

ASX ANNOUNCEMENT

26 July 2023

ASX: BSX

## Blackstone signs MOU with Vietnamese Rare Earth Refinery & Australian Strategic Materials

Blackstone Minerals Limited ("Blackstone" or the "Company") is pleased to announce the Company has entered into a three-way Memorandum of Understanding ("MOU") with Vietnam Rare Earths JSC ("VTRE") and ASX listed, Australian Strategic Materials ("ASM") to cooperate on opportunities to develop a fully integrated rare earths mine to metals value chain in Vietnam

- VTRE owns and operates the only Vietnamese midstream rare earths refinery and is seeking a strategic partner to develop upstream mining and processing capability;
- Blackstone has upstream mining and processing experience, with a world class in-country team located within the Northwest Vietnam rare earth district;
- ASM is an emerging vertically integrated producer of critical metals for advanced and clean technologies with a deep understanding of downstream processing of rare earths and the rare earth market.

The MOU was executed on the 25<sup>th</sup> July 2023, at the Australian Embassy in Hanoi, Vietnam and was witnessed by His Excellency Andrew Goleczynski, Australian Ambassador to Vietnam.

Vietnam has the world's largest Rare Earth Element ("REE") Reserves outside of China.<sup>1</sup> The majority of Vietnam's REE resources are located in the Northwest Region of Vietnam, in close proximity to Son La Province where Blackstone's Ta Khoa Nickel Project is located. A number of potentially very high grade REE deposits are available to be permitted and developed by companies that can demonstrate a full value chain capability and deliver a "mine to metal" REE hub in Vietnam.

VTRE has owned and operated the only midstream REE refinery in Vietnam for the past 12 years with the vision to become a prestige producer and supplier of Rare Earth products and expand the product ranges to deliver multi options for customer needs whilst focussing on researching and using advanced technology for production.

On the 30<sup>th</sup> April 2023, VTRE entered into a binding agreement with ASM for the supply of Rare Earth Oxides with the intention to progress long term supply agreements potentially utilising Vietnam's natural resources.

<sup>1</sup> Refer USGS Mineral Commodities Summary 2023 <https://pubs.er.usgs.gov/publication/mcs2023> (p. 143)

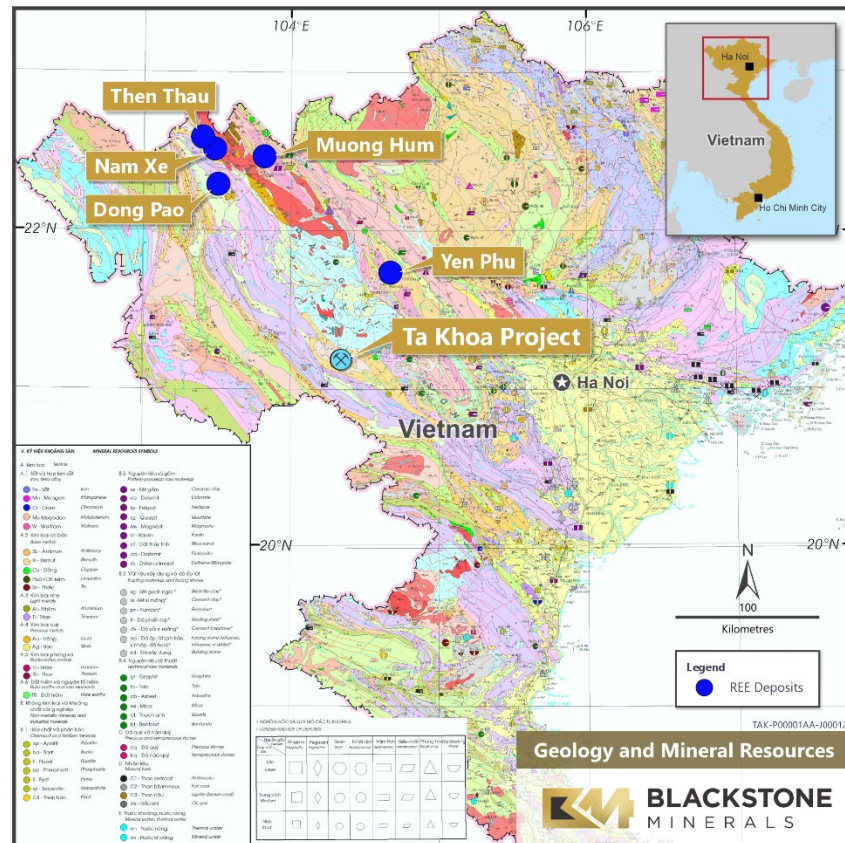


Figure 1. Geology and Mineral Resources Vietnam

Under the MOU with Blackstone, VTRE and ASM agree to collaborate on the following initiatives, with the objective to enter into further binding agreements;

1. Blackstone and VTRE to assess existing REE licensed concessions and if appropriate, apply to secure the mining licenses under a Joint Venture Arrangement. The immediate focus will be a mining licence for one of the world class **Dong Pao Deposits**;
2. Blackstone agrees to allow VTRE access to the Company's laboratory and piloting facilities located at the Ta Khoa Nickel Project at Ban Phuc Nickel Mines and with technical assistance from ASM to conduct a pilot flotation program for the beneficiation of REE concentrates from the Dong Pao deposit;
3. Blackstone, VTRE and ASM will explore a commercial model that can support a fully integrated mine to metals rare earth business.

The MOU has presented itself through the Company's stakeholder development program, established to progress the Ta Khoa Project in Vietnam. In doing so, the Company has created a strategic position of having the required 'know-how' in Vietnam to progress mining and mineral processing opportunities. As such, VTRE has engaged Blackstone to explore an entry into the Rare Earth Market. The potential experience and knowledge gained through this REE project development program will be invaluable in advancing our flagship Ta Khoa Project.

Through Blackstone's Ta Khoa Project partnership search process, the Company has engaged with a number of electric vehicle car manufacturers which have indicated an interest in securing REE's for their supply chain. The Company's primary focus continues to be the completion of the Ta Khoa Refinery DFS and securing a partnership for the Ta Khoa

Project. Blackstone will ensure that no capital is required to be allocated to the REE strategy in the short to medium term.

For VTRE and ASM, this MOU is an extension of their existing relationship and their commitment to continue to explore long term supply agreements and manufacturing opportunities.

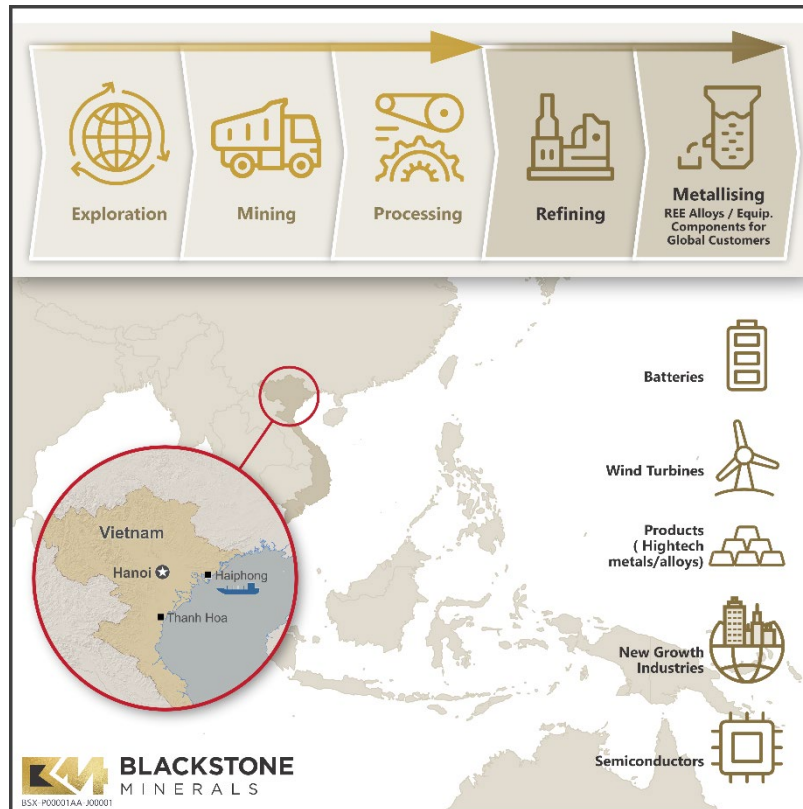


Figure 2. Fully integrated mine to metals rare earth business

Chairman of Vietnam Rare Earths Joint Stock Company Luu Anh Tuan said: *"I welcome the opportunity to work with Blackstone on this MOU and building a long term relationship and extending my existing relationship with ASM, this is a great opportunity to develop the full value chain for Rare Earths in Vietnam"* -.

ASM Managing Director & CEO Rowena Smith, said: *"This MOU has the potential to drive a more collaborative approach within the rare earth elements and critical minerals sector and deliver positive outcomes for all parties involved."*

His Excellency Andrew Goledzinowski, Australian Ambassador to Vietnam commented: *"Glad to see Australian and Vietnamese companies partnering together to form new critical minerals supply chains. Both countries are playing a role in diversifying and de-risking the availability of rare earth elements. This agreement leverages Australia's world-leading regulatory frameworks for mining and resources, and Vietnam's abundant labour supply and strong manufacturing base."*

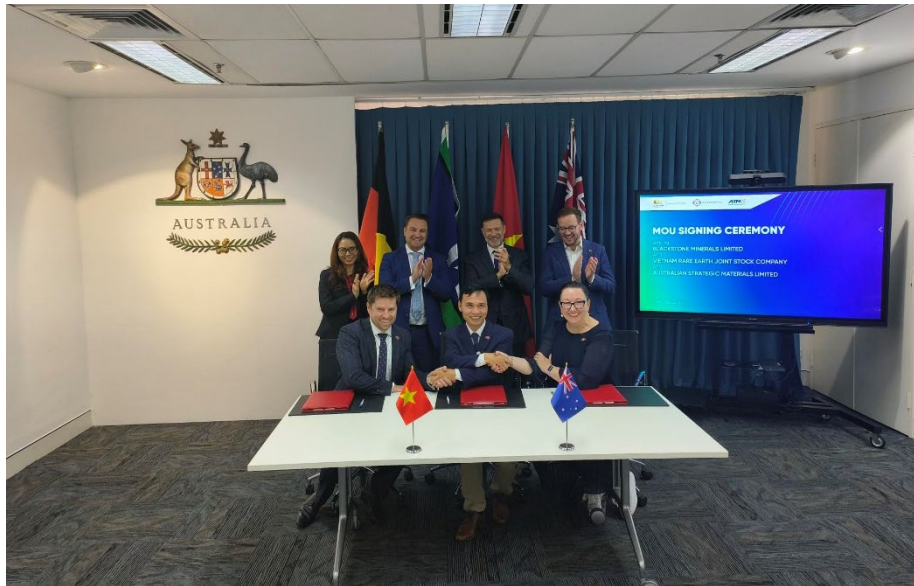


Figure 3. Signing of agreement between ASM, BSX, and VTRE at Australian Embassy in Hanoi, Vietnam.  
 Hoa Nguyen (Austrade), Chris Morley (Austrade), Andrew Goleczinski (Australian Ambassador to Vietnam), Ben Davies (Australian Embassy, Vietnam), Scott Williamson (MD BSX), Luu Anh Tuan (Chairman VTRE), Rowena Smith (CEO & MD ASM)

Blackstone Minerals' Managing Director, Scott Williamson, commented:

*"It is not often that you find a potential partnership in which the strategic advantages and core competencies of each party are so complementary. For Blackstone, a potential move into Rare Earths in Vietnam aligns with our Technology Mineral strategy and is synergistic to our Ta Khoa Project and our existing relationships in the EV industry; for VTRE, teaming up with Blackstone gives VTRE access to our extensive knowledge in ESG management, mining, minerals processing and refining; for ASM, it is a great opportunity to extend their relationship with VTRE and in to progress their vision of full vertical integration in critical minerals. With this MOU, Blackstone, VTRE and ASM will progress discussions with the view of potentially establishing a world leading fully integrated rare earths business."*

Authorised by the Managing Director.

For more information, please contact

**Scott Williamson**

Managing Director

+61 8 9425 5217

scott@blackstoneminerals.com.au

**Tessa Kutscher**

Executive

+61 8 9425 5217

tessa@blackstoneminerals.com.au



**About Vietnam Rare Earth Company (VTRE)**

Incorporated in 2011, VTRE is a Vietnamese manufacturer of light rare earth and heavy rare earth compounds. With a vision to become a prestige producer and supplier of rare earths. For more on VTRE please see the website: <http://vtre.vn/>

**About Australian Strategic Materials (ASM)**

Australian Strategic Materials (ASX: ASM) is a vertically integrated 'mine to metals' producer of critical metals for new growth industries, high technologies and sustainable energy solutions.

ASM operates a metals plant in Ochang, South Korea which is currently producing critical metals and alloys to customer specifications. The initial production focus is on neodymium praseodymium (NdPr) and neodymium iron boron (NdFeB). Currently, ASM sources the rare earth oxides for the production of the critical metals at its Korean Metals Plant from Vietnam Rare Earth Company.

The company's Dubbo Project, is a long-term resource of rare earth elements, zirconium, niobium and hafnium, located in central-western New South Wales, Australia. ASM intends to develop the Dubbo Project to produce metal oxides which will be used for refining into critical metals at ASM's Korean Metals Plant and subsequent plants that may be established in other jurisdictions.

ASM's current Korean Metals Plant and the Dubbo Project represents an alternative and reliable source of the critical minerals and rare earths needed to de-risk and relieve bottlenecks in the global supply chain.

**About Blackstone**

Blackstone Minerals Ltd (ASX: BSX / OTCQX: BLSTF / FRA: B9S) is focused on building an integrated battery metals processing business in Vietnam that produces Nickel:Cobalt:Manganese precursor products for Asia's growing lithium-ion battery industry.

Blackstone will produce the lowest emission precursor as verified by Minviro and the Nickel Institute (refer ASX announcement 15 September 2022).

The existing business has a modern nickel mine built to Australian standards, which successfully operated as a mechanised underground nickel mine from 2013 to 2016. This will be complemented by a larger concentrator, refinery and precursor facility to support integrated production in-country.

To unlock the flowsheet, the Company is focused on a partnership model and is collaborating with groups who are committed to sustainable mining, minimising the carbon footprint and implementing a vertically integrated supply chain.

The Company's development strategy is underpinned by the ability to secure nickel concentrate and Ta Khoa is emerging as a nickel sulphide district with several exploration targets yet to be tested.

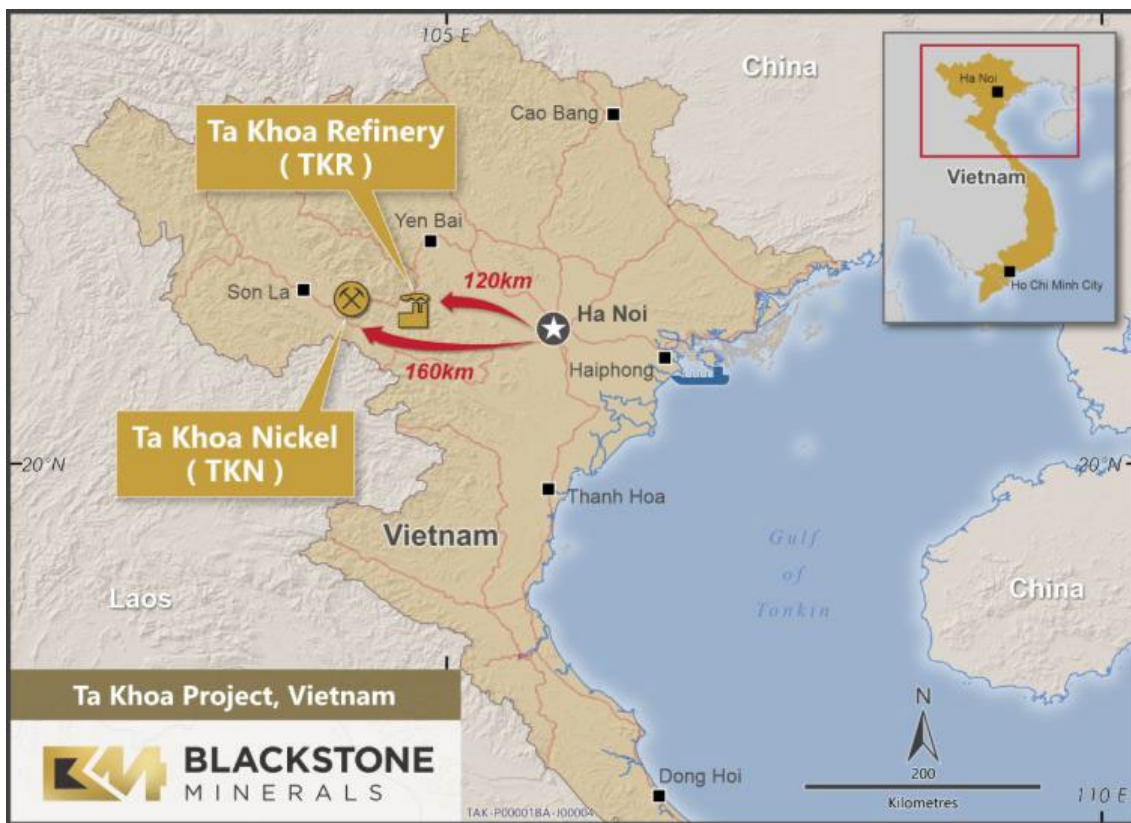


Figure 4. Ta Khoa Project Location

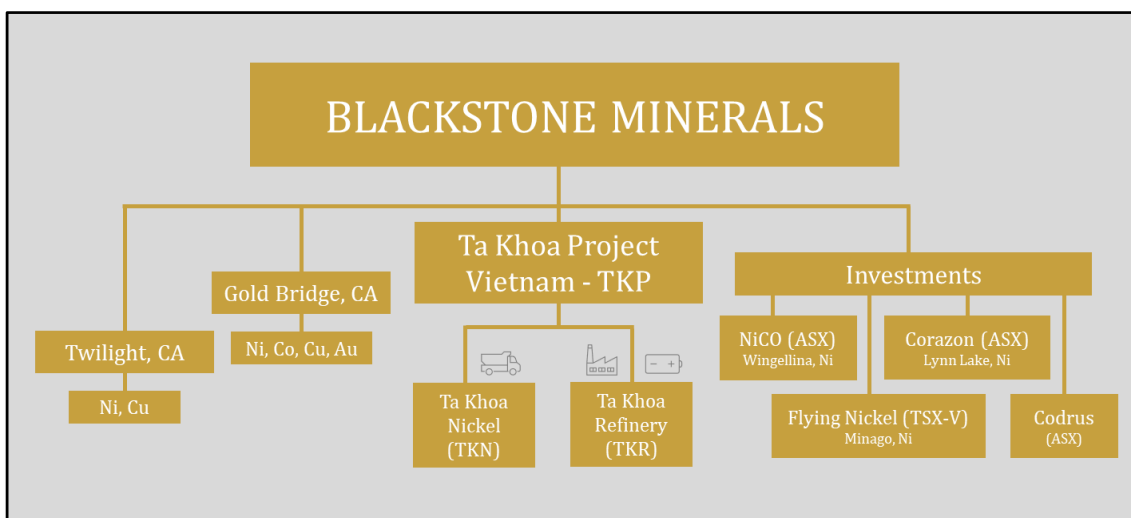


Figure 5: Blackstone Minerals Business Structure Schematic