



Looking forward. Mining green.

BSX INVESTOR PRESENTATION
DOWNSTREAM BUSINESS UNIT

March 2021

ASX:BSX



The Scoping Study at Ta Khoa, referred to in this announcement, has been undertaken.

This report 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 report, are considered reasonable. Such forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this report will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Directors have 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 report, except where required by law or the ASX listing rules.

The Scoping Study referred to in this announcement is based on the scoping study released to the ASX on 14 October 2020.

Further evaluation work and appropriate studies are required before Blackstone is in a position to estimate any Ore Reserves or to provide any assurance of an economic development case. The JORC-compliant Mineral Resource estimate forms the basis for the Scoping Study that is discussed in this announcement. 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.

This Scoping Study was completed to an overall +/- 40% accuracy using the key parameters and assumptions outlined elsewhere in this announcement. While Blackstone considers that all the material assumptions are based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by this study will be achieved. To achieve the range of outcomes indicated in the Scoping Study, further funding will be required to construct the mine, processing facilities and project infrastructure including upstream and downstream processing plants. Investors should note that there is no certainty in obtaining funding to the extent required which may be achieved through a combination of debt and equity. It is also possible that such funding will only be available on terms that may be dilutive to or otherwise affect the value of Blackstone's existing shares.

Blackstone concluded it has a reasonable basis for providing these forward-looking statements and believes it has reasonable basis to expect it will be able to fund development of the project. However, a number of factors could cause actual results or expectations to differ materially from the results expressed or implied in the forward-looking statements. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of this study. The project development schedule assumes the completion of a Pre-Feasibility Study (PFS) and a Definitive Feasibility Study (DFS) before an investment decision is finalised.

Cautionary Statement



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BLACKSTONE'S DOWNSTREAM BUSINESS UNIT EXECUTIVE SUMMARY

FLAGSHIP TA KHOA NICKEL PGE (CU CO) SULFIDE PROJECT - NORTHERN VIETNAM



Precursor NCM – Plant Design



Downstream Business Unit (DBU) - Multiple proposed downstream refineries in which Blackstone intends to form joint venture(s) to produce chemical products for the emerging battery market



Globally significant Class I nickel producer - The immediate priority is to deliver a PFS that considers expanded downstream refinery capacity in Vietnam



Security of supply - The DBU will secure feedstock from a diversified and highly credentialed supplier base including the Upstream Business Unit (UBU) and third-party providers such as Trafigura

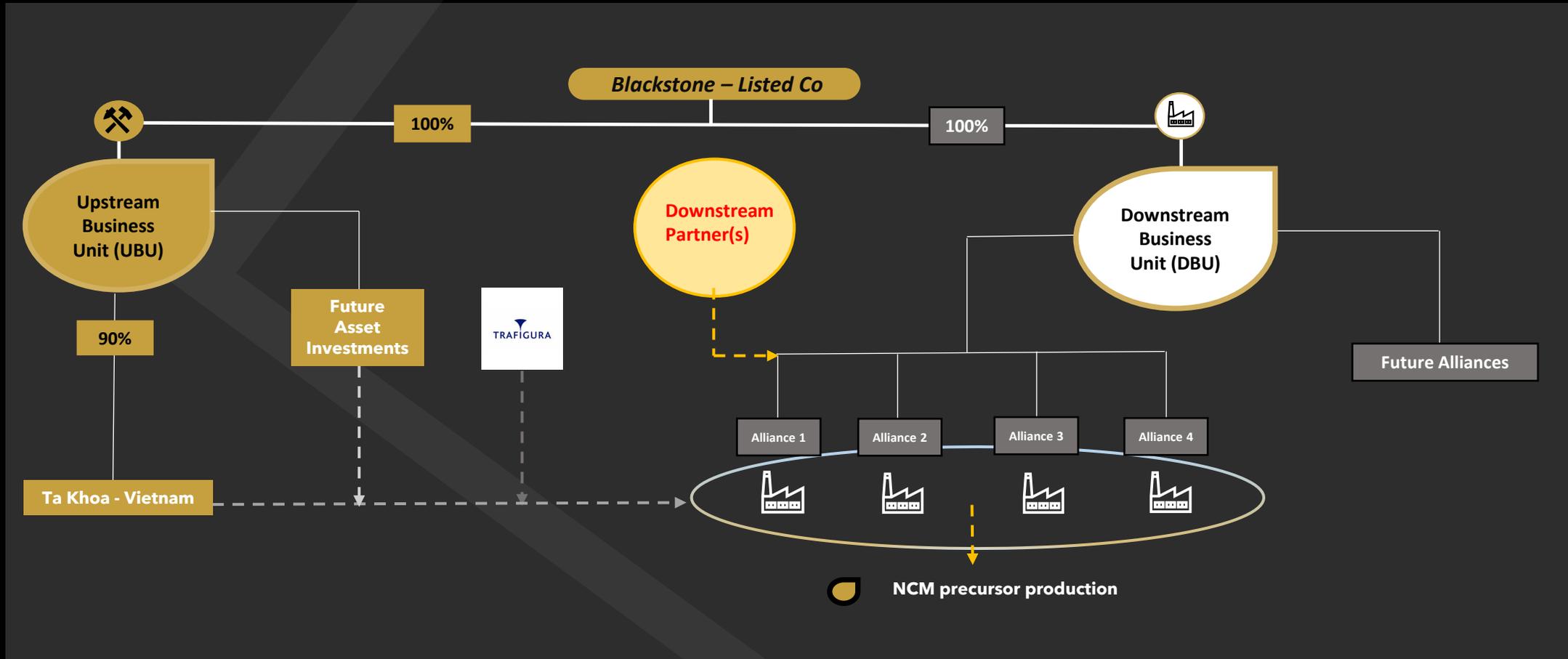


Scalable and modular - Blackstone's intention is to collaborate with Tier 1 partners to unlock the value of its expanded downstream refinery strategy, initially in Vietnam with future potential to enact a global strategy



Competitive operating advantages - Attractive product pricing, low-risk investment jurisdiction, abundant access to renewable hydro power and low labor costs

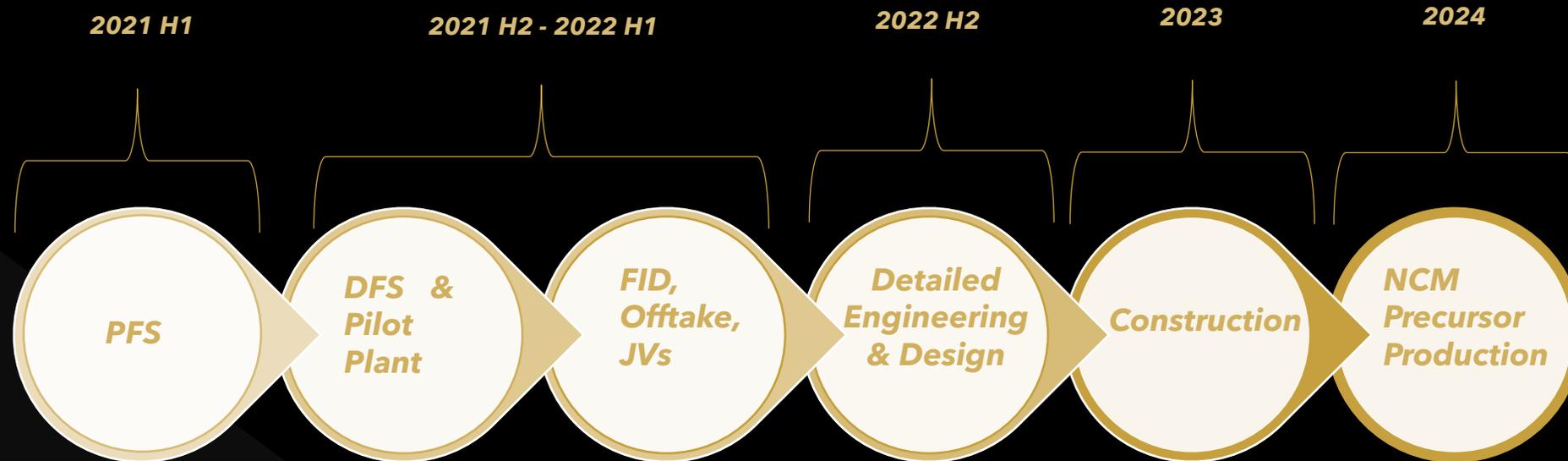
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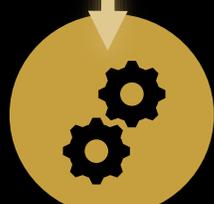


TIMELINE

DOWNSTREAM BUSINESS UNIT MILESTONES

The immediate priority is to deliver a PFS that considers expanded downstream refinery capacity in Vietnam





By combining the existing mineral inventory, exploration potential and ability to source third party concentrate, Blackstone can increase the scale of its downstream refining business to meet the rising demand for downstream nickel products

Robust Base Case Scoping Study Economics

- ▶ The Company's recently completed Scoping Study is underpinned by the large open pit disseminated sulfide (DSS) orebody at Ban Phuc, which includes a maiden Indicated Resource of 44.3Mt @ 0.52% Ni for 229Kt
- ▶ The Scoping Study considers the construction of a new 4Mt concentrator, supplying up to 200kt of concentrate to a downstream chemical refinery

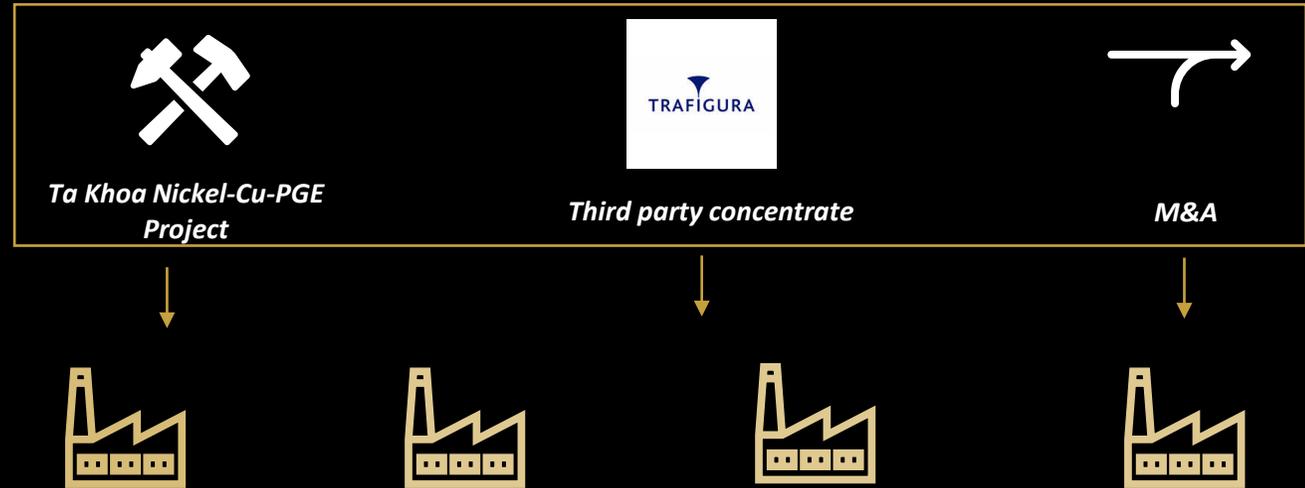
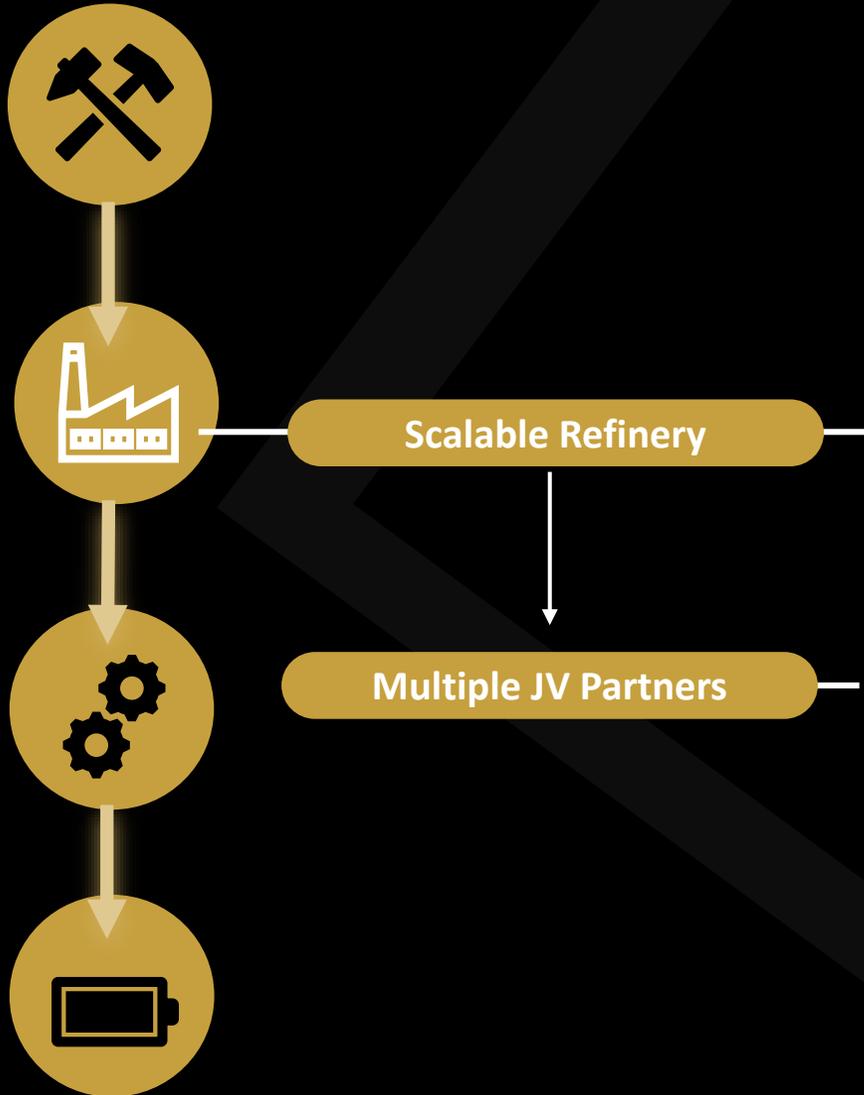
Potential to add high grade Massive Sulfide inventory and new DSS ore bodies

- ▶ Blackstone is actively exploring and currently has 10 active drill rigs
- ▶ High priority Massive Sulfide (MSV) targets include Ban Chang, King Snake and Ta Cuong, similar to the Ban Phuc MSV deposit mined by previous owners
- ▶ By delineating multiple MSV resources, Blackstone will be able to defer upfront capital (for the 4Mtpa concentrator) and use the existing 450ktpa concentrator which has been built to international standards
- ▶ Ban Khoa is the Company's highest priority DSS target, with potential to add significant mine life

Third party concentrate

- ▶ Relationship with Trafigura is a commitment to source upstream nickel and cobalt material through ethical and environmentally responsible supply chains
- ▶ Third party concentrate is to be primarily sourced from Australia and Canada, with opportunities future potential alliances and partnerships to be formed

SCALABLE AND MODULAR POTENTIAL FOR MULTIPLE JV PARTNERS

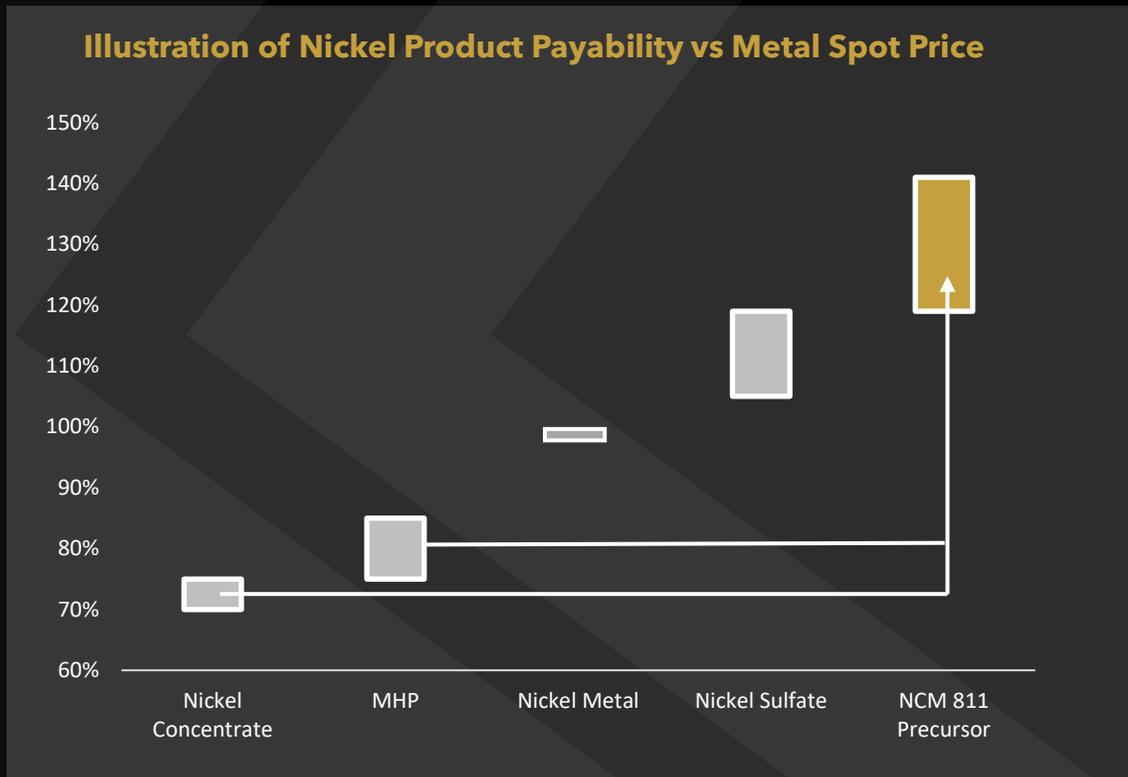


- Blackstone’s strategy to secure supply will lay the foundations to collaborate with multiple JV partners on the downstream business
- Scalable chemical refinery business producing downstream Nickel:Cobalt:Manganese (NCM) precursor products for the Lithium-ion battery industry
- Blackstone’s downstream NCM precursor product significantly improves the payability of nickel, typically from ~70-80% to ~125-135% of LME metal prices
- The economics of Blackstone’s downstream business is driven by superior margins, with competitive advantages including low-cost environment and access to renewable energy being key drivers of value

COMPETITIVE OPERATING ADVANTAGE

ATTRACTIVE PRODUCT PRICING

The PFS refinery design will enable the production of multiple products, including NCM 811 which attracts a strong premium to metal prices.



Blackstone will be able to process and upgrade a number of products, including nickel concentrate and mixed hydroxide precipitate (MHP)



Hydrometallurgical downstream process enables Blackstone to accept low-cost nickel concentrates undesirable to the traditional pyrometallurgical downstream process route



Blackstone will be able to blend different feedstocks to optimize operational and cost performances, and capture significant premiums on the sale of NCM precursor products

Source: SMM (Shanghai Metals Market), Benchmark Minerals Intelligence

COMPETITIVE OPERATING ADVANTAGE

NCM 811 PRECURSOR TRADES AT A SIGNIFICANT PREMIUM TO METAL SPOT PRICES



Metal Spot Price (US\$/t)	Raw material cost of 1 tonne of NCM 811 based on metal spot prices				
Nickel	18,073	8 Ni	1 Co	1 Mn	OH
Cobalt	54,184	US\$9,188	US\$3,457	US\$182	
Manganese	3,053	~51%	~6%	~6%	

1 tonne of NCM 811

Raw material cost =
US\$12,827 / tonne of NCM 811

Market/ Traded price =
US\$19,063 / tonne of NCM 811

NCM 811 trades at a significant premium to metal spot prices

Source: SMM (Shanghai Metals Market) with VAT removed

Note: This is an illustrative analysis performed in March 2021. Commodity prices can be volatile and fluctuate daily, which influence the premium at which NCM811 Precursor can trade compared to spot metal prices

COMPETITIVE OPERATING ADVANTAGE

VIETNAM BUSINESS LANDSCAPE

Vietnam is a booming economy that is ideally placed to become a major hub supporting the Lithium-ion battery industry

Vietnam has **minimized the impact of COVID-19**
– economic recovery superior in South East Asia



Vietnam has unparalleled access to **renewable energy infrastructure**

Enviably track record of attracting **foreign direct investment**, particularly from other Asian countries



Strong business and work ethic - Vietnam has some of the **lowest labor costs** in the world coupled with high quality of output

Opportunity for OEMs and battery makers to **diversify and decouple** their supply chains from Indonesia and China

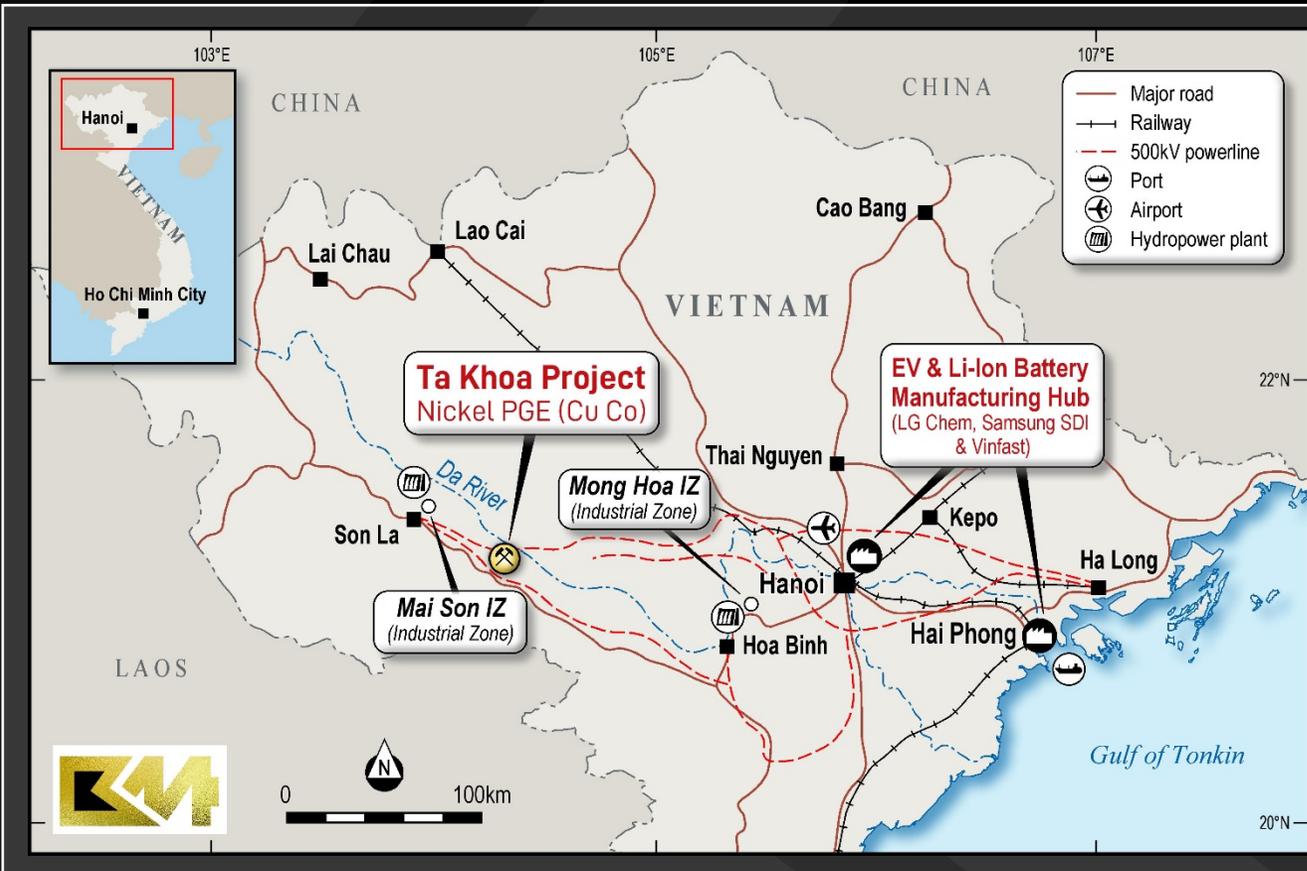


The cost of exploration in Vietnam is **~US\$50/m** – a fraction of the cost in Australia

COMPETITIVE OPERATING ADVANTAGE

ABUNDANT ACCESS TO HYDROPOWER DRIVES LOWER OPERATING COSTS

Vietnam has excellent established infrastructure including hydro power, roads, river and port



Trade-off studies are being completed to assess the optimal location for downstream refineries, all with excellent access to renewable energy



Cheap hydropower renewable energy source is a key driver for compelling downstream economics (~US 7 cents per kwh)



Established logistics infrastructure including train lines and water transportation networks ensures access to feed stock outside of Vietnam



Vietnam is located within proximity to major battery market leaders. Furthermore, major players such as LG Chem and Samsung SDI have already established electronics manufacturing supply chains in Vietnam.



Blackstone will maximise product margin by reducing transport and rehandling costs

The Son La and Hoa Binh Industrial Parks are two of the preferred potential locations for the downstream refineries

COMPETITIVE OPERATING ADVANTAGE

TA KHOA PROJECT LOCATION AND INFRASTRUCTURE

Son La Hydropower Plant



Hai Phong Port



Existing 450ktpa concentrator



Hoa Binh Hydropower Plant



Highway 37 - sealed road to Ta Khoa mine

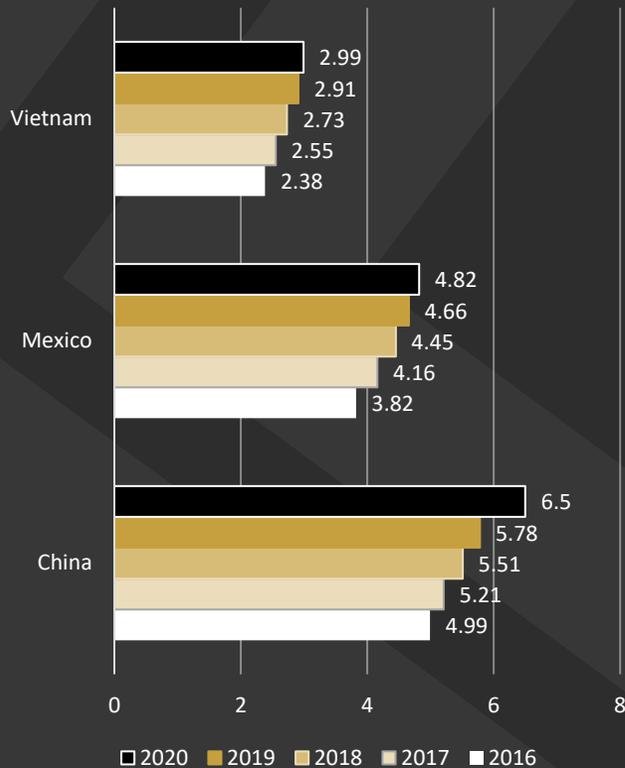


COMPETITIVE OPERATING ADVANTAGE

VIETNAM HAS SOME OF THE LOWEST LABOUR COSTS IN THE WORLD

Low labor costs are a competitive advantage for Blackstone's DBU and make Vietnam an ideal location for a future EV manufacturing hub

Manufacturing labor costs per hour (in US\$)



Source: Statista, 2020



Vinfast aims to sell electric cars in the US, Europe and Canada by the end of 2021

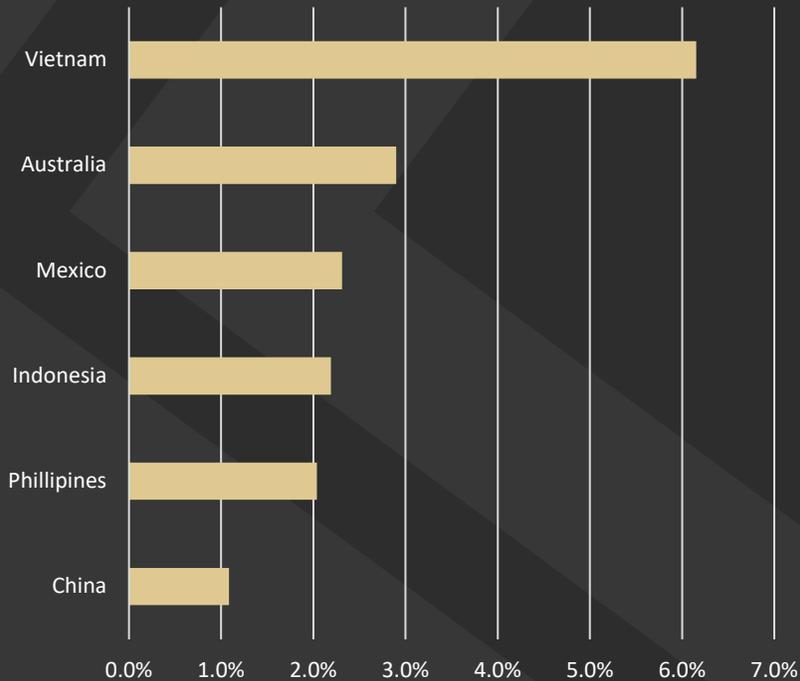
Note: To date, Samsung and LG have invested a combined total of ~US\$20bn into electronics manufacturing in Vietnam and both Companies have announced plans to construct Lithium-ion battery manufacturing plants in Vietnam to service the local and global EV market

COMPETITIVE OPERATING ADVANTAGE

VIETNAM HAS ENVIABLE TRACK RECORD OF FOREIGN DIRECT INVESTMENT (FDI)

Vietnam has signed a number of trade agreements in recent years to provide clarity and certainty to investors

Foreign Direct Investment (2019) (% of GDP)



Source: The World Bank Data



The Vietnamese government is focused on initiatives and policy to support FDI. Recent trade agreements signed include:

- RCEP
- CPTPP
- FTA with South Korea
- TA with Europe
- Economic partnership with Japan



The top five foreign investors (by registered capital) into Vietnam include **South Korea, Hong Kong, Singapore, Japan & China**



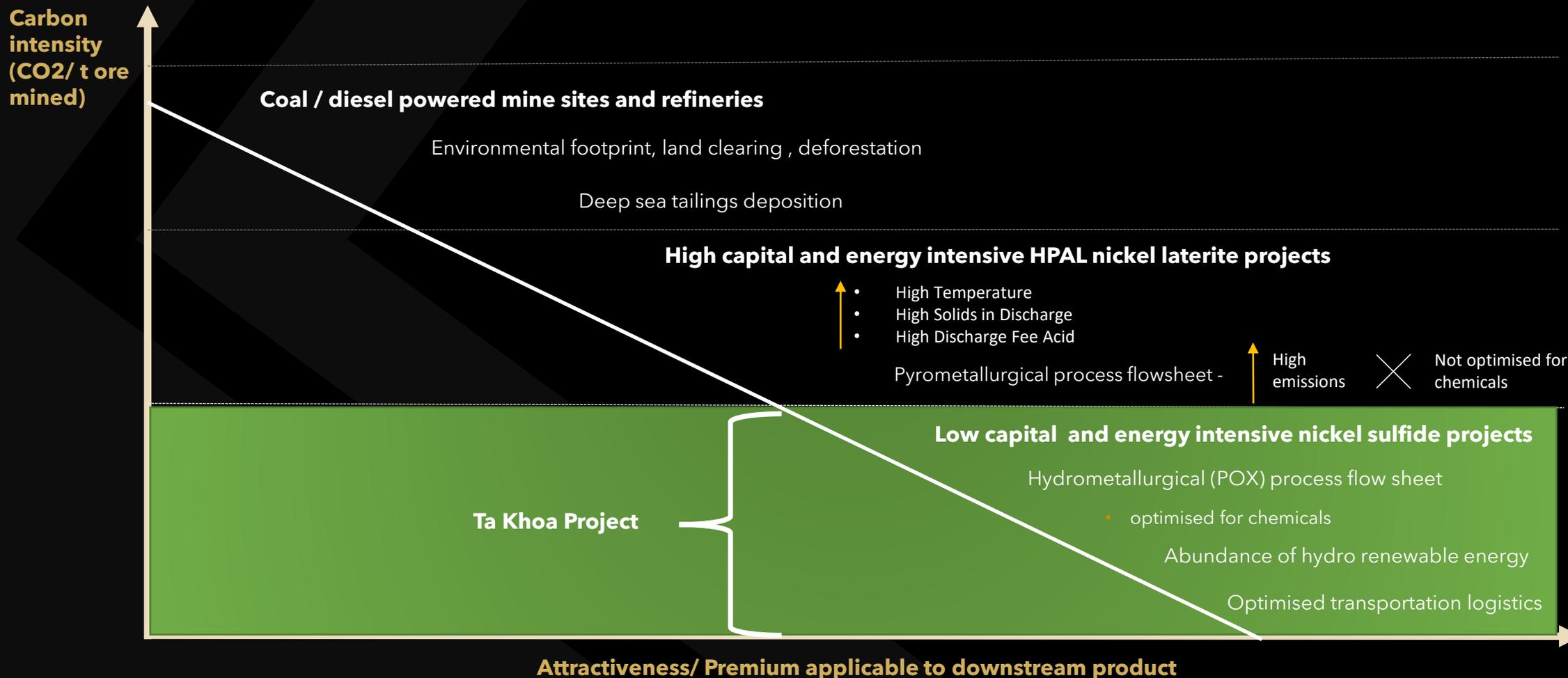
FDI into Vietnam increased from ~US\$13bn in 2014 to ~**US\$20bn in 2019**¹

1. Ministry of Planning and investment of Vietnam, 2020

COMPETITIVE OPERATING ADVANTAGE

GREEN CREDENTIALALED NICKEL PRODUCTS

OEMs are demanding Li-ion batteries sourced from green nickel™ supply chains. The industry will be willing to pay a premium for responsibly sourced green nickel™





BLACKSTONE
MINERALS

APPENDICIES

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APPENDIX 1 - BLACKSTONE BOARD

BEST IN CLASS LEADERSHIP WITH A PROVEN TRACK RECORD OF CORPORATE SUCESS



**Scott
Williamson**



Managing
Director

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

**Hamish
Halliday**



Non-Executive
Chairman

More than 20 years corporate and technical experience, founder of Adamus Resources Ltd, a A\$3M float which became a multi-million ounce emerging gold producer and eventual takeover by Endeavour Mining for >\$160M

**Andrew
Radonjic**



Non-Executive
Director

Mine Geologist and Mineral Economist with more than 25 years' experience with a focus on gold and nickel exploration and mining, MD of Venture Minerals Ltd (ASX: VMS), led the Feasibility Study of the Mount Lindsay Tin-Tungsten-Magnetite project.

**Peter
Plakidis**



Non-Executive
Director

20 years of Investment Banking and Corporate experience in leadership roles including Head of Financial Sponsors Group Asia Pacific for Deutsche Bank, based in Hong Kong. Has executed numerous deals across Asia Pacific.

Hoirim Jung



Non-Executive
Director

More than 10 years financial management experience, specifically in financing and feasibility studies for new projects. Holds a Bachelor of Economics from Seoul National University and has a qualification with the Korean Institute of Certified Public Accountants (KICPA).

APPENDIX 2 - MANAGEMENT TEAM

DRIVING THE DEVELOPMENT OF TA KHOA AS A MINE-TO-MARKET NICKEL BUSINESS



Jamie Byrde

CFO & Company Secretary

Chartered Accountant with more than 16 years' experience in accounting, company secretarial and corporate advisory.



Dr Stuart Owen

Head of Exploration

BSc & PhD in Geology with more than 20 years' experience in mineral exploration.



Andrew Strickland

Head of Project Development

Experienced Study and Project Manager, Fellow of the Australian Institute of Mining and Metallurgy, BSc (Extractive Metallurgy), BEng (Chemical), MBA.



Patrick Chang

Head of Corporate Development

Master of Science Degree in Geology, a Master of Computer Science Degree and Chartered Financial Analyst. Previously Corporate Development Officer with ASX-listed gold producer Medusa Mining.



Steve Ennor

GM Project Development
Ta Khoa Project

Metallurgist with 30 years of experience in gold and base metals processing, including senior management and operational positions in Australia, Africa and South East Asia.



Vũ Hồng Cẩm Vân

GM Commercial
Ta Khoa Project

Joined Ban Phuc Nickel Mines in 2006 and has successfully performed in several roles transitioning from senior environment officer to HSE & CSR manager and government affairs director.

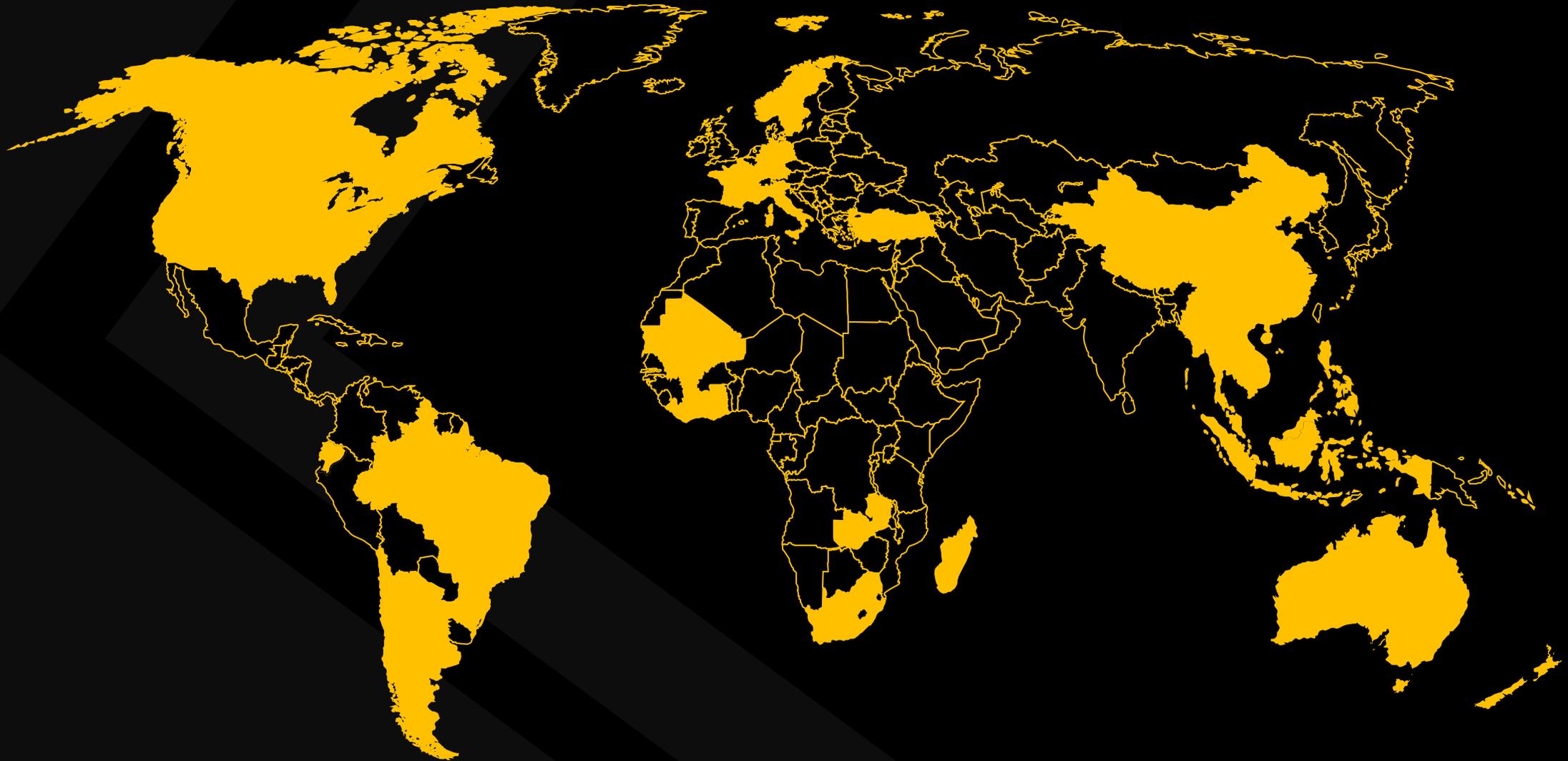


Richard Kitchener

GM Operations
Ta Khoa Project

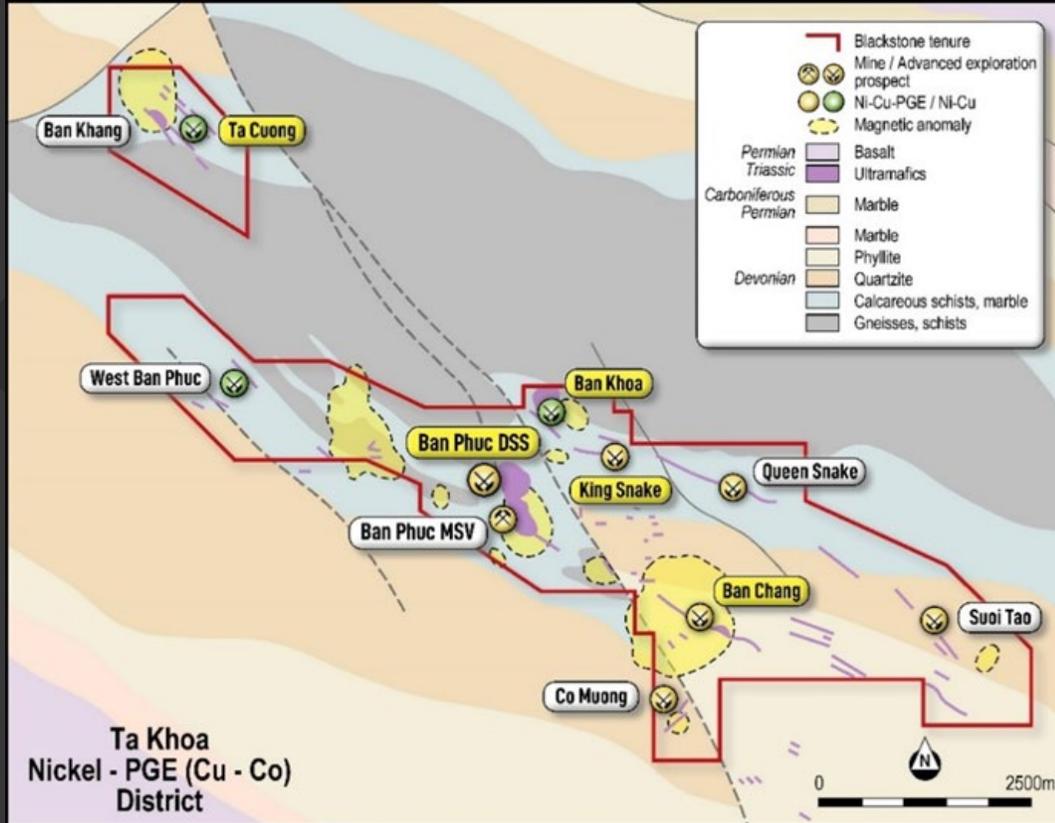
Mining and Geology Manager at Masan Group's Nui Phao Mine in Northern Vietnam for the past 10 years, responsible for the development of systems and procedures.

APPENDIX 3 – MANAGEMENT TEAM WITH INTERNATIONAL EXPERIENCE ACROSS MULTIPLE REGIONS



APPENDIX 4 - DISTRICT SCALE NICKEL SULFIDE OPPORTUNITY – TA KHOA PROJECT

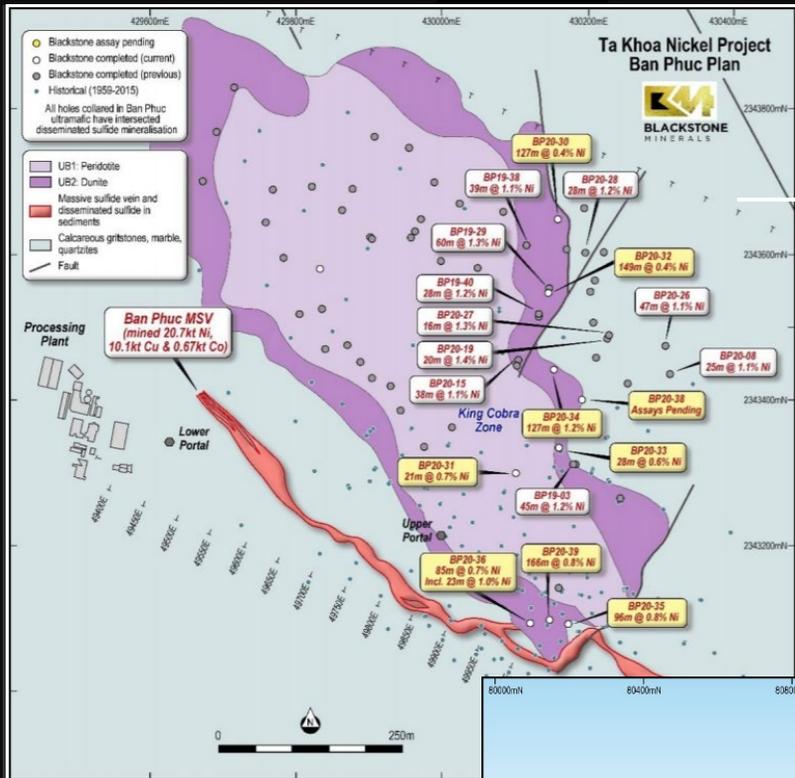
AGGRESSIVE EXPLORATION TARGETING HIGH GRADE MSV & DSS MINE LIFE EXTENSIONS



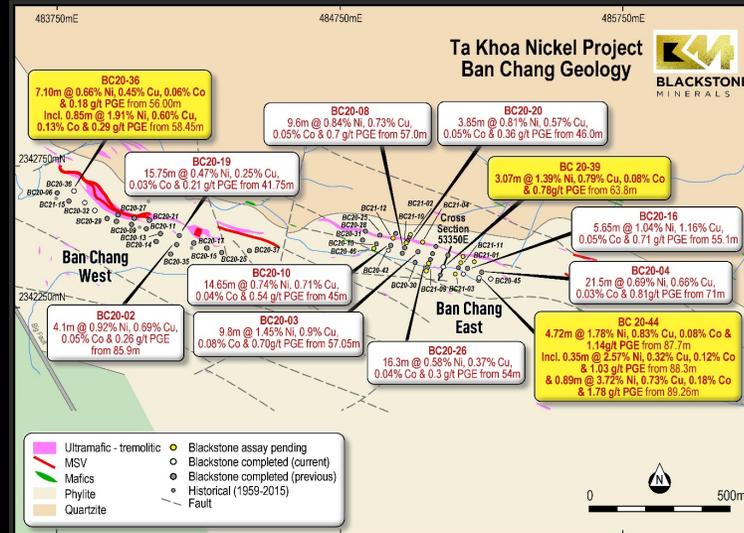
- District scale Nickel PGE (Cu Co) green nickel™ sulfide project
- Prioritising targets within 5km of existing Ban Phuc 450ktpa concentrator
- Blackstone has defined a maiden resource for the Ban Phuc DSS deposit, a bulk-mining proposition
- A number of advanced stage MSV targets and a number of large bulk-tonnage DSS prospects
- Ban Chang infill drilling for resource estimation is at an advanced stage
- Immediate success at King Snake being followed up aggressively, mineralisation open down dip and down plunge
- Potential DSS mine life extensions are being investigated, Ban Khoa being the highest priority
- In-house geophysics crew continue to identify highly prospective targets, currently at Suoi Tao and others

APPENDIX 4 (CONT'D) DISTRICT SCALE NICKEL SULFIDE OPPORTUNITY – TA KHOA PROJECT

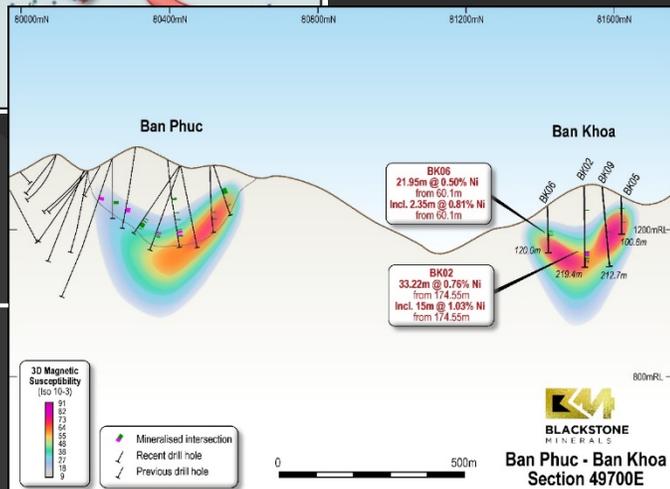
AGGRESSIVE EXPLORATION TARGETING HIGH GRADE MSV & DSS MINE LIFE EXTENSIONS



Ban Phuc (DSS) - Maiden Resource

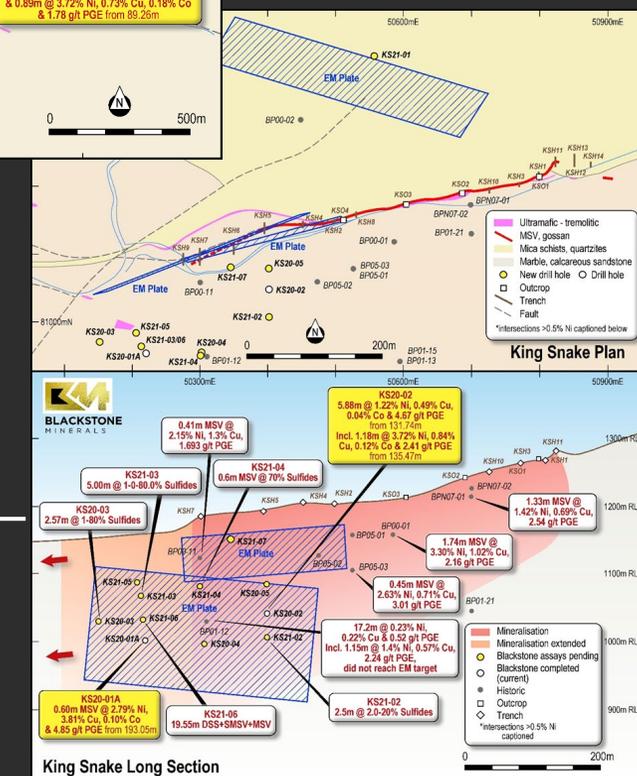


Ban Chang (MSV)



Ban Khoa (DSS)

King Snake (MSV)



APPENDIX 5 - CORPORATE SNAPSHOT

BLACKSTONE MINERALS LIMITED	
ASX Code	BSX
OTCQX Code	BLSTF
Shares on Issue	326.8m
Last Share Price (16 March 2021)	\$A0.455
Market Capitalisation	A\$149m
Cash at 31 Dec 20	A\$22m
Options	19m
3-month Avg Daily Vol. (shares)	1.0m



KEY SHAREHOLDERS	
Deutsche Balaton	14%
EcoPro	13%
Fidelity	6%
Board & Management	14%

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr Andrew Radonjic, a Non-Executive 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 Mineral Resource Estimation was conducted 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 consents to the inclusion of the Mineral Resource Estimate in this report on that information in the form and context in which it appears.

No New Information or Data

The Company confirms that it is not aware of any new information or data that materially affects the information including in the original market announcements above, and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

Competent Person Statement



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