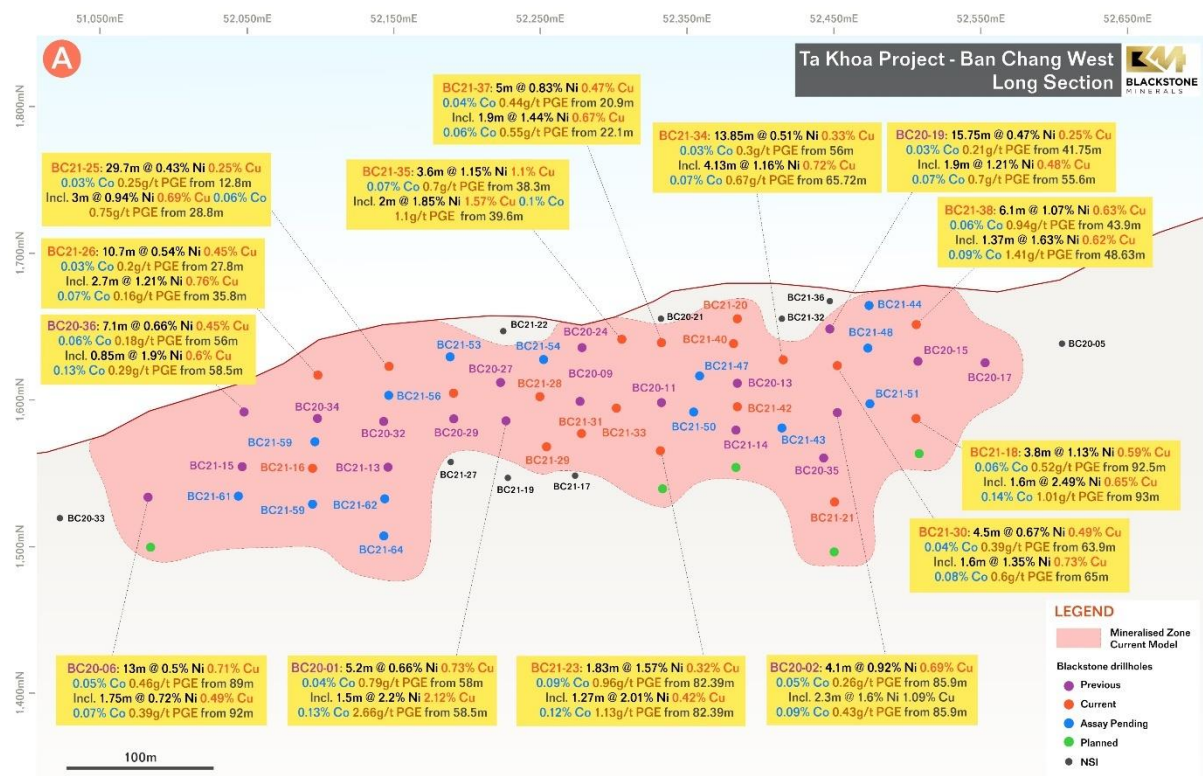


Figure 9. Ban Chang West Long Section

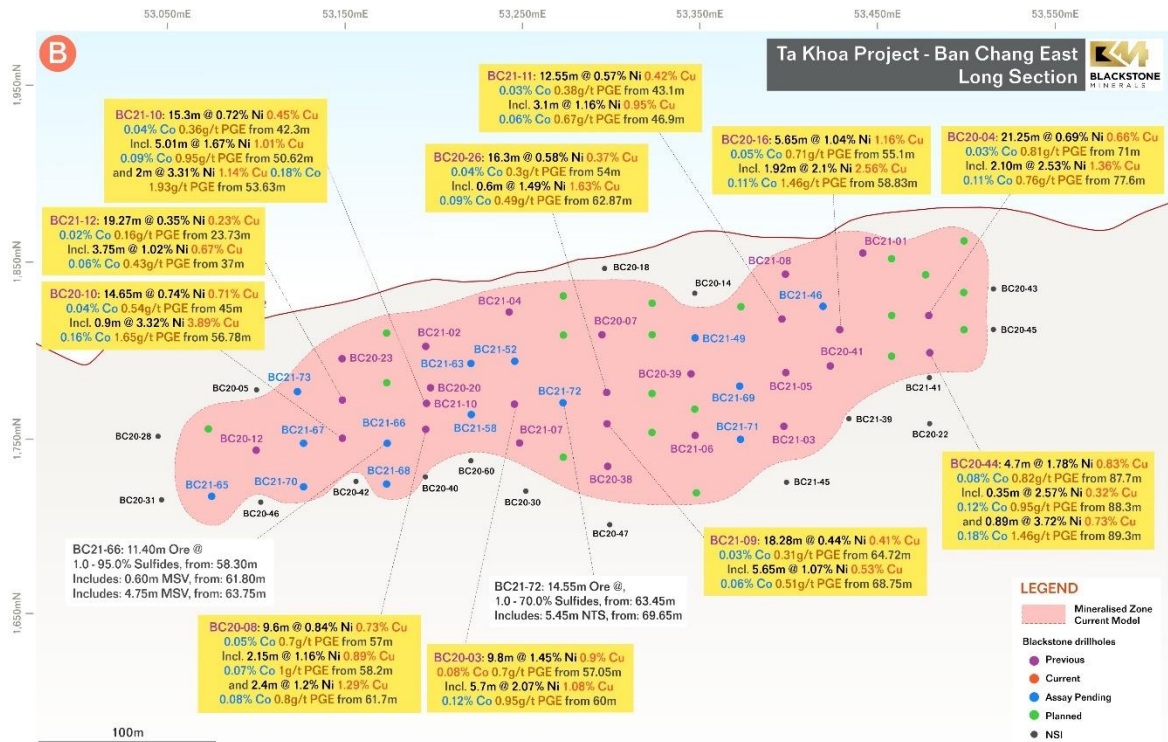


Figure 10. Ban Chang East Long Section

## King Snake

King Snake, one of three advanced MSV targets at Ta Khoa, 1.5km north-east of the processing facility (refer Figure 4). At King Snake, MSV and high-grade brecciated Ni-Cu-Co-PGE sulfides and gossans are associated with tremolite-altered mafic-ultramafic rocks.

Blackstone's drilling at King Snake has been focussed on Electro-magnetic (EM) targets which extend down plunge to the west of historic drilling. Assay results indicate greater thickness of sulfide mineralisation down plunge of historic drilling (refer Figure 11). The higher power surface EM targeting has accurately guided the down plunge drilling hundreds of meters from the historic surface showings. In addition, downhole EM (DHEM) has further directed investigations to wider higher-grade zones throughout this consistent, high-grade and highly planar massive sulfide vein.

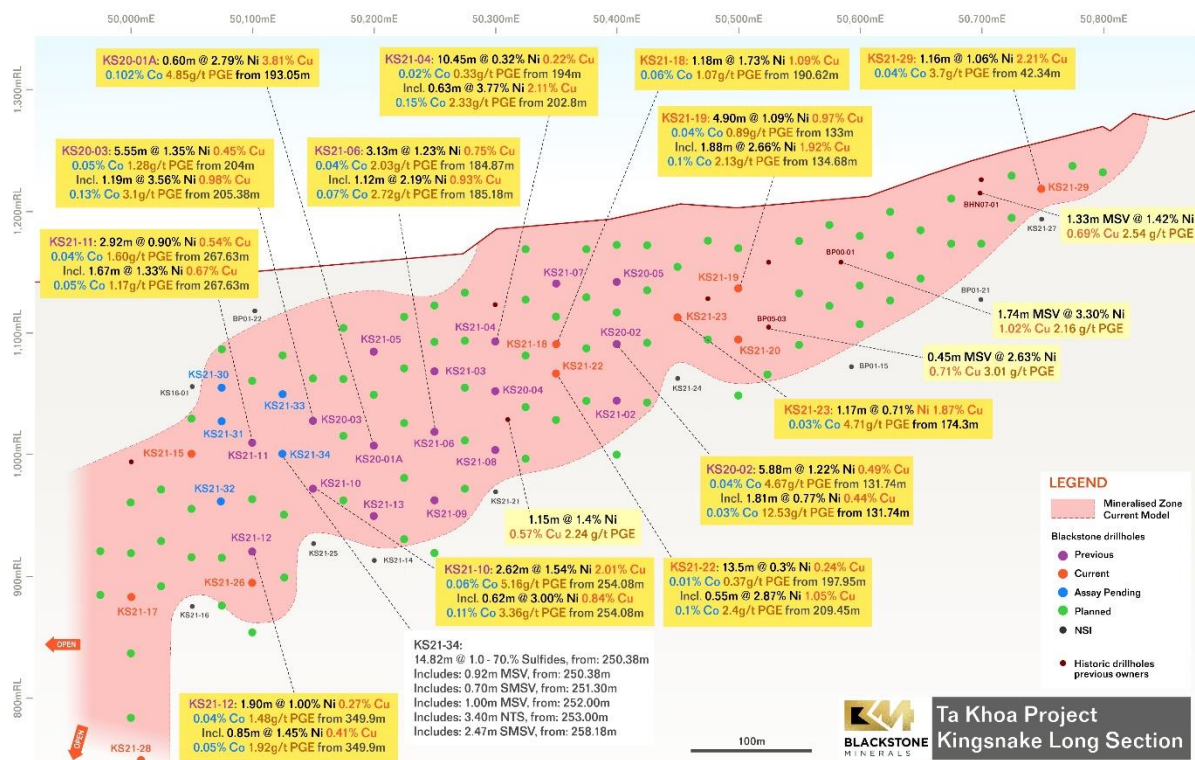
Blackstone commenced infill drilling at King Snake in the September 2021 quarter, with immediate success achieved in drill hole KS21-34 intersecting 8.5m of MSV, SMSV and NTS.

Significant results from King Snake during the quarter included:



<b>KS21-18</b>	<b>1.18m @ 1.73% Ni, 1.09% Cu, 0.06% Co &amp; 1.07g/t PGE<sup>1</sup> from 190.62m</b>
<b>KS21-19</b>	<b>4.90m @ 1.09% Ni, 0.97% Cu, 0.04% Co &amp; 0.89g/t PGE<sup>1</sup> from 133m</b>
<b>incl.</b>	<b>1.88m @ 2.66% Ni, 1.92% Cu, 0.1% Co &amp; 2.13g/t PGE<sup>1</sup> from 134.68m</b>
<b>KS21-20</b>	<b>1.30m @ 0.94% Ni, 0.96% Cu, 0.04% Co &amp; 1.29g/t PGE<sup>1</sup> from 167m</b>
<b>incl.</b>	<b>0.5m @ 2.39% Ni, 2.00% Cu, 0.09% Co &amp; 3.29g/t PGE<sup>1</sup> from 167m</b>
<b>KS21-22</b>	<b>13.5m @ 0.3% Ni, 0.24% Cu, 0.01% Co &amp; 0.37g/t PGE<sup>1</sup> from 197.95m</b>
<b>incl.</b>	<b>0.55m @ 2.87% Ni, 1.05% Cu, 0.1% Co &amp; 2.4g/t PGE<sup>1</sup> from 209.45m</b>
<b>KS21-29</b>	<b>1.16m @ 1.06% Ni, 2.21% Cu, 0.04% Co &amp; 3.7g/t PGE<sup>1</sup> from 42.34m</b>

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



## Corporate

### Blackstone appoints Debt Advisors

Blackstone appointed leading independent advisors to arrange debt financing for the development of Ta Khoa Project and Refinery (Ta Khoa Project).

The Korea Development Bank (KDB) and BurnVair Corporate Finance (BurnVair) will act jointly and in collaboration with Blackstone to secure an attractive, flexible funding package for the development of the Ta Khoa Project.

Established in 1954, the Korea Development Bank is a 100% government-owned policy bank providing strong financial support to clients developing infrastructure projects. Over the past decade, KDB has developed a global project finance footprint and has successfully led and closed energy and infrastructure project financings internationally. KDB has strong relationships and co-works with major global project finance institutions including Multilateral Agencies, ECA's and peers, having provided project finance services to international developers including Hyundai, Samsung, SK, Posco and Hanwha.

BurnVair Corporate Finance is a leading independent Australian investment and advisory house with extensive experience and strong track record in arranging finance across the energy, resources and infrastructure sectors. BurnVair has arranged finance for several battery metals projects in recent years, including for Pilbara Minerals Limited (Pilgangoora Project, lithium) and A\$1.1 billion in debt facilities for IGO's recent acquisition of an interest in the Greenbushes Lithium Mine and the Kwinana Lithium Hydroxide Refinery.

As at 30 September 2021, the Company had A\$13.5m cash on hand, following payments of:

- \$3,679,000 on exploration activities (refer to Item 1.2(a) of Appendix 5B), relating to relating to exploration and studies costs at its Ta Khoa Nickel-Copper-PGE Project. Full details of exploration activity during the quarter are set out in this report (ASX Listing Rule 5.3.1);
- No substantive costs incurred on mining and development activities during the quarter (ASX Listing Rule 5.3.2); and
- \$157,000 of payments made to related parties or their associates (refer to Item 6.1 of Appendix 5B) including (ASX Listing Rule 5.3.5):
  - Directors' fees, salaries, superannuation, and consulting fees of \$154,000; and
  - Office recharges including rent and share service charges of \$3,000 to related entities of which the directors directly do not receive a financial benefit and are on an arm's length basis.

## 2021 Annual General Meeting

Blackstone will hold its 2021 Annual General Meeting on Monday 29 November 2021. The Company will follow the measures in place set by the Australian and West Australian governments for the restrictions of gatherings and the implementation of social distancing requirements in response to COVID-19.

The Notice of Annual General Meeting was announced on the ASX on 26 October 2021.



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

Ends.

Scott Williamson  
Managing Director

For more information, please contact

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## Competent Person Statement

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

The information in this report that relates to Mineral Resource Estimation in respect of the Ta Khoa Nickel Project is based on information compiled by BM Geological Services (BMGS) under the supervision of Andrew Bewsher, a director of BMGS and Member of the Australian Institute of Geoscientists with over 21 years of experience in the mining and exploration industry in Australia and Vietnam in a multitude of commodities including nickel, copper and precious metals. Mr Bewsher has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bewsher consents to the inclusion of the Mineral Resource Estimate in this report on that information in the form and context in which it appears.

The Company confirms that all material assumptions and parameters underpinning the Mineral Resource Estimates as reported within the Scoping Study in market announcement dated 14 October 2020 continue to apply and have not materially changed, and that it is not aware of any new information or data that materially affects the information that has been included in this announcement.

## Forward Looking Statements

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

The project development schedule assumes the completion for the Downstream Business Unit of a Definitive Feasibility Study (DFS) by mid-2022. A PFS & DFS for the Upstream Business Unit is assumed to be completed in 2021 and 2022 respectively. Development approvals and investment permits will be sought from the relevant Vietnamese authorities concurrent to studies being completed. Delays in any one of these key activities could result in a delay to the commencement of construction (planned for early 2023). This could lead on to a delay to first production, currently planned for 2024. It is expected that the

Company's stakeholder and community engagement programs will reduce the risk of project delays. Please note these dates are indicative only.

The JORC-compliant Mineral Resource estimate forms the basis for the Scoping Study in the market announcement dated 14 October 2020. Over the life of mine considered in the Scoping Study, 83% of the processed Mineral Resource originates from Indicated Mineral Resources and 17% from Inferred Mineral Resources; 76% of the processed Mineral Resource during the payback period will be from Indicated Mineral Resources. The viability of the development scenario envisaged in the Scoping Study therefore does not depend on Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. The Inferred Mineral Resources are not the determining factors in project viability. Please refer to the Cautionary Statement in the Scoping Study market announcement dated 14 October 2020.

**Appendix One| Tenements****Mining tenements held at the end of September 2021 quarter**

Project	Location	Tenement	Interest at September 2021
Gold Bridge	British Columbia, Canada	501174, 502808	100%
	British Columbia, Canada	503409, 564599	100%
	British Columbia, Canada	573344, 796483	100%
	British Columbia, Canada	844114, 1020030	100%
	British Columbia, Canada	1047915, 1055449	100%
	British Columbia, Canada	1046246, 1046253	100%
	British Columbia, Canada	1050797, 1052563	100%
	British Columbia, Canada	1052564, 1052989	100%
	British Columbia, Canada	1052990, 1052991	100%
	British Columbia, Canada	1052992, 1052993	100%
	British Columbia, Canada	1055836, 1055837	100%
	British Columbia, Canada	1055838, 1055839	100%
	British Columbia, Canada	1055840, 1055859	100%
	British Columbia, Canada	1055860, 1055861	100%
	British Columbia, Canada	1055862, 1055863	100%
	British Columbia, Canada	1055864, 1052630	100%
	British Columbia, Canada	1052893, 1065892	100%
	British Columbia, Canada	1066580, 1066581	100%
Ta Khoa	Vietnam	ML 1211/GPKT-BTNMT	90%
		and 522 G/P	90%

**Mining tenements acquired and disposed during the September 2021 quarter**

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter <sup>2</sup>
<b>Mining tenements relinquished</b>				
Cartier	Quebec, Canada	2459824, 2459825	100%	0%
	Quebec, Canada	2459826, 2459827	100%	0%
	Quebec, Canada	2459828, 2459829	100%	0%
	Quebec, Canada	2463107, 2463108	100%	0%
	Quebec, Canada	2463109, 2463110	100%	0%
	Quebec, Canada	2463111, 2463112	100%	0%
	Quebec, Canada	2463113, 2463114	100%	0%
	Quebec, Canada	2463115	100%	0%
<b>Mining tenements acquired</b>				
Nil				

**Beneficial percentage interests in joint venture agreements at the end of the quarter**

Project	Location	Tenement	Interest at end of quarter
Nil			

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

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



## Appendix 5B

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

Name of entity

Blackstone Minerals Limited

ABN

96 614 534 226

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(3,679)	(3,679)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(503)	(503)
	(e) administration and corporate costs	(427)	(427)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	12
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)		
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(4,597)</b>	<b>(4,597)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(7)	(7)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(7)</b>	<b>(7)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,715	3,715
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	1	(1)
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1)	(1)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>3,715</b>	<b>3,715</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	14,360	14,360
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,597)	(4,597)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(7)	(7)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,715	3,715

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	12	12
4.6	<b>Cash and cash equivalents at end of period</b>	<b>13,483</b>	<b>13,483</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	13,483	14,360
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>13,483</b>	<b>14,360</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	157
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

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

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

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(4,597)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(4,597)
8.4	Cash and cash equivalents at quarter end (item 4.6)	13,483
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	13,483
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.93
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A		

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

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

Answer: N/A

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

**Compliance statement**

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

Date: .....27 October 2021.....

Jamie Byrde  
CFO / Company Secretary

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

**Notes**

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