

ASX RELEASE
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ASX:BSX

BLACKSTONE DOUBLES EXPLORATION CAPACITY AT TA KHOA NICKEL-CU-PGE PROJECT

- Blackstone adds a second geophysics crew and three additional drill rigs to double its exploration capacity at the Ta Khoa Nickel-Cu-PGE project in Vietnam;
- The Company's geophysics programs have been highly effective at identifying nickel sulfide targets – adding a second geophysics crew will expedite exploration by identifying additional targets for follow-up drilling;
- Blackstone recently purchased a fourth diamond drill rig to accelerate drilling to supplement the ongoing study work focused on downstream processing to produce nickel sulfate for the lithium-ion battery industry;
- Blackstone now has six diamond drill rigs operating, four of which are owned by the Company. Three rigs are drilling at Ban Chang, testing massive sulfide vein (MSV) targets and three are testing down dip extensions of the King Cobra Discovery Zone (KCZ) at Ban Phuc (*refer to Figure 1*);
- Two contractor rigs at the KCZ can drill deeper targets with drilling capacity to 500m depth;
- Blackstone's four maiden drill holes at Ban Chang all intersected massive sulfide nickel over a 1.2km strike within a 1.2km long massive sulfide target zone defined by high priority electromagnetic (EM) plates;
- Maiden resource estimate due this quarter; accelerated drilling aims to drill new targets and complete infill drilling to update resource;
- Blackstone's Scoping Study on downstream processing to produce nickel sulfate for the lithium ion battery industry also on track for release this quarter.

Blackstone Minerals Limited (ASX code: BSX) is pleased to announce the acceleration of exploration at its Ta Khoa Nickel-Cu-PGE project in Vietnam by adding a second geophysics crew and three additional drill rigs to its fleet. This will allow Blackstone to double the exploration capacity.

The addition of a fourth Blackstone owned diamond rig will afford the Company the option to test multiple prospects simultaneously, accelerating future resource upgrades, following the completion of the Company's maiden resource, scheduled for this quarter.

Successful deployment of Blackstone owned and operated drill rigs has provided the Company with substantial cost savings, with approximately 60% reduction of per metre drilling costs relative to Australian industry averages¹.

¹ Industry average refers to quoted rates received in Australia for equivalent diamond drilling

Owning and operating four diamond drill rigs substantially increases the amount of drilling the Company can undertake relative to other companies for the same expenditure.

Blackstone Minerals' Managing Director Scott Williamson commented:

"Blackstone is pleased to announce that we have doubled our exploration capacity to allow us to accelerate our exploration program to rapidly unlock what's shaping up to be a world class nickel sulfide district at Ta Khoa."

"We have expanded our exploration capacity by adding an additional geophysics crew and a further three drill rigs. The additions will ensure we can progress the project as rapidly as possible in a cost-effective manner."

"We are looking forward to a steady stream of drilling results during Q3 and Q4 2020 and will keep our shareholders up to date as results become available."

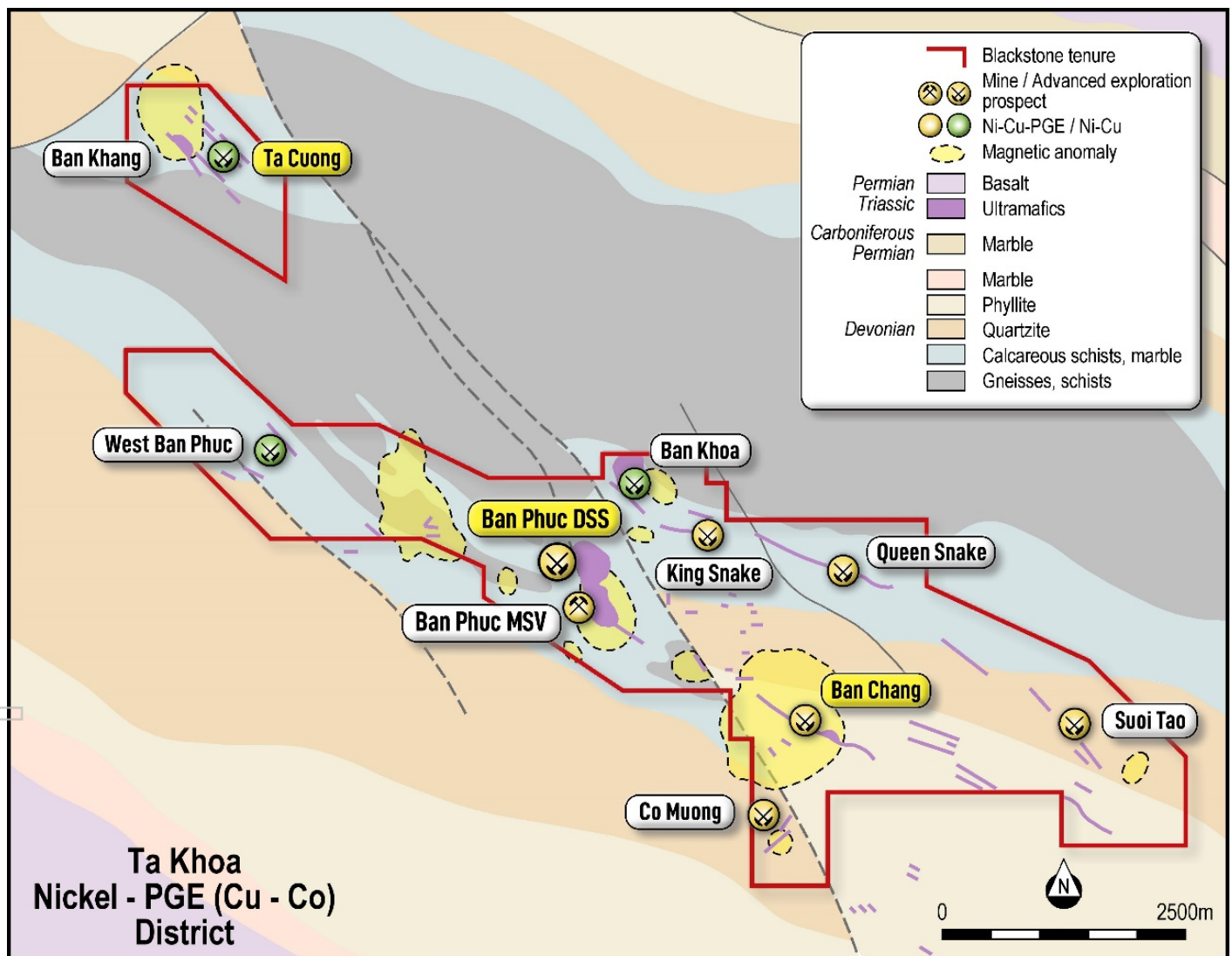


Figure 1: Ta Khoa Nickel-Cu-PGE – Regional Prospects

Ta Khoa Nickel-PGE Project – Next Steps



Blackstone Minerals aims to deliver a maiden resource in Q3, focused initially on the disseminated sulfide (DSS) at Ban Phuc and continues to investigate the potential to restart the existing Ban Phuc concentrator through focused exploration on both MSV and DSS deposits.

Blackstone has commenced a scoping study on the downstream processing facility at Ta Khoa. The scoping study, also to be announced in Q3, will provide details for joint venture partners to formalise the next stage of investment.

Blackstone has commenced metallurgical testing on the Ban Phuc DSS deposit with an aim to develop a flow sheet for a product suitable for the lithium-ion battery industry. In addition, the Company will investigate the potential to develop downstream processing infrastructure in Vietnam to produce a downstream nickel and cobalt product to supply Asia's growing lithium-ion battery industry.

The Ta Khoa Nickel-PGE Project in northern Vietnam includes an existing modern nickel mine which has been under care and maintenance since 2016 due to falling nickel prices. Existing infrastructure includes an internationally designed 450ktpa processing plant. Previous project owners focused mining and exploration efforts primarily on the MSV at Ban Phuc.

Blackstone plans to explore both MSV and DSS targets throughout the project, initially within a 5km radius of the existing processing facility. Blackstone will conduct further geophysics on the MSV and DSS targets and continue its maiden drilling campaign. Online readers can click [here](#) for footage taken from our Ta Khoa Nickel-PGE Project.

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About Blackstone

Blackstone Minerals Limited (**ASX code: BSX**) is developing the district scale Ta Khoa Project in Northern Vietnam where the company is drilling out the large-scale Ban Phuc Nickel-PGE deposit. The Ta Khoa Nickel-PGE Project has existing modern mine infrastructure built to International Standards including a 450ktpa processing plant and permitted mine facilities. Blackstone also owns a large land holding at the Gold Bridge project within the BC porphyry belt in British Columbia, Canada with large scale drill targets prospective for high grade gold-cobalt-copper mineralisation. In Australia, Blackstone is exploring for nickel and gold in the Eastern Goldfields and gold in the Pilbara region of Western Australia. Blackstone has a board and management team with a proven track record of mineral discovery and corporate success.

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.