

ASX ANNOUNCEMENT

26 August 2021

ASX: BSX

Blackstone Appoints Major Korean Bank as Debt Advisors for the Ta Khoa Project

Blackstone Minerals ("Blackstone" or the "Company") is pleased to announce the appointment of leading independent advisors to arrange debt financing for the development of the Company's vertically integrated Ta Khoa Nickel- Copper - PGE Project and Downstream Refinery Project (Ta Khoa Project).

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

Blackstone Minerals' Managing Director Scott Williamson commented:

"KDB and BurnVoir bring their respective strengths across the lithium-ion battery value chain, including strong relationships with potential customers of the Ta Khoa Downstream Refinery. Both KDB and BurnVoir have extensive experience in arranging development funding for quality projects, and their involvement in the Ta Khoa Project is an endorsement of Blackstone's strategy and ability to execute."

"KDB and BurnVoir will work closely with Blackstone to arrange finance on competitive terms to support our integrated development strategy. Both KDB and BurnVoir will work collaboratively with Blackstone to ensure that ongoing feasibility work is completed to the highest standard and withstands the rigour of independent due diligence. Importantly, financing will be achieved with alignment to the standards set within the Equator Principals and Blackstone's own sustainability objectives."

About Korea Development Bank

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 last 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.

About BurnVoir Corporate Finance

BurnVoir 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. Details on BurnVoir can be found at burnvoir.com.au.

BurnVoir has arranged finance for a number of 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.

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

For more information please contact

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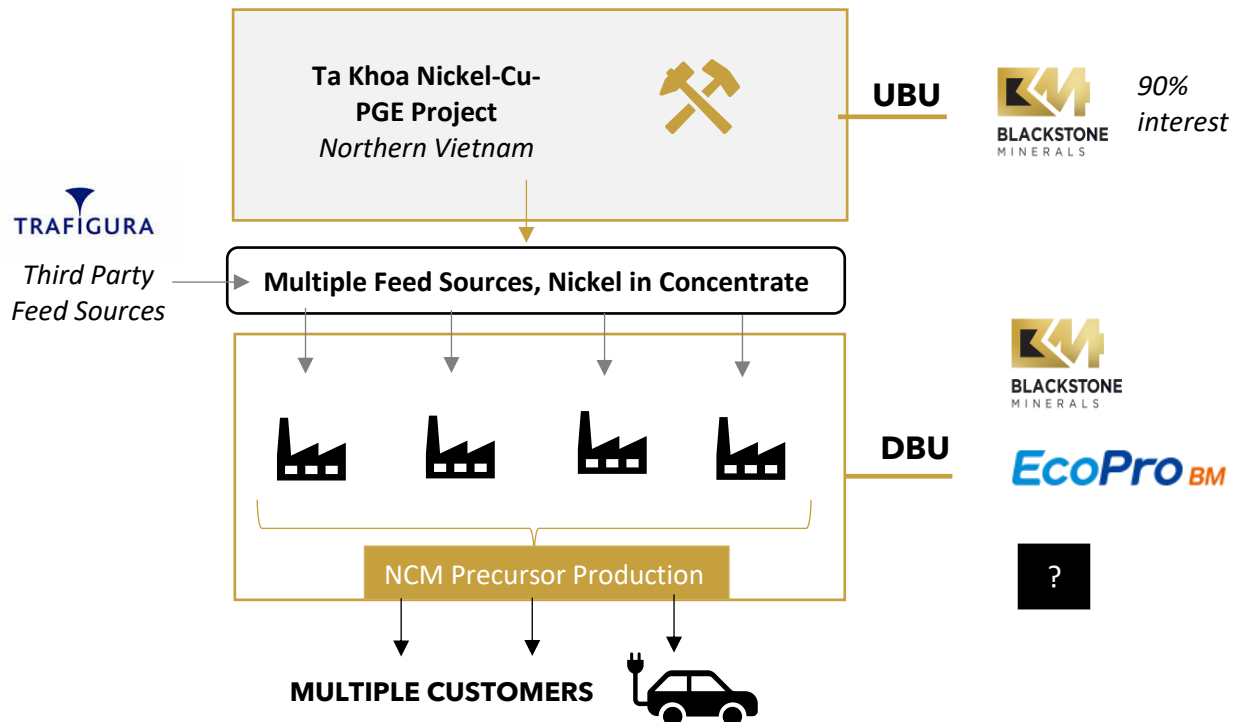
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About Blackstone

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 (refer to ASX announcement 26 July 2021).

The Company is continuing to advance a PFS for the Upstream Business Unit (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 and Ta Cuong, 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

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.