

COMPANY OVERVIEW / FLAGSHIP PROJECT

Blackstone Minerals Ltd (ASX: **BSX**) is a mineral exploration and development company, with a 90% interest in the Ta Khoa district scale nickel project in Vietnam. BSX is actively exploring and developing the project which will include the refining of nickel-cobalt concentrate into a NCM precursor to satisfy the demand of its strategic partner Ecopro and potentially other battery manufacturers.

KEY ELEMENTS OF STRATEGY

BSX pursues a two-fold strategy:

1. Increase the mineral resource at the Ban Phuc disseminated sulphide deposit in preparation for the Pre-Feasibility Study to support the development of a new 4 or 6 mtpa plant
2. Drill test and develop massive and semi-massive sulphide veins to justify an early restart of the existing plant (best suited for high grade mineralisation). Such restart will bring cash flow to assist in the financing of the downstream processing (step 1) and the larger concentrator (step 2)

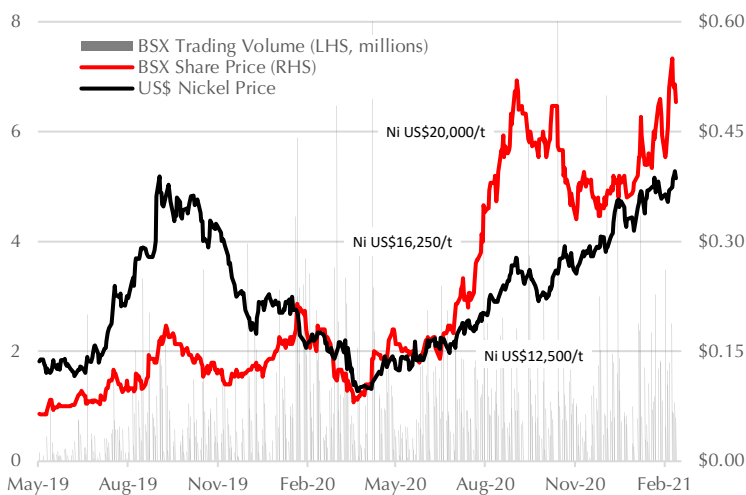
The production of a NCM precursor adds significant value far beyond the refining step as the payability, typically (70-80%) affecting the sale of nickel concentrates, becomes irrelevant and BSX eliminates the Vietnamese tariffs applied to the export of nickel concentrates.

KEY OUTCOMES IF SUCCESSFUL

1. Globally significant mineral resource / battery project
 2. Either an early existing plant restart or a plant upgrade to restart on a larger scale and with a longer mine life
 3. Value added nickel product to attract Li-ion battery raw materials manufacturers and traders
- ⇒ The recent nickel sulphide discoveries bode well for the success of BSX' strategy

CORPORATE OVERVIEW (AUD)

Shares	321.8 million ordinary fully paid shares
Options	17 May 21: 10 million \$0.10 advisor options 11 Dec 21: 4 million \$0.60 broker options 12 Jun 22: 1 million \$0.20 unlisted options 30 Sep 24: 2.5m \$0.001 directors perf. options* 20 Feb 25: 2.0m \$0.001 employee perf. options* 20 Aug 25: 4.55m \$0.001 employee perf. options* * subject to vesting conditions
Share Price	\$0.49
Market Cap.	\$157.7 million
Cash	\$22 million as at 31 December 2020 ⇒ Fully funded for drilling programs and development studies



ACHIEVEMENTS AND MILESTONES

Project Acquisition	• A relatively cheap acquisition (about A\$1.7 million in cash and shares) vs. US\$136 million invested by the previous owner
Drilling Results	• Good drill intercepts such as 45m @ 1.2% Ni and 60m @ 1.3% Ni
Multiple Discoveries	• King Cobra Zone disseminated mineralisation • Ban Chang massive sulphide veins • King Snake massive sulphide veins
Partnership	• An alliance with South Korea's largest electric vehicle (EV) battery cathode manufacturer, Ecopro BM Co Limited. Ecopro and Blackstone are to form an alliance whereby the next stage of the partnership will be an additional investment via a Joint Venture Agreement at project level to develop the downstream processing infrastructure
Funding	• Successive capital raisings at higher share prices. Previous raisings: • 10 May 2019: 40m shares at \$0.05 for \$2.0 m • 23 Sep 2019: 30m shares at \$0.15 for \$4.5m • 7 April 2020: 40m shares at \$0.17 for \$6.8m (Ecopro), 62% premium at the time • 14 Sep 2020: 42m shares at \$0.42 for \$17.8m including Fidelity International for \$8m
Technical and Financial Support	• Ecopro is the world's second largest and South Korea's largest nickel-rich cathode materials manufacturer. • Fidelity International one of the world's leading investment & asset management companies with A\$531.5 billion invested globally on behalf of clients in Asia-Pacific, UK, Europe, South Africa, the Middle East and South America
Value-Add	• Market capitalisation increasing from A\$7m to A\$158m (with a high at \$177m) • Share price increasing from 6.4¢ to 49¢ (with a high at 57¢)
Equity Markets	• BSX trading on US-based OTCQB then OTXQX markets
Off-Take	• Trafigura one of the largest physical commodities trading groups in the world and one of the leading physical commodities traders involved in copper, zinc, lead, nickel & cobalt trading is interested in purchasing nickel and cobalt downstream products

SCOPING STUDY KEY RESULTS

Ore Mined	▪ 32.6 Mt @ 0.52% Ni
Recovery	▪ 65.9%
Strip Ratio	▪ 6.1 : 1
Costs	▪ Mining cost: US\$12.0 – 14.70/t ▪ Processing cost: US\$10.70 – 13.00/t ▪ Refining cost: US\$19.50 – 23.80/t
Project Life	▪ 8.5 years
Ni Production	▪ 108,000 t or 12,700 tpa
NCM Precursor Production	▪ 213,000 t or 25,000 tpa
Capex	▪ US\$314 million (incl. contingencies)
NCM Precursor Price	▪ US\$6.96/lb NCM (assumed)
AISC	▪ US\$3.40-4.10/lb
Pre-tax NPV	▪ US\$550 – 780 million
IRR	▪ 38-50%
Payback	▪ 2.5 years

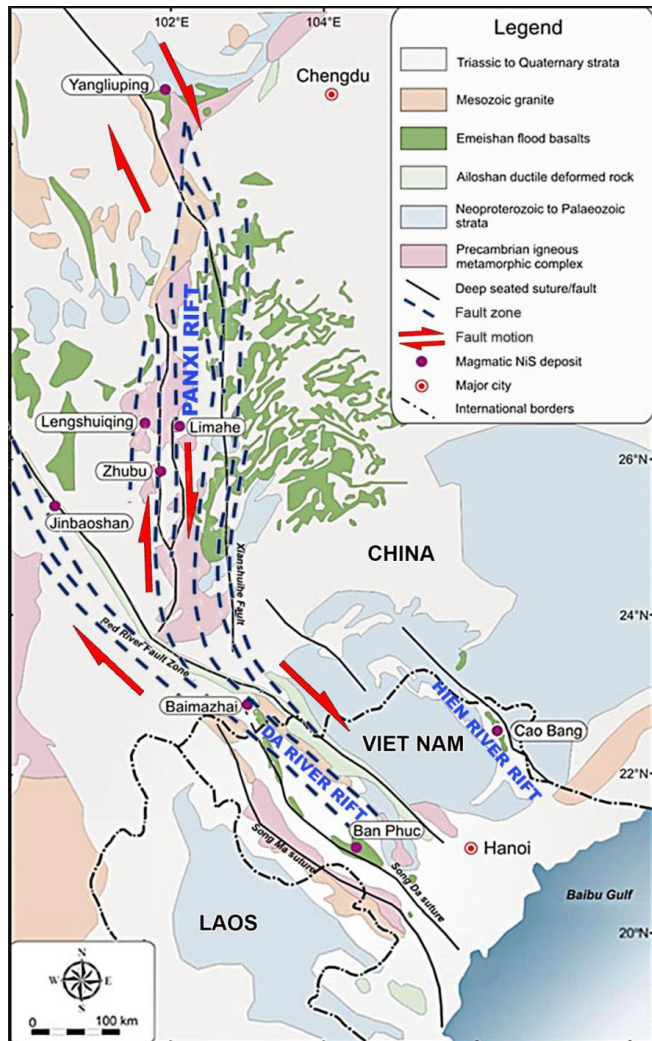
Upside

- by-product credits (including copper, gold, platinum, palladium and rhodium), King Cobra Discovery Zone (KCZ), Ban Chang, King Snake Ta Cuong and 25 untested massive sulfide vein (MSV) targets.

INVESTMENT HIGHLIGHTS

Geology

- Ta Khoa located in Song Da Rift, which is a major crustal suture zone continuing north into China, where it is associated with similar Ni-Cu-PGE deposits: Baimazhai, Qungquanshan, Limahe and Yangliuping.



Exploration Potential

- The Ta Khoa project contains 12 nickel prospects for high grade massive sulphide veins, most with economic drill hole intercepts
- ⇒ Beyond the Ban Phuc deposit, the prospectivity of the Ta Khoa project is at district scale

Maiden DSS Mineral Resource

Category	Tonnes	Ni grade	Ni metal
Indicated	44.3 Mt	0.52%	229,000 t
Inferred	14.3 Mt	0.35%	50,000 t
Total	58.6 Mt	0.48%	279,000 t

Initial Project Life

- The maiden Ban Phuc DSS deposit supports a mining and refining operation over eight years. With the current additional drilling taking place at Ban Phuc the mine life should well be in excess of 10 years based on this deposit alone

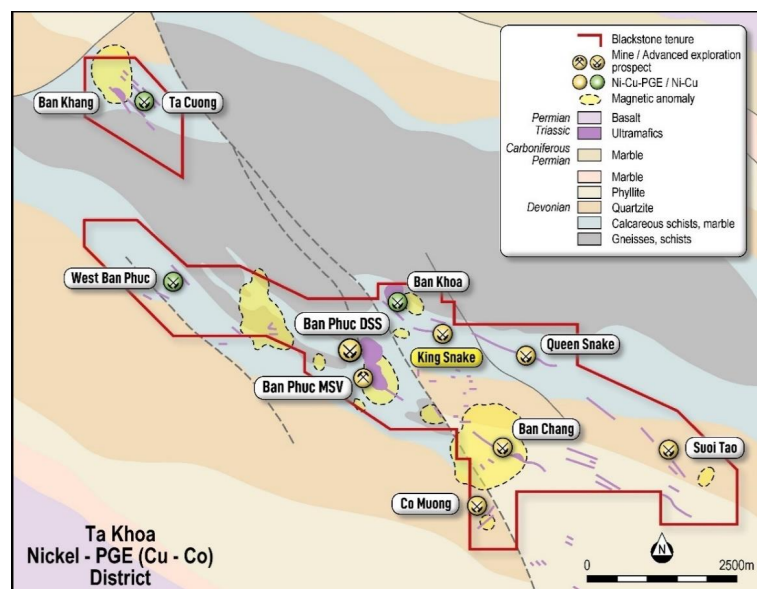
INVESTMENT HIGHLIGHTS (continued)

Infrastructure

- 450,000 tpa concentrator plant built by and to Australian standards
- Access to competitive hydro grid power
- Tailings facility with excess capacity and expansion options
- Internationally certified laboratory (SGS)
- 250-person camp
- ⇒ US\$136m invested by previous owner

Vietnam

- Established mining industry (45 mines)
- Ban Phuc identified as project of national significance
- Trans-Pacific Partnership to eliminate export taxes
- ⇒ Country opening up to foreign investment



KEY RISKS AND MITIGANTS

Geological

- Through the past and recent discoveries, BSX has demonstrated the high prospectivity of the Ta Khoa project for disseminated nickel sulphide mineralisation as well as massive sulphide veins.

Technical (mining, processing, completion, etc)

- Overall technical risks are significantly mitigated by the previous operation up to the production of nickel concentrate
- The pressure oxidation (POx) process treating the nickel concentrate is commonly and successfully used to process base metal concentrates
- The Ecopro alliance and expected JV for the downstream processing should reduce the technical risks quite significantly
- ⇒ POx should not be confused with the HPAL process, which treats lateritic ore rather than a concentrate

Financial

- BSX is mitigating the financing risk by developing an alliance with Korea's largest electric vehicle (EV) battery cathode manufacturer, Ecopro BM Co Limited (MoU signed in December 2019)

Market

- The nickel market outlook is excellent:
 - Market deficits are expected from 2023 onwards
 - Low official inventories
 - Booming market demand from the battery sector although from a currently low base