

Ta Khoa Project Development Update

Blackstone continues to build relationships with key technology and off-take partners through alignment of Ta Khoa Project development strategy and execution schedule

Blackstone Minerals Limited ("Blackstone" or the "Company") is pleased to advise that the Ta Khoa Project development shall be accelerated following strategy meetings with prospective technology and off-take partners ("the Partners"). The accelerated strategy will be achieved through the following critical activities:

- 1. Partnerships:** engagement with the Partners to reach a final JV structure and investment contribution.
- 2. Staged development:** supported by Wood, evaluation of staged development options, including a start-up scenario which would limit upfront capital, and improve the development schedule.
- 3. Infrastructure:** review of key project infrastructure and its impact on feed stock and product logistics, in collaboration with community stakeholders.
- 4. Prioritisation:** reduction in monthly spend to focus on flowsheet test work, piloting, permitting and approvals. Non-schedule critical items will be delayed to conserve funding.

Partnerships

The Ta Khoa Project ("TKP") development strategy was discussed at length during a recent Ban Phuc Nickel Mine ("BPNM") and Ta Khoa Refinery ("TKR") site visit which included representatives from prospective partners. The purpose of the visit was to inspect the existing BPNM operation, the proposed TKR site, as well as discussions pertaining to project partnership structures, investment strategy and development timelines

The site visit concluded with formal meetings with various government representatives including the Vice Chairman and Senior Officers of the Son La Peoples' Committee ("SLPC"), the Director of the Department of the Son La Natural Resources and Environment ("DONRE"), and Vice Director of the Son La Department of Industry and Trade ("DOIT"), as well as representatives from the Australian embassy. Representatives of Korean Development Bank ("KDB") attended to present outcomes of financing discussions, including options for obtaining export credit agency support.

Blackstone and its prospective partners agreed to continue working towards a binding partnership agreement targeting execution by the end of the year.

Staged Development

With assistance from Wood, Blackstone are exploring staged development options to minimise the TKR upfront capital and identify the shortest pathway to project cashflows. The TKR Definitive Feasibility Study ("DFS") process design and flowsheet optimisation is complete, which allows Blackstone to quickly assess multiple development options and identify preferred scenarios for further development. A key development of the process design is that the TKR is feedstock agnostic. Not only will it be able to accept a range of nickel concentrate specifications, but it will also be able to accept nickel matte and Mixed Hydroxide Precipitate ("MHP"), so long as the feed sources meet Blackstone's ESG standards. This greatly improves Blackstone's ability to source and secure third-party feed and has opened up additional development scenarios for TKR. Some staged development options under consideration include:

- Early operation of the existing Ban Phuc concentrator to treat Massive Sulfide Vein ("MSV") ore from Ban Chang and King Snake to produce a saleable concentrate
- TKR start-up on 100% third-party feed sources including concentrate, matte and MHP, with the Ta Khoa Nickel mine ("TKN") to be funded out of operating cashflow
- Reduced size refinery start up, with subsequent expansion(s) funded out of operating cashflow

Infrastructure

Logistics and infrastructure reviews have commenced to confirm project footprint requirements that mitigate key risks. The DFS process design has identified potential to separate infrastructure for production of precursor Cathode Active Material ("pCAM") from the remaining refinery infrastructure, which allows Blackstone to consider location of the pCAM facility closer to port and customer infrastructure.

Prioritisation

Blackstone will be prioritising all activity to focus on schedule critical path items while limiting spend in this current market environment. Progress on partnerships, permitting, metallurgical testwork and piloting will continue but other non-time critical activities will be assessed in relation to the overall project development strategy.

Permitting Update

Vietnam's Ministry of Natural Resources and Environment ("MONRE") has extended the BPNM Mining Licence until December 2025. In addition, Blackstone has commenced the process to convert the Ta Khoa Exploration Licence area consisting of 35km² which contains the Ban Phuc Disseminated Sulfide ("DSS") Probable Reserve (48.7Mt at 0.43% Ni, and 210kt of contained nickel¹) to an open pit Mining Licence covering 7.6 km².

The BPNM Mining License extension, approved by the Deputy Minister of MONRE, includes the Ban Phuc nickel MSV underground mine and associated infrastructure including the 450ktpa nickel concentrator and tailings storage facility (TSF). This important permitting step demonstrates MONRE's commitment to support the development of Blackstone's Ta

¹ Refer ASX Announcement – "Blackstone Completes PFS at Ta Khoa Nickel Project" –28th, February 2022

Khoa Nickel Project (TKNP) and recommencement of mining operations in Son La Province, northern Vietnam.

In pursuit of the Ban Phuc open pit mining licence, Blackstone has lodged a Mining Evaluation Report to the National Reserves Council of Vietnam for appraisal and approval. The new resources and reserves defined by Blackstone over the past three years of drilling at the TKNP are included in the Report which is the first step towards new mining licences over the King Snake, Ban Chang, Ban Khoa and the Ban Phuc mining areas.

Once the Mining Evaluation Report is approved, the feasibility studies and environmental impact assessments will be submitted to MONRE for additional mining licences incorporating the new mining areas. The key items for the upstream permitting process are as follows:

- ✓ Mining Evaluation Report submitted to the National Reserves Council of Vietnam
- Vietnamese Feasibility Study with Basic Design
- Social and Environmental Impact Assessment
- Environmental Reclamation and Rehabilitation Plan
- Engineering and Construction Permitting
- Mining Licence Application

Whilst the permitting process is underway, Blackstone will continue its geotechnical and geophysics program as well as drilling activities to support the ongoing DFS studies. Other exploration activities will be reduced significantly.

As the company continues its exploration efforts, it is in the process of preparing an application for additional exploration licences covering up to 100km² allowed under its Investment Certificate.

Scott Williamson, Blackstone's Managing Director said,

"It's exciting to see clear pathways to production develop as discussions continue with prospective partners and works continue with our design engineers. The flexibility and scalability of the flowsheet is a massive benefit to Blackstone and coupled with the soon to be released Lifecycle Carbon Analysis, solidifies Blackstone's view that this will be one of the greenest and most resilient nickel business in the world."

Authorised by the Managing Director on behalf of the Board.

For more information, please contact

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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.

The Company owns a 90% interest in the TKNP. The TKNP is located 160km west of Hanoi in the Son La Province of Vietnam (refer Figure 1) and includes an existing modern nickel mine built to Australian standards, which is currently being used to process nickel ore delivered by the underground bulk sample program. The Ban Phuc nickel mine successfully operated as a mechanised underground nickel mine from 2013 to 2016.

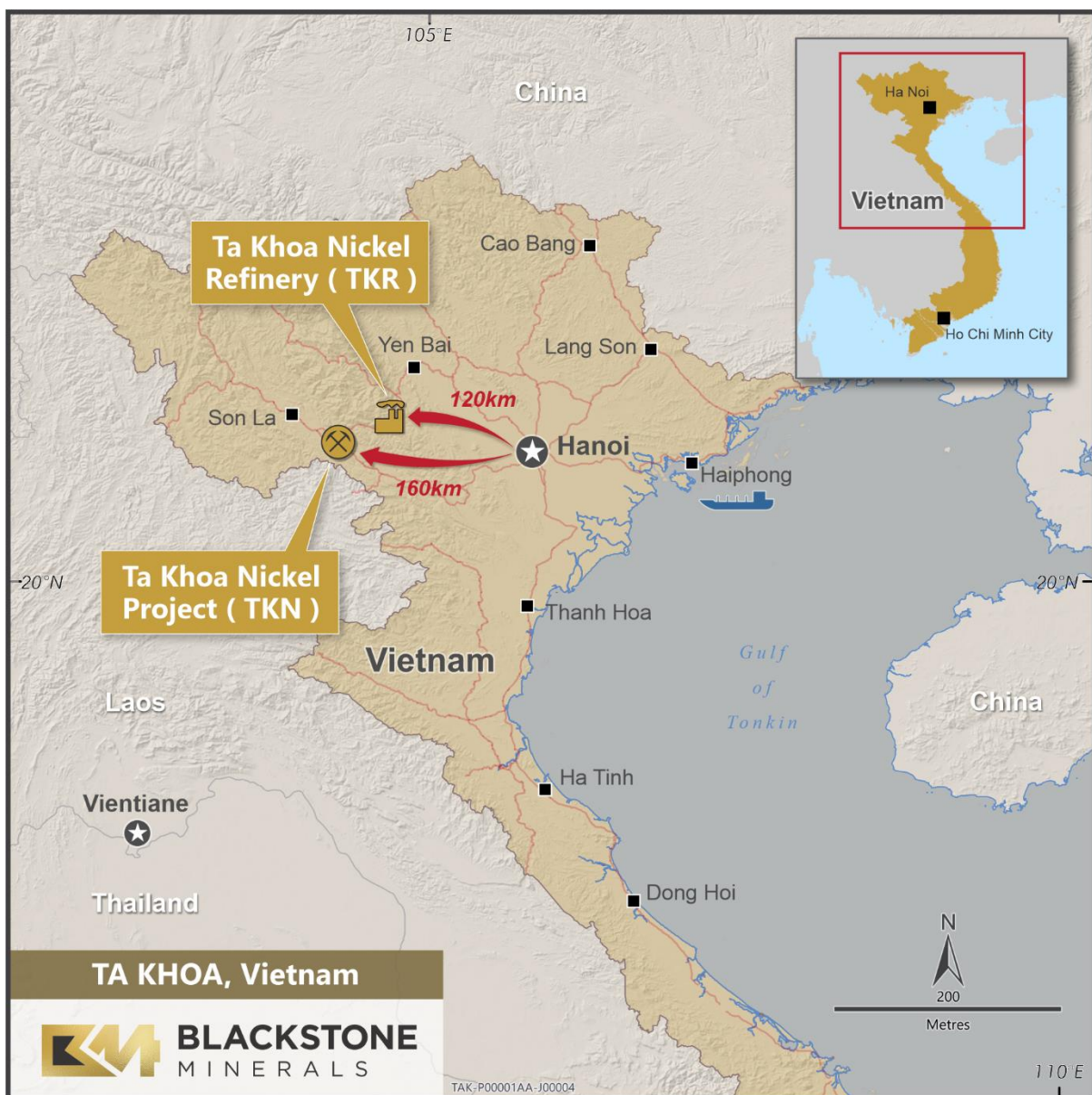


Figure 1. Ta Khoa Project Location

Blackstone's TKNP and TKR are the two major cogs in the Company's vertically integrated development strategy (together - "the Ta Khoa Project"). The Company's development strategy is underpinned by Blackstone's ability to secure nickel concentrate and Ta Khoa is emerging as a nickel sulfide district of enviable scale with several exploration targets yet to be tested.

In February 2022, Blackstone completed a Pre-Feasibility Study for the TKNP, and presented this on an integrated basis with the proposed TKR development (refer ASX announcement 28 February 2022). The TKR is being designed to have a refining capacity of 400ktpa, with feedstock provided from a combination of concentrate from the TKNP and third-party feed sources. Pilot Plant testing and Definitive Feasibility Studies are underway and will continue to technically de-risk the Ta Khoa Project.

At both the mine (upstream) and refinery (downstream) level, Blackstone is focused on a partnership model and is collaborating with groups who are focused on sustainable mining, minimising carbon footprint and implementing a fully vertically integrated supply chain.

Competent Person Statement

Estimation and Reporting of Mineral Resources - Ta Khoa Nickel Project

No new Mineral Resource information is contained in this report. Information in this report which refers to Mineral Resources for the Ban Phuc, Ban Khoa, Ban Chang and King Snake Prospects is taken from the company's initial ASX disclosure dated 23 December 2021 - *Ta Khoa Mineral Resource Update*, found at www.blackstoneminerals.com.au. The December disclosure fairly represents information compiled by Mr. Kahan Mit-hat Cervoj. Mr Cervoj is a full-time employee of Optiro Pty Ltd, consulting to Blackstone Minerals Ltd, and is a Member of Australian Institute of Mining and Metallurgy.

The Company confirms that all material assumptions and technical parameters underpinning the Mineral Resources Estimates referred to within previous ASX announcements remain current and have not materially changed since last reported. The Company is not aware of any new information or data that materially affects the information included in this announcement.

The Company confirms that the form and context in which the Competent Person's findings are or were presented have not been materially modified.

Reporting of Exploration Results

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by compiled and reported by Mr Chris Ramsay, Manager of Resource Geology for the Company and a Member of The Australasian Institute of Mining and Metallurgy. Mr Ramsay 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 Chris Ramsay consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

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