

Quarterly Report for the Period Ending 30 June 2023

HIGHLIGHTS

- Blackstone announced the inclusion of Metso as the technology supplier for the precursor cathode active material ("pCAM") into the Ta Khoa Refinery Definitive Feasibility Study ("DFS") delivery team.
- Blackstone provided an update on the Company's progress in strengthening government relations in Vietnam.

CORPORATE

- End of quarter cash position of \$10.65m plus \$2.8m received post quarter end.
- Listed investments of \$11.2m at the end of quarter.
- Post quarter end on 18 July 2023, the company received \$2.8m before costs from advanced funding for the company's 2023 R&D program.

METSO JOINS TA KHOA REFINERY PROJECT TEAM

Blackstone announced the inclusion of Metso as the technology supplier for the pCAM into the Ta Khoa Refinery DFS delivery team. Metso is currently designing the pCAM plant with Wood, the lead engineering consultant for the DFS, providing invaluable experience and engineering technical support. Metso will also conduct independent pCAM test work to 'validate' the nickel and cobalt sulphates generated during the ALS Pilot Program (refer to ASX announcement 20 December 2022) to be suitable for pCAM generation.

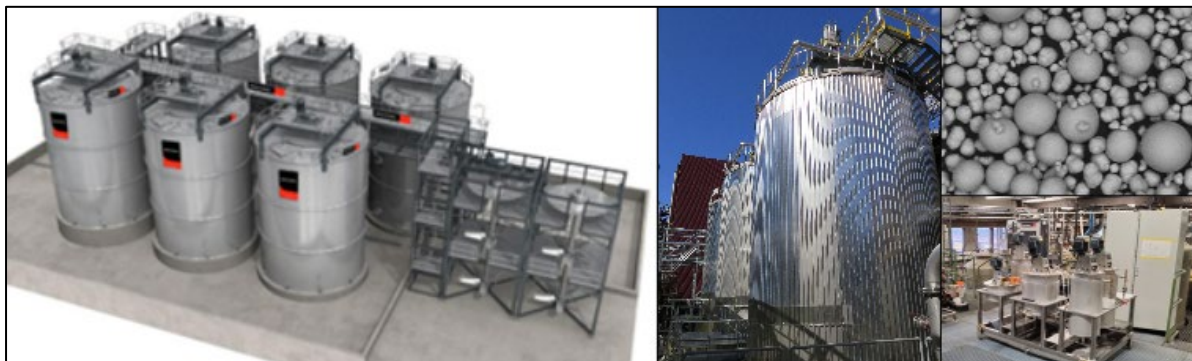


Figure 1: Metso pCAM solutions (Left: Metso OKTOP® reactors, Middle: Metso OKTOP® reactor field installation, Top Right: Metso pCAM size distribution, Bottom Right: Metso pCAM Test Facility)

Metso is a known industry leader in sustainable technologies, end-to-end solutions and services for the aggregates, minerals processing and metals refining industries, and has supported Blackstone during the Ta Khoa Project prefeasibility study with test work, pilot work at site and technology selections. Metso provides sustainable technology and equipment for the entire lithium, nickel, and cobalt production chain from the mine to

battery materials and black mass recycling with project scope ranging from equipment packages to plant deliveries. For active cathode precursors manufacturing, Metso's technology offering starts from optimised raw materials selection down to precipitated metal hydroxide precursor materials. Metso's battery material and pCAM team was established in 2019 with industry experts, researchers, and specialised engineers to develop solutions for the growing battery industry. The team is supported by its own pCAM testing facilities. More information can be found on Metso's website at [Battery minerals - Metso](#).

In addition to technical support, Metso brings a suite of bespoke and high value technology to the pCAM facility design, such as the modular OKTOP® reactors (with industrial references for scaling-up pCAM precipitation processes), Larox® filtration technologies and Courier® HX continuous product quality analyser equipment to enable precision control and real time optimisation. Metso has shown that precursors precipitated with OKTOP® reactor technology are proven to meet the required chemical and physical properties for high performance cathode active material.

BLACKSTONE STRENGTHENS GOVERNMENT RELATIONS IN VIETNAM

Son La Delegation visits Blackstone in Perth

Blackstone was honoured to host a senior delegation visit from Son La Province in northern Vietnam in late April. The visit was organised and funded by the Vietnamese Ministry of Foreign Affairs. The Son La Officials delegation included Dang Ngoc Hau (Son La Peoples Party Committee Vice Chairman & Chairman of Son La / Blackstone Minerals Working Group), Phung Kim Son (Son La Department of Natural Resources & Energy - Director) and Cam Duy Hieu (Son La Peoples Party Committee - Economic Department - Head of Department).

Blackstone was pleased to have Ms Thanh Ha Nguyen, the Consul General of Vietnam (Western Australia), and Mr Albert Purnomo, previous Global Engagement Manager, Austrade also attend the visit.

The objective of the visit was to further strengthen the relationship between Blackstone's management team and the Son La Government and to introduce them to Australia's highest standard of mining safety & environmental performance, and to update the delegation on progress Blackstone has made with the piloting work and the Definitive Feasibility Study.



Figure 2: Son La Delegation Visit to Perth

Son La Provincial Party Committee

In May, Blackstone met with the Son La Party Committee to reaffirm our commitments regarding the Ta Khoa Project in the Province. Managing Director, Scott Williamson, gave an update on progress regarding partners, funding and the status of the Definitive Feasibility Study. The update was well received with the Vice Party Secretary, Lo Minh Hung confirming the Provinces' ongoing commitment and support for the project.



Figure 3: Son La Provincial Party Committee Meeting

Roundtable on Energy and Resources

In May, Managing Director, Scott Williamson was invited to attend a roundtable on energy and resources at the Australian Embassy in Hanoi. The event was hosted by Australia's Ambassador to Vietnam, His Excellency Mr. Andrew Goledzinowski and chaired by the Australian Prime Minister's Special Envoy for Southeast Asia, Mr Nicholas Moore.

Attendees included representatives of the World Bank, business leaders from both Australia and Vietnam and representatives from the Department of Foreign Affairs and Trade. While the event covered a broad range of topics, two main areas of focus were renewable energy and the exploration and development of mineral resources.

The panel recognised several issues that should be addressed to improve business ties between both countries, most notable of which were restrictive legislation and bureaucratic delays. Through the Special Envoy, the issues tabled will be raised with the top levels of Vietnamese Leadership with the goal of developing workable solutions which will strengthen the relationship and improve trade and investment between Australia and Vietnam.

Mining Law Update

Blackstone Minerals has been invited to participate in a series of workshops being run by the Ministry of Natural Resources and Energy and the General Department of Minerals, Vietnam for the revision and rewriting of Vietnamese Mining and Minerals Law. The Ministry is collecting submissions and holding open forums to gather input from across the mining sector.

The Ministry has also requested assistance from the Australian government via the Department of Foreign Affairs and Trade ("DFAT") to provide guidance and support. The Australian Government was previously involved in the drafting of the 1996 Mineral law of Vietnam. Blackstone has been working closely with DFAT to highlight areas for improvement within the current mineral law. DFAT in conjunction with an independent mining law consultant will provide guidance to the Vietnamese government on increasing access to land for exploration, improved taxation and royalty schemes and streamlining the permitting process.

The Vietnamese government aims to update the Mining Law to align it with other successful mining jurisdictions and to make Vietnam a more attractive destination for foreign direct investment in exploration, mining and mineral processing.

Prime Minister Approves National Power Master Plan

On 15th May 2023, the Prime Minister of Vietnam signed a Decision approving the National Electricity Development Master Plan for the period of 2021 - 2030, with a vision to 2050 (Power Master Plan VIII). Included in this National Electrical Development Master Plan are the Power and Infrastructure requirements for the Ta Khoa Refinery. This is a significant milestone in that the Vietnam Government formally acknowledges the Electricity infrastructure requirements for our project which is a critical part of the licensing and permitting process.

CORPORATE

Key Corporate matters include:

- \$4,306,000 on exploration activities (refer to Item 1.2(a) of Appendix 5B), relating to ongoing exploration, mine site and refinery activities 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
- \$181,000 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 \$181,000.

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 Disclosure Statement

Exploration Results, Mineral Resources and Ore Reserves

No new Exploration Results, Minerals Resources or Ore Reserves are included in this report. Information in this report that refers to such items is taken from information previously presented to the public and remains relevant. Where previous information is re-stated or referred to, the original report and report data is referenced. A list of relevant publications is included below. With respect to all entities not directly controlled by Blackstone, such as strategic investments in Corazon (ASX), Flying Nickel (TSX-V), Codrus (ASX) and NICO (ASX), please refer to individual company sources for publications and disclosure statements.

New Information

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person and Qualified Person's findings as presented have not been materially modified from the relevant original market 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 Project.

Appendix One| Tenements

Mineral tenements held at the end of June 2023 quarter

Project	Location	Tenement	Interest at June 2023
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%	
Twilight Ni-Cu	Labrador, Canada	026822M, 025183M,	0% ¹
	Labrador, Canada	025744M, 019447M,	0% ¹
	Labrador, Canada	019456M, 026615M,	0% ¹
	Labrador, Canada	033850M, 033849M,	0% ¹
	Labrador, Canada	033848M, 033851M	0% ¹
West Voisey	Labrador, Canada	034230M, 034234M	0% ²
Ta Khoa	Vietnam	ML 1211/GPKT- BTNMT	90%
		and 522 G/P	90%

Note 1: held under option agreement with Big Land Exploration Ltd to earn up to 100% interest in the project.

Note 2: held under option agreement with Wayde Guinchard and Myrtle Guinchard to earn up to 100% interest in the project.

Mining tenements acquired and disposed during the June 2023 quarter

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
Mining tenements relinquished				
Nil				
Mining tenements acquired				
West Voisey	Labrador, Canada	034230M	0%	0%*
West Voisey	Labrador, Canada	034234M	0%	0%*

* held under option agreement with Wayde Guinchard and Myrtle Guinchard to earn up to 100% interest in the project.

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
Mining tenements relinquished				
Nil				
Mining tenements acquired				
Nil				

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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 June 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(4,306)	(23,988)
(b) development	-	-
(c) production	-	-
(d) staff costs	(866)	(3,449)
(e) administration and corporate costs	(624)	(2,332)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	17	308
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	3,833
1.8 Other (provide details if material) – Corporate restructuring costs	-	(316)
1.9 Net cash from / (used in) operating activities	(5,779)	(25,944)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	(176)
(f) other non-current assets	-	-

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 (12 months) \$A'000
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)	-	-
2.6	Net cash from / (used in) investing activities	-	(176)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	1
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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)	-	-
3.10	Net cash from / (used in) financing activities	-	1
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	16,433	36,692
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,779)	(25,944)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(176)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1

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 (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	81
4.6	Cash and cash equivalents at end of period	10,654	10,654

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	10,654	16,433
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	10,654*	16,433

*Excludes market value of listed equity investments held at 30 June 2023 of \$11.2m and excludes the \$2.8m R&D advance (pre-costs) received 18 July 2023.

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	181
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

7. Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(5,779)
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)	(5,779)
8.4 Cash and cash equivalents at quarter end (item 4.6)	10,654
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	10,654
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.84
<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: No, the TKR Downstream DFS is nearing completion and studies costs will reduce.	
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: Yes, the receipt of \$2.8m before costs from the 2023 R&D funding advance. The company also has access to a Acuity Capital At-the-market facility should funding be required.	

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: Yes based on the funding described in 8.8.2.

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:28 July 2023.....

Jamie Byrde
Chief Financial Officer/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.