BLACKSTONE

MINERALS

ANNUAL REPORT
30 JUNE 2020

ABN 96 614 534 226

Non-Executive Chairman
Hamish Halliday

Managing Director
Scott Williamson

Non-Executive Directors
Andrew Radonjic
Stephen Parsons
Hoirim Jung

Company Secretary
Jamie Byrde

Principal & Registered Office
Level 3, 24 Outram Street
WEST PERTH WA 6005
Telephone: (08) 9425 5217
Facsimile: (08) 6500 9982

Lawyers
Steinepreis Paganin
Lawyers & Consultants
Level 4, 16 Milligan Street
Perth WA 6000 Australia

Share Registry
Automic Group
Level 2, 267 St Georges Terrace
Perth WA 6000

Auditors
Stantons International
Level 2
1 Walker Avenue
WEST PERTH WA 6005

Bankers
National Australia Bank
50 St Georges Terrace
PERTH WA 6000

Stock Exchange Listing
Australian Securities Exchange
(Home Exchange: Perth, Western Australia)
Code: BSX

Website Address
www.blackstoneminerals.com.au

Contents

Chairman's Letter to Shareholders

On behalf of the Directors of Blackstone Minerals Limited ("Blackstone"), I present to shareholders the Company's annual report for the year ended 30 June 2020.

This year has been an exciting and formative year for Blackstone, since acquiring the 90% interest in the Ta Khoa Nickel Project in Vietnam. To coincide with the acquisition, we welcomed EcoPro as a strategic partner with a $6.8 Million investment into Blackstone. This was two years of hard work for the Blackstone Management Team who was successful in attracting an investment from Korea's largest nickel-rich cathode materials manufacturer and the worlds second largest.

Recently, Blackstone attracted interest from Institutional Investors following the Company reaching a major milestone of a $100 Million market capitalisation. Blackstone secured an $18 Million placement which included an $8 Million cornerstone investment from Fidelity International Limited. The company has also chosen to reward its existing shareholders by offering them the right to participate on the terms as offered to institutional investors via a Share Purchase Plan, which closes on 2 October 2020.

Blackstone continues its aggressive drilling campaign, with six drill rigs currently in operation, together with a geophysical program which continues to provide ongoing success identifying multiple new prospects. The Company has delivered a number of new exploration discoveries over the course of the year; including Ban Chang, Viper and Ta Cuong in addition to the King Cobra and Ban Phuc discoveries.

With the scoping study and maiden resource due over the coming weeks, we are confident of delivering value for our shareholders in the future and look forward to making progress towards recommencing the Ban Phuc Nickel Mine and continuing to focus on the downstream processing infrastructure in Vietnam, to ultimately producing a downstream nickel and cobalt product to supply Asia's growing lithium ion battery industry.

Blackstone also maintains a portfolio of highly prospective Australian Projects , including the Silver Swan South project, located 8 km along strike of the interpreted extension of the Fitzroy Shear Zone which hosts the Kanowna Belle Gold Mine (+5 Moz gold endowment). The project is also located 10km south of the Silver Swan Nickel Mine and within a similar ultramafic package that is also prospective for Nickel Sulfide mineralisation. We look forward to unlocking value for our shareholders in the coming months.

The company still holds its Gold Bridge Project where a total of 3,265 m of diamond core drilling has been completed since acquiring the project in October 2017. An IP survey completed has highlighted a number of larger sulfide targets that exist along strike to the east and west of Little Gem. The IP anomalies have been elevated to our highest priority targets to be drill tested at the earliest opportunity.

We look forward to the completion of the upcoming Scoping Study and thank our staff around the globe, including, Vietnam, Canada and Australia and senior management who have continued to perform and deliver value for our Company. We would also like to thank our Shareholders and stakeholders alike for continued support of Blackstone as we strive to deliver on our Company's goals.

Hamish Halliday
Non-Executive Chairman

The Directors of Blackstone Minerals Limited submit herewith the consolidated financial statements of the Company and its controlled entities ("Group" or "Group") for the year ended 30 June 2020 in order to comply with the provisions of the Corporations Act 2001.

1. Directors

The following persons were Directors of Blackstone Minerals Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Hamish Halliday	Non-Executive Chairman
Mr Scott Williamson	Managing Director
Mr Andrew Radonjic	Non-Executive Director (Appointed 21 April 2020) Previously Technical Director (Resigned 21 April 2020)
Mr Stephen Parsons	Non-Executive Director
Mr Hoirim Jung	Non-Executive Director (Appointed 21 April 2020)

2. Principal Activities

The principal activity of the Group during the year was mineral exploration. There were no significant changes in the nature of the Group's principal activities during the year.

3. Group Financial Overview

Profit and Loss

The loss attributable to owners of the Group after providing for income tax amounted to $7,894,306 (2019: $4,062,608).

Financial Position

The Group had $6,786,541 in cash and cash equivalents as at 30 June 2020 (2019: $307,532).

4. Dividends Paid or Recommended

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

5. Business Strategies & Prospects for the Forthcoming Year

Blackstone Minerals Limited is focused upon the exploration and development of mineral resources within its current portfolio of projects including the Ta Khoa Nickel Project in Northern Vietnam, the Gold Bridge Project in British Columbia, Canada and, Gold and Nickel Projects in Western Australia.

The Blackstone Minerals strategy is underpinned by a focus on developing the Ta Khoa Nickel-Copper-PGE Project in Northern Vietnam. The existing modern mine infrastructure at Ta Khoa offers the Company a foundation to build a fully integrated mine-to-market nickel business over the coming years. In close collaboration with our partner EcoPro we aim to build one of the world's first green nickel processing facilities to produce downstream nickel products for the lithium-ion battery industry. The maiden resource at Ban Phuc will give the Company an initial platform to build on as our exploration team continues to unlock the geology throughout our Ta Khoa nickel sulfide project.

We have a vision to build a world class nickel mining centre at Ta Khoa and one of the world's first green nickel processing facilities. The Ta Khoa Nickel-Cu-PGE project is currently powered by South East Asia's largest hydro power plant located nearby in the Son La Province. At Blackstone we aim to set an example to the rest of the world and to be a pioneer on building a green nickel mining business for the future demand coming from the rapid growth in nickel-rich cathode materials required to power the electric vehicle revolution.

Material business risks that may impact the results of future operations include further exploration results, future commodity prices and funding.

6. Significant Changes in the State of Affairs

The following significant changes in the state of affairs of the during the financial year:

- On 5 July 2019, the company issued 30,000,000 ordinary shares at an offer price of $0.05 through a placement, raising $1,500,000 before costs.
- On 16 August 2019, the Company entered into a Controlled Placement Agreement (CPA) with Acuity Capital. The CPA provided the Company up to $2 million of standby equity capital. On 28 August 2020, with the increase in market capitalisation of the Company, the CPA facility increased to $15 million. The remaining standby equity capital available under the CPA is $11.84 million with an expiry date of 31 July 2021. There is no commitment to utilise the facility.
- On 27 September 2019, the Company announced it has completed placement of 30,000,035 shares issued at $0.15, raising $4,500,000 primarily to progress the Ta Khoa Nickel project and mobilise an additional rig at Ta Khoa and commence a geophysical program.
- On 11 October 2019, the Company issued 776,666 new shares at $0.15, raising $116,500 through completion of a Share Purchase Plan.
- On 2 December 2019, the company announced to the ASX that it entered into a memorandum of understanding (MOU) with Korea's largest electric vehicle (EV) battery cathode manufacturer, Ecopro BM Co Limited (Ecopro). The non-binding MOU outlines an alliance structure whereby Ecopro and the Company will work in partnership to develop a downstream processing facility associated with the Ta Khoa Nickel Project in northern Vietnam.
- On 15 April 2020, Blackstone executed the option to acquire AMR Nickel Limited, which holds the 90% interest in the Ta Khoa Project. To complete the transaction, the company issued A$1,000,000 of shares to the vendor, being 8,600,000 shares which were issued on 5 June 2020.
- On 21 April 2020, the company issued 38,100,000 Tranche 1 shares to EcoPro Co Ltd with an issue price of $0.17 per share.
- Mr Hoirim Jung, was appointed to the Board of Blackstone Minerals Limited on 21 April 2020.
- On 5 June 2020, the company issued 1,900,000 Tranche 2 shares to EcoPro Co Ltd with an issue price of $0.17 per share for a combined Tranche 1 and Tranche 2 of $6,800,000.
- On 5 June 2020, the company issued 8,600,000 shares with an issue price of $0.1163 to Ta Khoa Mining Ltd following the exercise of the Option to acquire the ordinary shares in AMR Nickel Ltd, the owner of 90% interest in Ban Phuc Nickel Mines.

7. Review of Operations

Introduction

On 15 April 2020, Blackstone exercised the option to purchase the Ta Khoa Nickel project, with the Company focused on its exploration program including drilling and geophysics at the Ta Khoa Nickel Project in Vietnam. The company is currently finalising a scoping study and maiden resource.

The company continued its low cost exploration at the Gold Bridge Project in British Columbia, Canada preparing for the 2020 field seasons with ongoing data collation, administration and first nations engagement. The company also has Western Australian projects including Silver Swan South and the Red Gate project located near Kalgoorlie in the Eastern Goldfields of Western Australia, as well as the Middle Creek project (Refer to Figure One) with work being finalised on initial drill testing.

7. Review of Operations

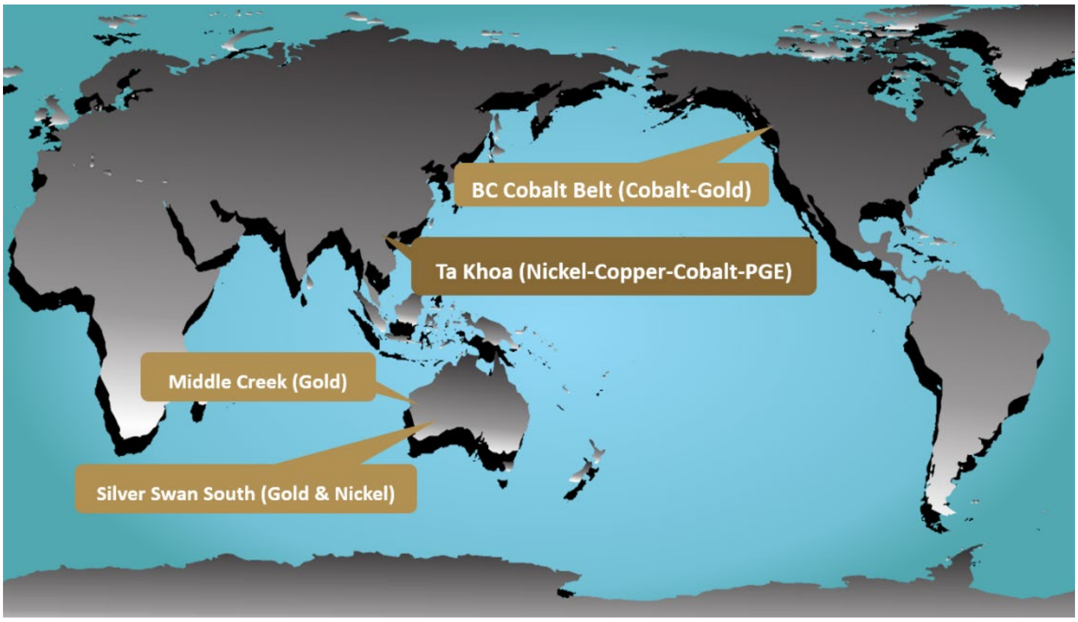


Figure One | Locations of the Projects

Ta Khoa Nickel Project - Vietnam

Blackstone Minerals Limited has acquired a 90% interest in the Ta Khoa Nickel-PGE Project. The Ta Khoa Nickel-PGE Project is located 160km west of Hanoi *(see Figure 6)* in the Son La Province of Vietnam and includes an existing modern nickel mine built to Australian Standards, which is currently under care and maintenance. The Ban Phuc nickel mine successfully operated as a mechanised underground nickel mine from 2013 to 2016. Blackstone previously announced drilling at the King Cobra discovery which intersected 60m @ 1.3% Nickel from 32m. The King Cobra discovery includes the first-ever intersection of massive sulfide vein (MSV) and breccia styles of sulfide mineralisation within the Ban Phuc intrusion and may provide vectors towards the high grade 'feeder zone' mineralisation.

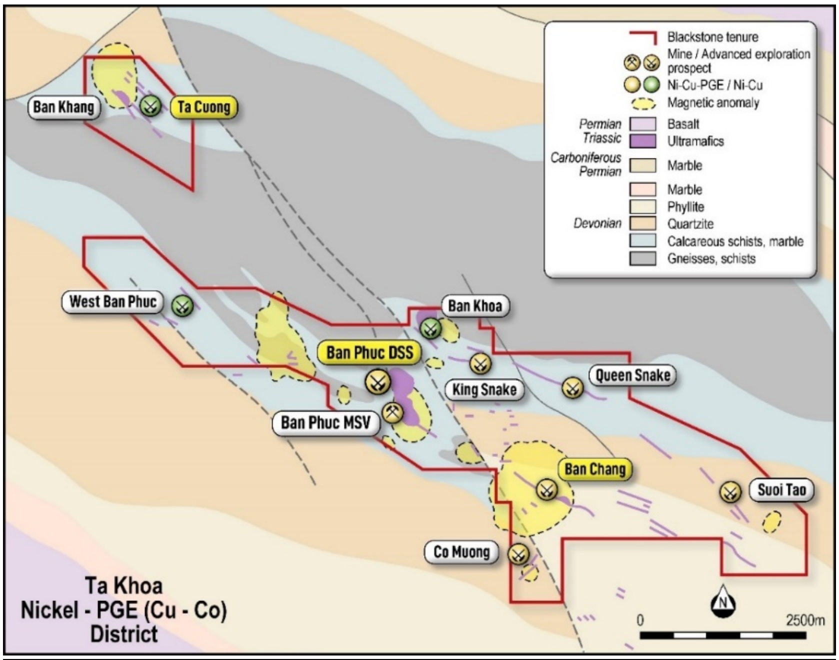


Figure Two| *Ta Khoa Nickel-PGE (Cu-Co) district*

7. Review of Operations (continued)

Initial geological modelling of Blackstone's drilling, combined with more than 60,000m in 381 holes drilled by the previous owners of the project, is starting to reveal the potential extents of the Ban Phuc disseminated sulfide (DSS) Nickel–PGE deposit (*Refer to Figures 3 & 4*). Currently the disseminated mineralisation has been encountered in drill holes over an area 1,000m by 500m and remains open along strike to the north-west and south-east and down dip to the north-east. Blackstone's drilling of the Ban Phuc DSS includes the following significant results:

Drillhole	From (m)	To (m)	Interval (m)	Ni (%)	Pt+Pd+Au (g/t)
BP19-02	106.6	124.4	17.8	1.00	0.74
incl.	106.6	114	**7.4**	**1.36**	**1.10**
BP19-03	56.5	102	**45.5**	**1.20**	**0.35**
BP19-06	101	128.7	27.7	0.88	0.74
incl.	108.5	122	**13.5**	**1.12**	**0.91**
BP19-08	140.6	170	29.4	1.00	0.60
incl.	140.6	146.9	**6.3**	**1.22**	**1.03**
BP19-09	107	118.9	12.0	1.46	1.09
incl.	108.2	117	**8.8**	**1.70**	**1.28**
BP19-10	136.9	170.2	33.3	0.80	0.37
incl.	137.5	152	**14.5**	**1.31**	**0.65**
BP19-07	310.9	375	64.4	0.52	0.20
incl.	310.9	327	**15.6**	**1.08**	**0.58**
BP19-11	109.4	161	51.5	0.50	0.22
incl.	116	124	**8.0**	**1.09**	**0.66**
BP19-22	79	108	29.0	0.60	0.39
incl.	81	94.4	**13.4**	**0.82**	**0.72**
BP19-23	173	224	51.0	0.71	0.43
incl.	187	203	**15.7**	**1.48**	**1.14**
BP19-29	32	91.8	59.8	1.29	0.29
incl.	49.1	63	**13.9**	**2.25**	**0.54**
BP19-32	108	187.8	79.8	0.51	0.33
incl.	108.6	121.9	**13.3**	**1.08**	**1.13**
or	108.6	110.6	2.0	0.85	2.88
BP19-38	0	96.3	96.3	0.64	0.22
incl.	0	39	**39**	**1.13**	**0.4**
BP19-40	3	47.4	44.4	0.87	0.18
incl.	7.3	35	**27.7**	**1.15**	**0.24**

Figure Three: Table of Drill Results of the Ban Phuc DSS

7. Review of Operations (continued)

Blackstone's Ta Khoa Nickel–PGE project has a combination of large DSS nickel targets and 25 other prospects, including multiple high-grade MSV targets of the style that were mined adjacent to the current Ban Phuc DSS drilling. The Ban Phuc Nickel mine operated for 3.5 years between 2013 and 2016, producing 20.7kt Ni, 10.1kt Cu and 0.67kt Co, before closing when the defined mineable reserves were depleted. The high-grade Ban Phuc MSV is located less than 50m to the south of the Ban Phuc DSS deposit and remains underexplored at depths below the base of previous mining. Many other MSV targets are within potential trucking distance of the existing 450ktpa Ban Phuc processing facility that was built to international standards, commissioned in 2013, and has been on care and maintenance since 2016.

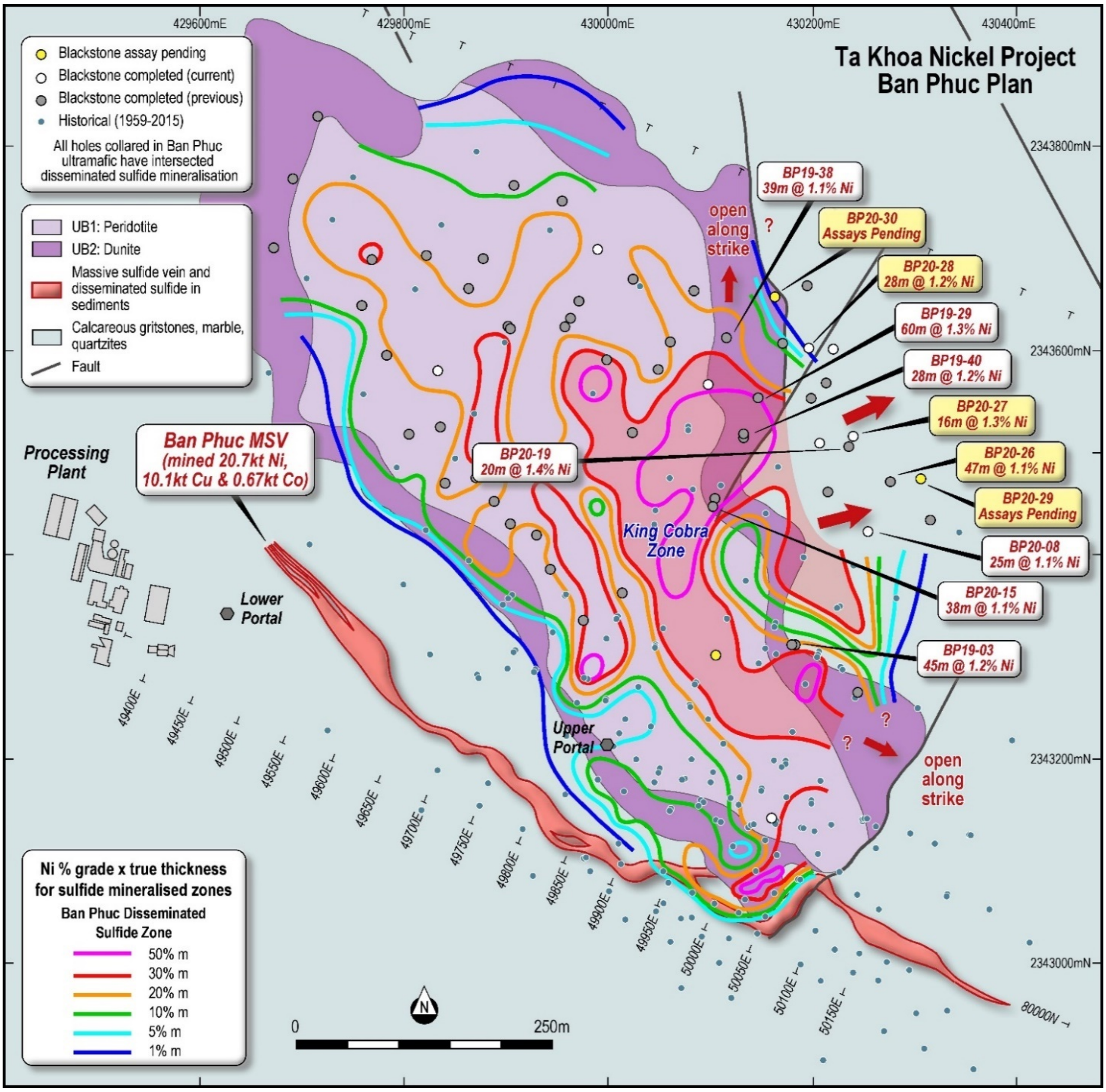


Figure Four: Plan View showing Ban Phuc DSS drill hole collar locations and KCZ.

7. Review of Operations (continued)

Blackstone is evaluating near mine MSV and other potential DSS targets for drill testing during the 2020 season initially at the Ban Chang prospect *(Refer to Figure 5)*, with the concept of identifying high grade and further disseminated mineralisation for either an early restart of the Ban Phuc mining operation, or the potential to blend higher grade MSV mineralisation with the larger tonnage DSS mineralisation for processing. Blackstone believes that the Ta Khoa project represents a true district scale Nickel-PGE sulfide opportunity *(Refer to Figure 2)*, of a calibre rarely controlled by a junior company.

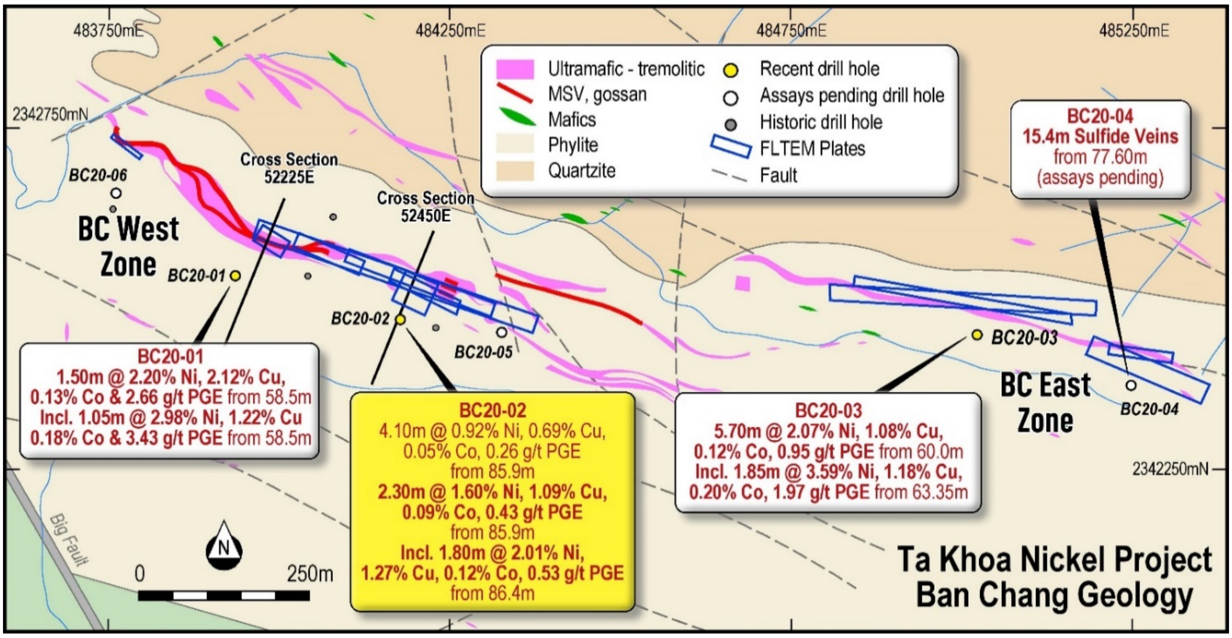
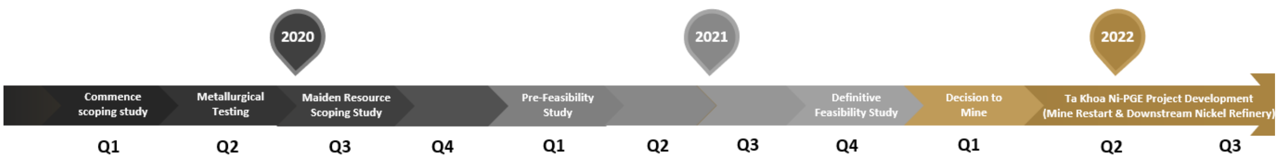


Figure Five: Ban Chang prospect with 1.2km long of EM plates and drill holes BC20-01, BC20-02, BC20-03 & BC20-04

The project also has significant infrastructure advantages that include the existing 450ktpa processing facility, abundant low cost hydroelectric power, a skilled low-cost labour force, and is located in a country that has become an Asian hub for electronics and battery manufacturing with a growing demand for Nickel Sulfate for EV battery manufacture. Blackstone looks forward to reporting further results from the King Cobra discovery and the ongoing drilling at Ban Chang, as the company advances the exploration and evaluation of this high calibre asset for its shareholders.

Ta Khoa Nickel-Copper-PGE Project – Next Steps



Blackstone Minerals aims to deliver a maiden resource in October 2020, focused initially on the 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.

7. Review of Operations (continued)

Blackstone Minerals has commenced a scoping study on the downstream processing facility at Ta Khoa. The scoping study, also to be announced in October 2020, will provide details for joint venture partners to formalise the next stage of investment. Blackstone Minerals 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, Blackstone Minerals 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.

Figure Six: Ta Khoa Nickel-Copper-PGE Project – Project Location

7. Review of Operations (continued)

The Ta Khoa Nickel-Copper-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 Minerals plans to explore both MSV and DSS targets throughout the project, initially within a 5km radius of the existing processing facility. Blackstone Minerals will conduct further geophysics on the MSV and DSS targets and continue its maiden drilling campaign.

Canadian Projects

Gold Bridge Project (100% interest)

The Gold Bridge Project (367 km^2 of tenure), formerly the Little Gem - Gold Bridge Project, is located 180 km north of Vancouver in British Columbia, Canada. The Project was discovered in the 1930s by prospectors identifying a pink cobalt-bloom on weathered mineralisation that led to three adits being developed. A total of 1,268 m of drilling was completed from underground and detailed channel sampling was taken from the adits. Blackstone acquired the Gold Bridge Project in October 2017 and has since completed an extensive maiden exploration program including drilling, geochemical and geophysical surveys, with the initial results indicating potential for the project to host a world class Cobalt Belt in British Columbia.

During the year, Blackstone prepared for the 2020 field season with ongoing data collation, administration and first nations engagement. During the 2018 field season Blackstone identified a number of major Copper-Gold-Cobalt targets centred on the Jewel Prospect, located 1.1 km north-northeast of the Little Gem Prospect. The soil anomalies are greater than 1.5 kilometres long and coincide with several significant IP targets, which are indicating a large sulfide bearing body at depth. The Copper, Gold and Cobalt soil anomalies are favourably located within a significant structural setting near the contact between the granodiorite and serpentinite.

Blackstone's geological model for the Jewel Prospect suggests the Copper-Gold-Cobalt Prospect is favourably located within a similar geological setting to the underground mines of the world class Bou-Azzer primary Cobalt district in Morocco. The majority of the high grade underground primary Cobalt mines at Bou-Azzer are located near the contact of the serpentinised ultramafic and the quartz diorite. The historical Jewel Mine is likewise located within close proximity to the contact of the serpentinite and granodiorite bodies. With the discovery of Cobalt-Gold mineralisation at Erebor during the 2018 field season returning grades up to 2.3% cobalt, 32 g/t gold, 1.6% copper and 1.1% nickel, combined with the multiple largescale IP anomalies indicating the potential source of the high grade mineralisation at Little Gem, Erebor, Jewel and Roxey, the Company continues to unlock the potential for multiple deposits in a region with geology analogous to the Bou-Azzer primary Cobalt district in Morocco (>50 deposits and over 75 years of Cobalt production).

Regional targets continue to be generated from the data collected through prospecting and stream sediment sampling across the entire 48 strike km of untested geology prospective for further primary Cobalt and Gold mineralisation. Blackstone is actively seeking joint venture partners for the Gold Bridge Project.

7. Review of Operations (continued)

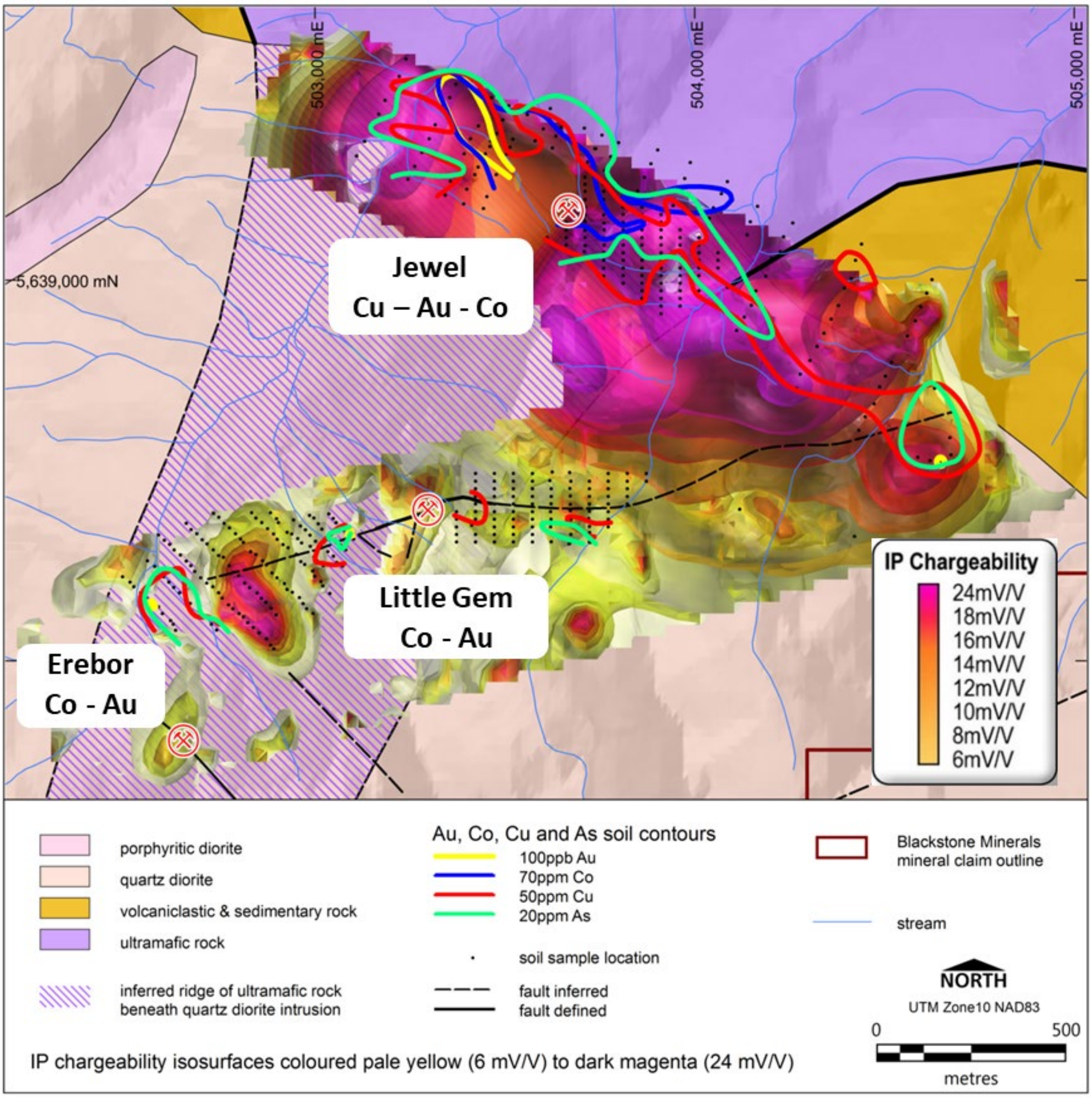


Figure Seven: Gold Bridge Project showing Copper, Gold and Cobalt soil contours and IP chargeability isosurfaces.

Cartier Project (100% interest)

The Cartier Cobalt-Nickel Project (9 km^2 of tenure) is located 440 km north-east of Quebec City. Historic exploration (1990s) on the project for Voisey's Bay Style Nickel and Copper has identified Cobalt within two prospects named Lac St Pierre Zones 1 & 2. During the year the Company continued to progress the project to understand the full potential of the Cartier Project.

7. Review of Operations (continued)

Australian Projects

Blackstone has three Australian projects (Silver Swan South, Red Gate and Middle Creek), which are all located in Western Australia and are prospective for gold, with the Silver Swan South project also prospective for nickel sulfides.

Silver Swan South Project (100% interest)

The Silver Swan South Project comprises one granted exploration licence E27/545 and six granted prospecting licences, P27/2191 – 2196 covering an area of 38.5 km^2. The Project is along trend of the massive nickel sulfide Silver Swan Deposit (pre-mining ore reserve of 655 kt at 9.5% Nickel) and associated deposits (pre-mining resource of 10.4 Mt at 1.0% Nickel), and only 8 km northeast of the major Kanowna Belle Gold Mine (+5 Moz gold endowment).

During the year Blackstone, continued to work on finalising priority targets for drill testing.

Highlights of the Project include:

- Blackstone's second phase aircore drilling program at Silver Swan South intersected gold mineralisation and extensive basement geochemical anomalism at the **Black Eagle** prospect with the following result:
  - 10 m @ 3.2 g/t Au from 68 m within;
  - 15 m @ 2.2 g/t Au from 64 m to end of hole.
- These results significantly upgraded the Black Eagle prospect and when combined with previous reconnaissance results of **3m @ 3.5g/t Au from 60m** saw Black Eagle elevated to a priority drill target;
- The Silver Swan South project is located 8 km along strike and encompasses the interpreted extension of the Fitzroy Shear Zone which hosts the Kanowna Belle Gold Mine (+5 Moz gold endowment);
- Aircore drilling will also target the **Black Hawk** prospect following up on an initial **3 m @ 2.6 g/t Au from 52 m** intersected in the first phase of drilling at Silver Swan South.

Blackstone's initial drilling at Silver Swan South is targeting both gold, hosted by structural targets along strike from the Kanowna Belle Gold Mine (+5Moz gold endowment), and nickel sulfide mineralisation, associated with ultramafic units along strike from the Silver Swan and Black Swan Nickel Mines (endowment 166kt Ni metal). The initial programs are designed to test for basement hosted mineralisation, using air core drilling, to improve definition of gold and base metal anomalism identified by previous reconnaissance style drilling.

7. Review of Operations (continued)

Red Gate Project (100% interest)

The Red Gate Project consists of one granted Exploration Licence E31/1096 covering an area of 145.2 km^2. The Project is centred 10 km north of the Porphyry Gold Mine (0.9 Moz gold endowment), 140 km northeast of Kalgoorlie. Historical exploration work has mostly targeted the Porphyry North Prospect where shallow, outcropping mineralisation has been defined. There is the potential to discover further mineralisation at Porphyry North and several other prospects nearby. During the year, Blackstone continued to work on finalising priority targets for drill testing.

Middle Creek Project (95% to 100% interest)

The Middle Creek Project is adjacent to Millennium Minerals Limited's Nullagine Gold Project (where the Golden Eagle operations have produced >400 koz gold since 2012 and, as at 31st July 2018, had a 1.1Moz resource inventory), in the Pilbara region of Western Australia and consists of 21 prospecting licence covering 37.7 km^2 within the Mosquito Creek belt. During the year, Blackstone continued to work on finalising priority targets for drill testing.

8. Matters Subsequent to the End of the Financial Year

- On 24 July 2020, 1,750,000 shares were issued upon conversion of Director performance options with a conversion price of $0.001 per share.
- On 21 August 2020, 2,500,000 unlisted performance options expiring 20 August 2025, exercise price of $0.001 were issued.
- On 21 August 2020, 8,000,000 collateral shares were issued to Acuity Capital with an issued price of $0.2875 per share under a controlled placement deed.
- On 28 August 2020, the Company is pleased to announced Acuity Capital has agreed to increase the CPA limit of $5m to a new limit of $15m to reflect the higher market capitalisation following the recent share price appreciation. Following the increase to the new CPS limit of $15million, the remaining standby equity capital available under the CPA is $11.84 million with an expiry date of 31 July 2021.
- On 28 August 2020, the Company issued 6,175,000 shares upon conversion of performance options with an issue price of $0.001 per share and 419,162 shares were issued in lieu of cash to consultants for services provided with an issue price of $0.334 based on a 30 day VWAP calculation.
- On 17 September 2020, the Company announced it has completed placement for 42,426,356 ordinary shares at $0.42 for $17,819,070 before costs.
- On 18 September 2020, the Company announced that eligible shareholders will have the opportunity to participate in the Share Purchase Plan up to the value of $30,000 at the same price as the Placement. The Company seek to raise up to $3,000,000.

There are no further subsequent events.

9. Likely Developments and Expected Results of Operations

The Company will continue its mineral exploration activity at and around its exploration projects in Vietnam, Western Australia and Canada with the object of identifying commercial resources.

Further information on likely developments in the operations of the group and the expected results of operations have not been included in the Annual Report because the Directors believe it would be likely to result in unreasonable prejudice to the group.

10. Information on Directors and Company Secretaries

Mr Hamish Halliday	Independent Non-Executive Chairman *since 30 August 2016*
Qualifications	BSc (Geology), MAusIMM
Experience	Mr Halliday is a Geologist with a Bachelor of Science from the University of Canterbury and has over 20 years of corporate and technical experience in the mining industry. Mr Halliday co-founded Blackstone Minerals and was instrumental in the acquisition of its Company's current tenement portfolio. Mr Halliday has been involved in the discovery and acquisition of numerous projects over a range of commodities throughout four continents. Mr Halliday has founded and held executive and non-executive directorships with a number of successful listed exploration companies including Adamus Resources Ltd ('Adamus'). He was CEO of Adamus from its inception through to successful completion of a feasibility study on its gold project in Ghana which is now in production.
Interest in Securities	Fully Paid Ordinary Shares 11,481,383
Other Directorships	Venture Minerals Limited (since 30 January 2008) Comet Resources Limited (since 16 December 2014) Alicanto Minerals Limited (since 17 March 2016 to 12 August 2020)
Mr Scott Williamson	Managing Director – *appointed 6 November 2017*
Qualifications	BEng (Mining) BCom, MAusIMM
Experience	Mr Williamson is a mining engineer with a Bachelor of Commerce degree from the West Australian School of Mines (WASM). Mr Williamson has over 10 years' experience in the mining and finance sectors across a variety of technical and corporate roles, recently Investor Relations Manager at Resolute Mining Ltd and a senior Analyst at Hartley's.
Interest in Securities	Fully Paid Ordinary Shares 7,000,000 Performance Options 1,000,000
Other Directorships	Nil.

10. Information on Directors and Company Secretaries (continued)

Mr Andrew Radonjic	Non Executive Director – *appointed 21 April 2020* Previously Technical Director – *since 30 August 2016; resigned 21 April 2020*	
Qualifications	BAppSc (Mining Geology), MSc (Mineral Economics), MAusIMM	
Experience	Mr Radonjic is a geologist and mineral economist with over 30 years of experience in mining and exploration, with a specific focus on gold and nickel in the Eastern Goldfields of Western Australia. Mr Radonjic began his career at the Agnew Nickel Mine before spending over 15 years in the Paddington, Mount Pleasant and Lady Bountiful Extended gold operations north of Kalgoorlie, where he has fulfilled a variety of senior roles which gave rise to three gold discoveries, totalling in excess of 3 million ounces in resources and in the development of over 1 million ounces.	
Interest in Securities	Fully Paid Ordinary Shares Performance Options	5,708,751 1,500,000
Other Directorships	Venture Minerals Limited (since 12 May 2006) Fin Resources Limited (since 14 May 2018)	
Mr Stephen Parsons	Non-Executive Director – *appointed 30 October 2017*	
Qualifications	BSc (Hons) Geology, MAusIMM	
Experience	Mr Parsons is a geologist with over 20 years' experience in the mining sector. He is the managing director of Bellevue Gold Ltd which is delineating the high-grade Bellevue Gold Project in Western Australia. Previously Mr Parsons was the managing director of Gryphon Minerals Ltd, which he founded and listed on the ASX and grew it to an ASX-200 company with a multimillion-ounce gold discovery in West Africa.	
Interest in Securities	Fully Paid Ordinary Shares Performance Options	8,622,421 1,500,000
Other Directorships	Bellevue Gold Ltd (appointed 31 March 2017) Auteco Minerals Limited (appointed 28 January 2020) African Gold Ltd (1 February 2018 to 1 April 2020)	
Mr Hoirim Jung	Non-Executive Director – *appointed 21 April 2020*	
Qualifications	Bachelor of Economics, Member of Korean Institute of Certified Public Accountants (KICPA)	
Experience	Mr Jung has over 10 years financial management experience, specifically in financing and feasibility studies for new projects. He began his career with KPMG Samjong Accounting Corporation, one of Korea's "big four" accounting firms, providing advisory services for various M&A transactions. He then moved to Atinum Partners, where he was involved in investments in the oil and gas industry and managed the invested assets in North America. He joined EcoPro in 2016 where his accomplishments include successfully dealing with the initial public offering of subsidiary EcoPro BM (KOSDAQ: 247540).	
Interest in Securities	Fully Paid Ordinary Shares	Nil
Other Directorships	None	

10. Information on Directors and Company Secretaries (continued)

Company Secretary

Jamie Byrde – BCom, CA.
Since - 15 March 2017
Mr Byrde is a Chartered Accountant with over 16 years' experience in corporate, audit and company secretarial matters. Previously Mr Byrde has held positions providing corporate advisory services, financial accounting/reporting and ASX/ASIC compliance management. Mr Byrde is also currently Company Secretary for Venture Minerals Limited.

11. Remuneration Report (audited)

The Directors of Blackstone Minerals Limited are pleased to present your Company's 2020 remuneration report which sets out remuneration information for the Non-Executive Directors, Executive Directors and other key management personnel ("KMP").

The following sections are included with this report:

A. Directors and key management personnel disclosed in this report
B. Remuneration governance
C. Use of remuneration consultants
D. Executive remuneration policy and framework
E. Group Performance, Shareholder Wealth and Executive Remuneration
F. Non-Executive Director remuneration policy
G. Voting and comments made at the company's 2019 Annual General Meeting
H. Details of remuneration
I. Details of share-based payments and bonuses
J. Service Agreements
K. Equity instruments held by key management personnel
L. Loans to key management personnel
M. Other transactions with key management personnel

A. Directors and key management personnel disclosed in this report

Non-Executive Directors

Mr H Halliday	Non-Executive Chairman
Mr S Parsons	Non-Executive Director
Mr A Radonjic	Non-Executive Director (Appointed 21 April 2020) Previously Technical Director (Resigned 21 April 2020)
Mr H Jung	Non-Executive Director (Appointed 21 April 2020)

Executive Directors

Mr S Williamson	Managing Director

Other key management personnel

Mr J Byrde	CFO/Company Secretary
Mr M Naylor	Joint Company Secretary (Resigned 31 March 2020)

All of the key management personnel held their positions during the year ended 30 June 2020 and up to the date of this report unless otherwise disclosed.

11. Remuneration Report (audited) (continued)

B. Remuneration governance

The Company has established a Remuneration Committee under a formal charter. The Remuneration Committee comprises of four Directors.

The Remuneration Committee is responsible for reviewing and recommending the remuneration arrangements for the Executive and Non-Executive Directors and KMP each year in accordance with the Company's remuneration policy approved by the Board. This includes an annual remuneration review and performance appraisal for the Executive Directors and other executives, including their base salary, short-term incentives ("STI") and long-term incentives ("LTI"), bonuses, superannuation, termination payments and service contracts.

Further information relating to the role of the Remuneration Committee can be found within the Corporate Governance Report on the Company's website, refer to http://blackstoneminerals.com.au/corporate/

C. Use of remuneration consultants

The Company has not engaged or contracted remuneration consultants during the financial year.

D. Executive remuneration policy and framework

The remuneration policy of Blackstone Minerals Limited has been designed to align executives' objectives with shareholder and business objectives by providing both fixed and discretionary remuneration components which are assessed on an annual basis in line with market rates. By providing components of remuneration that are indirectly linked to share price appreciation (in the form of options), executive, business and shareholder objectives are indirectly aligned. The board of Blackstone Minerals Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the Company, as well as create goal congruence between Directors and Shareholders.

In determining competitive remuneration rates, the Board review local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent data is sourced to ensure that the company's remuneration levels fall within the 50th to 75th percentile of companies in a similar industry group and with a similar market capitalisation. These ongoing reviews are performed to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

The Board also ensures that the mix of executive compensation between fixed, variable, long-term, short-term and cash versus equity is appropriate. The Company endeavours to reduce cash expenditure by providing a greater proportion of compensation in the form of equity instruments. This allows cash-flows to be directed towards exploration programs with a view to improving the quality of our projects.

E. Group Performance, Shareholder Wealth and Executive Remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders directors and executives. This has been achieved by the issue of performance options to directors, executives and other key management personnel, at the discretion of the Board of Directors. The performance options are issued under the Employee Incentive Scheme and based on a mixture of short, medium and long-term incentive options. This structure rewards executives for both short-term and long-term shareholder wealth development.

11. Remuneration Report (audited) (continued)

F. Non-executive Director remuneration policy

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. Fees for Non-Executive Directors are not linked to the performance of the group.

In determining competitive remuneration rates, the Board review local and international trends among comparative companies and industry generally.

Typically, Blackstone will compare Non-Executive Remuneration to companies with similar market capitalizations in the exploration and resource development business group. These ongoing reviews are performed to confirm that non-executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

Further to ongoing reviews, the maximum aggregate amount of fees that can be paid to non-executive directors is $500,000. There are no planned changes to this limit requiring approval by shareholders at the Annual General Meeting.

G. Voting and comments made at the Company's 2019 Annual General Meeting

The Company received votes against its Remuneration Report, representing greater than 25% of the votes cast by persons entitled to vote. In other words, Blackstone Minerals Limited received its "First Strike" against its 2019 Remuneration Report at the Annual General Meeting (AGM) held on 27 November 2019.

In these circumstances, the *Corporations Act 2001* requires Blackstone to include in this year's Remuneration Report, an explanation of the Board's proposed action in response to that First Strike, or alternatively, if the Board does not propose any action, the Board's reason for such inaction.

In summary, the feedback from the company's major shareholder was in relation to the performance hurdles that were attached to the performance options issued to Directors as approved at the General Meeting of Shareholders held on 9 October 2019. The Board, believed and continues to believe that the hurdles set at the time were in the best interest of shareholders, whilst offering appropriate incentives for Directors. However, the board has considered the feedback from shareholders and has committed to taking that feedback into consideration when deciding on future performance hurdles, where they relate to incentives shares for Directors and management.

The 2019 Remuneration Report was not impacted by the issue of options even though the First Strike was received, however the current year 2020 Remuneration Report includes the share based payments expenses in relation to the Director Options issued on 11 October 2019.

Actions taken since the first strike include:

- No further performance options or incentives have been issued to Directors since 11 October 2019.
- The Board together with its advisors will consult with shareholders where possible or advisors when proposing future Short-term and Long-Term Incentive Plans.
- The board will also continue to ensure future incentives and remuneration policy frameworks are in accordance with the 4th Edition of the Corporate Governance Principles, Principle 8, Remunerate fairly and responsibly.

11. Remuneration Report (audited) (continued)

H. Details of Remuneration

Details of the remuneration of the Directors and key management personnel of the group of Blackstone Minerals Limited are set out in the following table for the year ending 30 June 2020. There have been no changes to the below named key management personnel since the end of the reporting year unless otherwise noted.

	Short Term Benefits						
	Cash Salary & Fees	Incentives	Consulting Fees	Other Amounts	Super-annuation	Non-Cash Long Term Incentives[B]	Total
	$	$	$	$	$	$	$
2020							
Non-Executive Directors							
Mr H Halliday	25,000	-	59,615	2,607	-	472,796	560,018
Mr S Parsons	40,000	-	-	2,607	3,800	177,298	223,705
Mr A Radonjic	137,533	-	-	2,607	13,066	177,298	330,504
Mr H Jung[A]	8,359	-	-	2,607	-	-	10,966
Executive Directors							
Mr S Williamson	236,539	-	-	2,607	22,471	384,219	645,836
Other key management personnel							
Mr J Byrde	60,000	-	-	2,607	5,700	37,396	105,703
Total Remuneration	**507,431**	**-**	**59,615**	**15,642**	**45,037**	**1,249,007**	**1,876,732**

A Mr Jung was appointed on 21 April 2020.
B The fair value of the options is calculated at the date of grant using a Black-Scholes model. Refer to Note 26 for further details of options issued during the June 2020 financial year.

	Short Term Benefits						
	Cash Salary & Fees	Incentives	Consulting Fees	Other Amounts	Super-annuation	Non-Cash Long Term Incentives	Total
	$	$	$	$	$	$	$
2019							
Non-Executive Directors							
Mr H Halliday	25,000	-	50,000	1,894	-	-	76,894
Mr S Parsons	40,000	-	-	1,894	3,800	-	45,694
Mr M Konnert[A]	37,522	-	-	1,894	-	-	39,416
Executive Directors							
Mr S Williamson	225,000	-	-	1,894	21,375	123,021	371,290
Mr A Radonjic[B]	125,000	-	-	1,894	11,875	-	138,769
Other key management personnel							
Mr J Byrde	52,177	-	-	1,894	4,960	31,273	90,304
Total Remuneration	**504,699**	**-**	**50,000**	**11,364**	**42,010**	**154,294**	**762,367**

A Mr M Konnert resigned 20 May 2019.
B Mr Radonjic, was formerly Technical Director until 21 April 2020, at which time he stepped down to become Non-Executive Director.

11. Remuneration Report (audited) (continued)

I. Details of Share Based Payments and Bonuses

There were no bonuses issued or paid during the year.

Options are issued to directors, executives and other key management personnel of Blackstone Minerals Limited as part of their remuneration. The options are issued based on performance criteria set by the Board to increase goal congruence between executives, directors, other key management personnel and shareholders.

Further details of options issued to Directors and key management personnel are as follows:

	Granted No.	Options and Performance Shares Granted as Part of Remuneration $	Total Remuneration Represented by Options and Performance Shares	Exercised No.	Other changes No.	Lapsed No.
2020						
Non-Executive Directors						
Mr H Halliday[E]	4,000,000	472,796	84.3%	(2,000,000)	-	-
Mr S Parsons	1,500,000	177,298	79.3%	-	-	-
Mr A Radonjic[A]	1,500,000	177,298	53.6%	-	-	-
Mr H Jung[B]	-	-	-	-	-	-
Executive Director						
Mr S Williamson	4,000,000	384,219	59.5%	(750,000)	-	-
Other Key Management Personnel						
Mr J Byrde	600,000	37,396	35.4%	-	-	-
2019						
Non-Executive Directors						
Mr H Halliday	-	-	-	-	-	-
Mr S Parsons	-	-	-	-	-	-
Mr M Konnert[C]	-	-	-	-	-	-
Executive Director						
Mr S Williamson	-	123,021[D]	33%	-	-	-
Mr A Radonjic[A]	-	-	-	-	-	-
Other Key Management Personnel						
Mr J Byrde	-	31,273[D]	35%		-	-

A Mr Radonjic, was formerly Technical Director until 21 April 2020, at which time he stepped down to become Non-Executive Director.
B Mr Jung was appointed on 21 April 2020.
C Mr M Konnert resigned 20 May 2019.
D Remuneration represented by options and performance shares relates to option and performance shares granted in prior year.
E The options exercised on 5 June 2020 had a market value of $320,000 for Mr Halliday. Mr Williamson's options exercised on 5 July 2019 had a market value of $63,750.

11. Remuneration Report (audited) (continued)

J. Service Agreements

Name	Term of Agreement	Base salary[A] (per Agreement)	Termination benefit
Mr H Halliday Non-Executive Chairman	No fixed term	$75,000 increased to $125,000 from period ending 29 April 2020	No termination benefits
Mr S Williamson Managing Director	No fixed term	$246,375 increased to $312,075 from period ending 29 April 2020	3 months payable on termination
Mr A Radonjic Non Executive Director and Technical Consultant.	No fixed term	$136,875 decreased to $100,000 from period ending 29 April 2020	No termination benefits
Mr S Parsons Non-Executive Director	No fixed term	$43,800	No termination benefits
Mr H Jung Non-Executive Director	No fixed term	$40,000	No termination benefits
Mr J Byrde[B] CFO/Company Secretary	No fixed term	$131,400 from period ending 29 May 2020.	3 months payable on termination

A Includes superannuation

B Mr Byrde's agreement increased from $164,750 to $197,100 including superannuation on 29 May 2019 and previously split 1/3 Blackstone Minerals Limited and 2/3 related entities until 30 June 2020. From 1 July 2020 the split changed 2/3 Blackstone Minerals Limited and 1/3 related entity.

K. Equity instruments held by key management personnel

The tables below show the number of:

(i) options and performance shares over ordinary shares in the Company, and
(ii) shares held in the Company that were held during the year by key management personnel of the group, including their close family members and entities related to them.

There were no shares granted during the reporting year as compensation.

11. Remuneration Report (audited) (continued)

K. Equity instruments held by key management personnel (continued)

(iii) Option holdings

	Balance at start of the year	Granted as remuneration	Exercised	Other changes	Balance at end of the year	Vested and exercisable
30 June 2020						
Directors of Blackstone Minerals Limited						
Mr H Halliday	-	4,000,000	(2,000,000)	-	2,000,000	-
Mr S Williamson	1,500,000	4,000,000	(750,000)	-	4,750,000	1,000,000
Mr A Radonjic	-	1,500,000	-	-	1,500,000	750,000
Mr S Parsons	-	1,500,000	-	-	1,500,000	750,000
Mr H Jung[A]	-	-	-	-	-	-
Other key management personnel						
Mr J Byrde	250,000	600,000	-	-	850,000	-
30 June 2019						
Directors of Blackstone Minerals Limited						
Mr H Halliday	-	-	-	-	-	-
Mr S Williamson	1,500,000	-	-	-	1,500,000	750,000
Mr A Radonjic	-	-	-	-	-	-
Mr S Parsons	-	-	-	-	-	-
Mr M Konnert[B]	-	-	-	-	-	-
Other key management personnel						
Mr J Byrde	250,000	-	-	-	250,000	-

A Mr H Jung was appointed on 21 April 2020.
B Mr M Konnert resigned 20 May 2019.

11. Remuneration Report (audited) (continued)

K. Equity instruments held by key management personnel (continued)

(iv) Performance Shares

	Balance at start of the year or on appointment	Granted as remuneration	Exercised[B]	Other changes	Balance at end of the year	Vested and exercisable
30 June 2020						
Directors of Blackstone Minerals Limited						
Mr H Halliday	-	-	-	-	-	-
Mr S Williamson	-	-	-	-	-	-
Mr A Radonjic	-	-	-	-	-	-
Mr S Parsons	-	-	-	-	-	-
Mr H Jung[A]	-	-	-	-	-	-
Other key management personnel						
Mr J Byrde	-	-	-	-	-	-
30 June 2019						
Directors of Blackstone Minerals Limited						
Mr H Halliday	1,000,000	-	(1,000,000)	-	-	-
Mr S Williamson	-	-	-	-	-	-
Mr A Radonjic	1,000,000	-	(1,000,000)	-	-	-
Mr S Parsons	1,000,000	-	(1,000,000)	-	-	-
Mr M Konnert[C]	-	-	-	-	-	-
Other key management personnel						
Mr J Byrde	-	-	-	-	-	-

A Mr H Jung was appointed on 21 April 2020.
B During the prior year Class A Performance Share milestones were met and converted to ordinary shares.
C Mr M Konnert resigned 20 May 2019.

(v) Share holdings

The number of shares in the Company held during the financial year by each Director of Blackstone Minerals Limited and other key management personnel of the group, including their personally related parties, are set out below. There were no shares granted during the year as compensation.

11. Remuneration Report (audited) (continued)

K. Equity instruments held by key management personnel (continued)

	Balance at the start of the year or on appointment	Received on exercise of options and performance shares	Other changes	Balance at the end of the year
30 June 2020				
Directors of Blackstone Minerals Limited				
Mr H Halliday	7,081,383	2,000,000	400,000	9,481,383
Mr S Williamson	900,000	750,000	1,600,000	3,250,000
Mr A Radonjic	6,158,751	-	150,000	6,308,751
Mr S Parsons	7,447,421	-	1,175,000	8,622,421
Mr H Jung[A]	-	-	-	-
Other key management personnel				
Mr J Byrde	150,000	-	-	150,000
30 June 2019				
Directors of Blackstone Minerals Limited				
Mr H Halliday	6,081,383	1,000,000	-	7,081,383
Mr S Williamson	100,000	-	800,000	900,000
Mr A Radonjic	5,158,751	1,000,000	-	6,158,751
Mr S Parsons	6,447,421	1,000,000	-	7,447,421
Mr M Konnert[B]	2,262,084	-	(2,262,084) [A]	-
Other key management personnel				
Mr J Byrde	350,000		(200,000)	150,000

A Mr H Jung was appointed on 21 April 2020.
B Mr M Konnert resigned 20 May 2019.

L. Loans to key management personnel

There were no loans made to Directors and other key management personnel of the group, including their close family members.

M. Other transactions with key management personnel

Mr Radonjic is a Director of Venture Minerals Limited which shares office and administration service costs on normal commercial terms and conditions. Mr Radonjic, is a Director of Onedin Enterprises which provides geological mapping services on normal commercial terms and conditions.

Mr Halliday is a Non-Executive Director of Venture Minerals Limited which shares either office and administration service costs on normal commercial terms and conditions.

Mr Parsons is a Director of Bellevue Gold Limited and African Gold Limited which shares office costs on normal commercial terms and conditions.

Aggregate amounts of each of the above types of other transactions with key management personnel of Blackstone minerals Limited:

11. Remuneration Report (audited) (continued)

M. Other transactions with key management personnel

		2020 $	2019 $
(i)	Recharges to KMP related entities		
	Recharge of rent and shared office costs		
	Recharges to Venture Minerals Limited	303,385	209,208
	Recharges to Alicanto Minerals Limited	113,272	127,500
	Recharges to Bellevue Gold Limited	127,273	102,325
	Recharges to African Gold Limited	28,156	11,340
(ii)	*Purchases from KMP related entities*		
	Shared office costs and other supplier services on arms' length terms:		
	Payments to Venture Minerals Limited	124,746	91,496
	Payments to Onedin Enterprises	766	4,047

End of remuneration report

12. Shares under Option

Unissued ordinary shares of Blackstone Minerals Limited under option at the date of this report are as follows:

Date options granted	Expiry Date	Exercise Price	Number under Option
21 August 2020	20 August 2025	$0.001	2,500,000
21 February 2020	20 February 2025	$0.001	3,400,000
9 October 2019	30 September 2024	$0.001	4,000,000
29 March 2018	26 March 2023	$0.001	550,000
12 June 2020	12 June 2022	$0.20	1,000,000
2 July 2019	17 May 2021	$0.10	10,000,000

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

13. Insurance of Officers

During the financial year, Blackstone Minerals Limited paid a premium of $15,642 (2019: $11,364) to insure the Directors and Secretary of the Company and its controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

14. Meetings of Directors

The number of Directors' meetings (including committees) held during the year that each Director who held office during the financial year were eligible to attend and the number of meetings attended by each Director are:

	Full meetings of Directors		Remuneration Committee meetings	
Director	Number Eligible to Attend	Meetings Attended	Number Eligible to Attend	Meetings Attended
Mr H Halliday	7	7	-	-
Mr S Williamson	7	7	-	-
Mr A Radonjic	7	6	-	-
Mr S Parsons	7	5	-	-
Mr H Jung[1]	1	1	-	-

[1] Mr H Jung was appointed on 21 April 2020.

The Company does not have a formally constituted audit committee as the Board considers that the Company's size and type of operation do not warrant such a committee as all members of the Board are involved in audit agenda items and discussions thereon.

15. Environmental Regulation

The Group's activities are subject to the relevant environmental protection legislation (Commonwealth and State) in relation to its exploration activities. The group believes that sound environmental practice is not only a management obligation but the responsibility of every employee and contractor.

No fines were imposed and no prosecutions were instituted by a regulatory body during the year in relation to Environmental Regulations.

16. Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings. The Company was not a party to any such proceedings during the year.

17. Auditor's Independence Declaration & Non-Assurance Services

The lead auditor's independence declaration for the year ended 30 June 2020 has been received and can be found on page 28 of the Directors' report.

The Company engaged Stanton International Securities a related practice to provide an indicative valuation for options issued at a fee of $850 (2019: Nil). The Board of Directors has considered the position and are satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

a. all non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor;
b. none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

The Auditor's audit remuneration is disclosed in Note 5.

Signed in accordance with a resolution of the Board of Directors.

Scott Williamson
Managing Director

Perth, Western Australia, 30 September 2020

Competent Persons Statement
The information in this report that relates to Exploration Results is based on information compiled by Mr Andrew Radonjic, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr Radonjic is a Non-Executive Director and Technical Consultant for the company. Mr Radonjic has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken 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 Radonjic consents to their inclusion in the report of the matters based on his information in the form and context in which it appears.

No New Information or Data
This annual report contains references to Exploration Results and Exploration Targets, all of which have been cross referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially effects the information in the said announcement. In the case of estimates of Mineral Resources all assumptions and technical parameters underpinning the estimates have not materially changed.

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

30 September 2020

The Directors
Blackstone Minerals Limited
Level 3, 24 Outram Street
WEST PERTH WA 6005

Dear Sirs

RE: BLACKSTONE MINERALS LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Blackstone Minerals Limited.

As Audit Director for the audit of the financial statements of Blackstone Minerals Limited for the period ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully,

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD

Martin Michalik
Director

Contents

These financial statements cover Blackstone Minerals Limited as a Group consisting of Blackstone Minerals Limited and the entities it controlled from time to time during the year ('group' or 'Group'). The financial statements are presented in the Australian currency.

Blackstone Minerals Limited is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Blackstone Minerals Limited
Suite 3, Level 3, 24 Outram Street
West Perth WA 6005

A description of the nature of the Group's operations and its principal activities is included in the review of operations and activities on pages 3 to 13 in the Directors' report, which is not part of these financial statements.

The financial statements were authorised for issue by the Directors on 30 September 2020. The Company has the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the Company. All press releases, financial reports and other information are available on our website: www.blackstoneminerals.com.au

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020	Notes	Consolidated 30 June 2020 $	30 June 2019 $
Revenue from continuing operations	3(a)	46,333	12,345
Other income	3(b)	539,699	88,635
Administrative costs		(1,338,551)	(594,922)
Consultancy expenses		(700,464)	(316,063)
Employee benefits expense	4(a)	(677,666)	(573,751)
Share based payment expenses	26	(1,752,605)	(335,680)
Occupancy expenses	4(b)	(46,104)	(70,030)
Compliance and regulatory expenses		(103,068)	(81,138)
Insurance expenses		(36,990)	(40,889)
Exploration expenditure	10	(2,635,304)	(2,245,881)
Depreciation expense	4(c)	(100,908)	(15,042)
Depreciation on rights of use assets	4(c),11	(126,468)	-
Interest expense on lease liabilities	4(d) 11	(23,810)	
Finance and Interest Costs	4(d)	(8,990)	(9,844)
Impairment of Exploration and Evaluation Assets	10	(2,727,010)	-
Gain from bargain purchase	28	1,722,326	-
(Loss) before income tax		**(7,969,580)**	**(4,182,260)**
Income tax (expense)/benefit	6	-	-
(Loss) for the year		**(7,969,580)**	**(4,182,260)**
Other comprehensive income:			
Items that may be reclassified to profit or loss			
Effect of changes in foreign exchange rates on translation of foreign operations		(389,748)	119,652
Total - Items that may be reclassified to profit or loss		(389,748)	119,652
Items that will not be classified to profit or loss		-	-
Total comprehensive (loss)		**(8,359,328)**	**(4,062,608)**
Loss for the year attributable to:			
Non-controlling interest		(75,274)	-
Owners of Blackstone Minerals Limited		(7,894,306)	(4,062,608)
		(7,969,580)	**(4,062,608)**
Total comprehensive (loss) attributable to:			
Non-controlling interest		(111,585)	-
Owners of Blackstone Minerals Limited		(8,247,743)	(4,062,608)
		(8,359,328)	**(4,062,608)**
Earnings per share for loss attributable to the owners			
Basic and Diluted (loss) per share (cents per share)	20	(4.1)	(4.0)

The above consolidated statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes.

As at 30 June 2020	Notes	Consolidated 2020 $	2019 $
Current Assets			
Cash and cash equivalents	7	6,786,541	307,532
Trade and other receivables	8	2,226,050	174,638
Total Current Assets		**9,012,591**	**482,170**
Non-Current Assets			
Trade and other receivables	8	114,840	96,183
Property, plant and equipment	9	11,512,910	16,472
Exploration and evaluation expenditure	10	7,931,498	10,204,152
Right-of-Use Assets	11	386,179	-
Total Non-Current Assets		**19,945,427**	**10,316,807**
Total Assets		**28,958,018**	**10,798,977**
Current Liabilities			
Trade and other payables	12	6,823,462	221,727
Provisions	13	901,713	72,890
Lease Liabilities	14	136,722	-
Total Current Liabilities		**7,861,897**	**294,617**
Non-Current Liabilities			
Provisions	13	465,980	-
Lease liabilities	14	258,804	-
Deferred Tax Liabilities	6	2,337,918	-
		3,062,702	-
Total Liabilities		**10,924,599**	**294,617**
Net Assets		**18,033,419**	**10,504,360**
Equity			
Issued capital	15	38,171,741	23,377,083
Reserves	17	1,353,979	613,687
Accumulated losses		(21,380,716)	(13,486,410)
Equity attributable to the owners		**18,145,004**	**10,504,360**
Non-controlling interest	18	(111,585)	-
Total Equity		**18,033,419**	**10,504,360**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

For the Year Ended 30 June 2020	Contributed Equity	Accumulated Losses	Foreign Currency Reserve	Option Reserve	Atrributable to Parent Entity	Non-controlling interest	Total
	$	$	$	$		$	$
Balance at 1 July 2018	21,338,801	(9,304,150)	(77,366)	635,721	12,593,006	-	12,593,006
Total comprehensive income for the year:						-	
Loss for the year	-	(4,182,260)	-	-	(4,182,260)	-	(4,182,260)
Foreign Exchange Differences	-	-	119,652	-	119,652	-	119,652
	-	(4,182,260)	119,652	-	(4,062,608)	-	(4,062,608)
Transactions with owners in their capacity as owners:							
Contributions of equity (net of transaction costs)	1,638,282	-	-	-	1,638,282	-	1,638,282
Equity settled share based payment transactions	400,000	-	-	(64,320)	335,680	-	335,680
						-	
Balance at 30 June 2019	**23,377,083**	**(13,486,410)**	**42,286**	**571,401**	**10,504,360**	**-**	**10,504,360**
Balance at 1 July 2019	23,377,083	(13,486,410)	42,286	571,401	10,504,360	-	10,504,360
Total comprehensive income for the year:							
Loss for the year	-	(7,894,306)	-	-	(7,894,306)	(75,274)	(7,969,580)
Foreign Exchange Differences	-	-	(353,437)	-	(353,437)	(36,311)	(389,748)
	-	(7,894,306)	(353,437)	-	(8,247,743)	(111,585)	(8,359,328)
Transactions with owners in their capacity as owners:							
Contributions of equity (net of transaction costs)	14,023,028	-	-	-	14,023,028	-	14,023,028
Equity settled share based payment transactions	-	-	-	1,865,359	1,865,359	-	1,865,359
Conversion of share based payments	771,630	-	-	(771,630)	-	-	-
Balance at 30 June 2020	**38,171,741**	**(21,380,716)**	**(311,151)**	**1,665,130**	**18,145,004**	**(111,585)**	**18,033,419**

The above consolidated statement of equity should be read in conjunction with the accompanying notes.

For the Year Ended 30 June 2020	Notes	Consolidated 30 June 2020 $	30 June 2019 $
Cash Flows from Operating Activities			
Payments to suppliers and employees		(2,502,024)	(1,530,410)
Interest received		46,852	18,872
Other income		441,744	88,635
Payments for exploration and evaluation		(4,473,601)	(2,893,233)
Net cash (outflow) from operating activities	21	**(6,487,029)**	**(4,316,136)**
Cash Flows from Investing Activities			
Purchase of Mineral Tenements and Prospects	10	-	(77,142)
Cash acquired on acquisition of subsidiary	28	183,627	-
Purchase of property, plant and equipment		(353,372)	(2,419)
Security deposits paid		-	-
Net cash (outflow) from investing activities		**(169,745)**	**(79,561)**
Cash Flows from Financing Activities			
Proceeds from issue of shares and other equity securities		13,809,630	1,700,000
Proceed from unissued share capital		-	33,750
Share issue transaction costs		(673,847)	(95,468)
Net cash inflow from financing activities		**13,135,783**	**1,638,282**
Net increase/(decrease) in cash and cash equivalents		**6,479,009**	**(2,757,415)**
Cash and cash equivalents at the start of the year		307,532	3,064,947
Cash and cash equivalents at the end of the year	7	**6,786,541**	**307,532**

Amounts relating to payments to suppliers and employees as set out above are inclusive of goods and services tax. The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Non-cash Financing and Investing Activities
In 2020, 8,600,000 ordinary shares at $0.1163 per share were issued to Ta Khoa Nickel Limited on acquisition of AMR Nickel Limited.

1. Summary of Significant Accounting Policies

This note provides a list of all significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to the financial year presented, unless otherwise stated. The financial statements cover Blackstone Minerals Limited as a Group consisting of Blackstone Minerals Limited and its subsidiaries ('group' or Group').

(a) Basis of Preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001.

(i) **Compliance with IFRS**

The consolidated financial statements of Blackstone Minerals Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) **Historical cost convention**

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available for sale financial assets.

(b) Principles of Consolidation

(i) **Subsidiaries**

The consolidated financial statements incorporate the assets and liabilities of the Group as at 30 June 2020 and the results of the parent and all subsidiaries for the year then ended.

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss, statement of changes in equity and balance sheet respectively.

A list of controlled entities is contained in Note 29 to the financial statements. All controlled entities have a 30 June financial year-end.

(ii) **Joint operations**

Under AASB 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Blackstone Minerals Limited has joint operations.

1. Summary of Significant Accounting Policies

(b) Principles of Consolidation (continued)

(ii) **Joint operations (continued)**

Blackstone Minerals Limited recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors.

(d) Foreign currency translation

(i) **Functional and presentation currency**

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Blackstone Minerals Limited's and its subsidiaries functional and presentation currency.

(ii) **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges, qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Translation differences on financial assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale financial assets are included in the fair value reserve in equity.

(iii) **Group companies**

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet.
- Contributed equity, accumulated losses and retained earnings are translated at historical rates.
- Income and expenses for the statement of comprehensive income are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income.

1. Summary of Significant Accounting Policies

(e) Revenue recognition

Revenue is recognised where performance obligations are satisfied being when control upon good or services underlying the performance obligations is transferred to the customer.

(i) **Interest income**

Interest income is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(ii) **Other income**

Revenue from other income, rendering goods and services is measured at the fair value of consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities when control of the asset is transferred to the customer or services rendered.

(iii) **Grant income**

Grant income received from Governments is recognised on a cash basis upon receipt. This include grants received from the ATO from the Cashflow Boost during 2020.

(f) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability.

No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

1. Summary of Significant Accounting Policies

(g) Leases

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(h) Impairment of assets

At each reporting date, the group assesses whether there is any indication that an asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date or more frequently if events or changes in circumstances indicate that they might be impaired.

(i) Cash and cash equivalents

For the purposes of presentation of the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(j) Trade and other receivables

Trade and other receivables include amounts due from customers for goods and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(k) Exploration and evaluation expenditure

The exploration and evaluation expenditure accounting policy is to expense expenditure as incurred other than for the capitalisation of acquisition costs. Acquired Mineral Rights comprise exploration and evaluation assets which are acquired as part of asset acquisitions recognised at cost. These costs are assessed for recoverability in accordance with AASB 6 Exploration for and Evaluation of Mineral Resources.

1. Summary of Significant Accounting Policies

(l) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and comprehensive income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on assets is calculated using the diminishing value method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Plant and equipment – office	40.0%
Furniture and equipment – office	20.0%
Plant and equipment – field	40.0%
Motor vehicles	40.0%
Leasehold improvements	25.0%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 1(h)). Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

(m) Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transactions costs, except for those carried "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below.

Trade receivables are initially measured at the transaction price if the receivables do not contain a significant financing component in accordance with AASB 15.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement
Financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

1. **Summary of Significant Accounting Policies (continued)**

(m) Financial Instruments

Classifications are determined by both:

- The contractual cash flow characteristics of the financial assets; and
- The entities business model for managing the financial asset.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through other comprehensive income (Equity instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 *Financial Instruments: Presentation* and are not held for trading.

Financial assets at fair value through profit or loss (FVPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

1. Summary of Significant Accounting Policies (continued)

(m) Financial Instruments (continued)

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(o) Provisions

Provisions are recognised when: the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(p) Employee benefits

(i) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as other payables.

1. Summary of Significant Accounting Policies (continued)

(p) Employee benefits (continued)

(ii) **Other long-term employee benefit obligations**

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) **Share-based payments**

The company provides benefits to employees (including directors) of the group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). There is currently an Employee Incentive Scheme (IOS), which provides benefits to directors and senior executives. The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of shares of Blackstone Minerals Limited ('market conditions'). The number of shares expected to vest is estimated based on the non-market vesting conditions and the probability the option will be exercised.

(q) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

1. Summary of Significant Accounting Policies (continued)

(r) Earnings per share

(i) **Basic earnings per share**
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period.

(ii) **Diluted earnings per share**
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after tax effect of interest and other financing costs associated with the dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(s) Goods and services tax ('GST')

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

(t) Business combination

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

1. Summary of Significant Accounting Policies (continued)

(t) Business combination (continued)

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

(u) New accounting standards and interpretations adopted by the Group

Changes in Accounting Policies

The Group (or the Company) has considered the implications of new and amended Accounting Standards which have become applicable for the current financial reporting period. The Group had to change its accounting policies and make adjustments as a result of adopting the following Standard:

- AASB 16: Leases applies to annual reporting periods beginning on or after 1 January 2019.

The Group has adopted AASB 16: Leases retrospectively with the cumulative effect of initially applying AASB 16 recognised as of 1 July 2019. As a result of the changes in Group's accounting policies, prior year financial statements were required to be restated.

The Group as lessee

At inception of a contract the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding liability are recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e. leases with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses incremental borrowing rate. Lease payments included in the measurement of the lease liability are as follows;

1. Summary of Significant Accounting Policies (continued)

(u) New accounting standards and interpretations adopted by the Group (continued)

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of options to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the costs of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Group as lessor

The Group does not have any property which has been leased out and therefore not applicable.

Other New amended standards adopted by the Group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 January 2019 affected any of the amounts recognised in the current period or any prior period, although it caused minor changes to the Group's disclosures.

Standards not yet adopted by the Group

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and judgements may differ from the related actual results and may have a significant effect on the carrying amount of assets and liabilities within the next financial year and on the amounts recognised in the financial statements. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2. Critical accounting estimates and judgements (continued)

(i) **Capitalisation of acquisition costs on exploration projects**
Acquisition costs incurred in acquiring exploration assets are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance sheet date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

(ii) **Deferred Tax Assets**
Deferred tax assets for unrealised losses have not been recognised on the Statement of Financial Position as the Company has considered it not probable at balance sheet date there to be future taxable profits.

(ii) **Deferred Tax Liabilities**
Deferred tax liabilities recognised on a business combination based on the fair value of assets and liabilities acquired. The deferred tax liabilities have been recognised to the extent that future taxable profit will be higher than future accounting profit as a result of the recognition and fair value of assets acquired through a business combination.

(iii) **Lease term**
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

(iv) **Rehabilitation**
A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

(v) **Determination and measurement method of non-controlling interest (NCI)**
On initial recognition of NCI in a business combination where the group acquires less than 100% of the issued capital, the Board have to choose where the apply the the fair value method or the proportionate interest method. For the acquisition of AMRN Nickel Limited the Board have chosen the fair value method.

	Notes	Consolidated 30 June 2020 $	30 June 2019 $
3.	**Revenue**		
(a)	Revenue from continuing operations		
	Interest received	46,333	12,345
	Total revenue from continuing operations	46,333	12,345
(b)	Other Income		
	Rent Income	97,996	-
	Exploration Tax Incentive Refund - Canada	391,703	-
	Other income – ATO Cashflow Boost	50,000	88,635
	Total Other Income	539,699	88,635
4.	**Expenses**		
	Profit before income tax includes the following specific expenses:		
(a)	Employee benefits expense		
	Salary and wages expense	494,382	458,348
	Defined contribution superannuation expense	89,611	78,168
	Other employee costs	93,673	37,235
	Total employee benefits expense	677,666	573,751
(b)	Occupancy expense		
	Operating lease expense	-	36,343
	Other occupancy costs	46,104	33,687
	Total occupancy expense	46,104	70,030
(c)	Depreciation of non-current assets		
	Right-of-use assets	126,468	-
	Plant and equipment – office	93,718	7,580
	Leasehold Improvements	7,190	7,462
	Total depreciation of non-current assets	227,376	15,042
(d)	Finance costs in respect of finance leases		
	Other bank and finance charges	8,990	9,844
	Interest expense on lease liabilities	23,810	-
	Total finance costs in respect of finance leases	32,800	9,844
5.	**Auditor's Remuneration**		
	Remuneration of the auditor of the group		
	Auditing or reviewing the financial statements	57,820	39,920
	Other non-assurance services	850	-
	Total auditor remuneration	37,408	39,920

		Consolidated 30 June 2020 $	Consolidated 30 June 2019 $
6.	**Income Tax Expense**		
(a)	Income tax expense		
	Current tax	-	-
	Deferred tax	-	-
	Total income tax (expense)/benefit	-	-
	Deferred income tax expense included in income tax expense comprises:		
	(Increase) in deferred tax assets (Note 6(c))	-	-
	Increase in deferred tax liabilities (Note 6(d))	-	-
		-	-
(b)	Numerical reconciliation of income tax expense to prima facie tax payable		
	Loss from continuing operations before income tax expense	(7,969,580)	(4,182,260)
	Tax (tax benefit) at the tax rate of 27.5% (2019: 27.5%)	(2,191,635)	(1,150,122)
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Share based payments	481,966	92,312
	Other non-deductible amounts	1,291,334	536,835
	Prior year adjustments	134,538	(31,331)
	Non-assessable income	(595,108)	-
	Unrecognised tax losses	878,905	552,306
	Income tax expense	-	-
(c)	Deferred tax assets		
	Tax losses	-	-
	Employee benefits	-	-
	Other accruals	-	-
	Total deferred tax assets	-	-
	Set-off deferred tax liabilities (Note 6(d))	-	-
	Net deferred tax assets	-	-
(d)	Deferred tax liabilities		
	Fair Value of Assets recognised on Business Combination	2,337,918	-
	Other	-	-
	Total deferred tax liabilities	2,337,918	-
	Set-off deferred tax assets (Note 6(c))	-	-
	Net deferred tax liabilities	2,337,918	-
(e)	Tax losses		
	Unused tax losses for which no DTA has been recognized	7,855,742	4,659,724
	Potential tax benefit at 26% (2019: 27.5%)	2,042,493	1,281,424
(f)	Unrecognised temporary differences		
	Unrecognised deferred tax asset relating to capital raising costs	822,912	451,398
	Potential tax benefit at 26% (2019: 27.5%)	213,957	124,134

		Consolidated 2020 $	2019 $
7.	**Cash & Cash Equivalents**		
(a)	Cash & cash equivalents		
	Cash at bank and in hand	6,786,541	307,532
	Deposits at call	-	-
	Total cash and cash equivalents	6,786,541	307,532

(b) Cash at bank and on hand
Cash on hand is non-interest bearing. Cash at bank bears interest rates between 0.00% and 0.45% (2019: 0.00% and 0.75%)

(c) Deposits at call
Deposits at call are bearing interest rates of nil. (2019: Nil)

		Consolidated 2020 $	2019 $
8.	**Trade & Other Receivables**		
	Current		
	Other receivables	388,875	174,638
	Tax and other receivables from foreign authorities	1,837,175	-
		2,226,050	174,638
	Non-Current		
	Deposits[1]	114,840	96,183
	Total trade and other receivables	114,840	96,183

[1] Deposits include cash of $114,840 (2019: $96,183) as security deposits of which $84,840 is required as security by the relevant authority for the granted exploration and mining licences and $30,000 held as security against a credit card facility.

Past due and impaired receivables
As at 30 June 2020, there were no other receivables that were past due or impaired. (2019: Nil)

Effective interest rates and credit risk
Information concerning effective interest rates and credit risk of both current and non-current trade and other receivables is set out in Note 19.

Consolidated	Plant & Equipment $	Leasehold Improvements $	Mining Property $	Total $
9. Property, Plant & Equipment				
30 June 2019				
Opening net book amount	17,903	11,192	-	29,095
Additions	2,419	-	-	2,419
Depreciation charge	(7,580)	(7,462)	-	(15,042)
Closing net book amount	12,742	3,730	-	16,472
At 30 June 2019				
Cost or fair value	26,701	27,615	-	54,316
Accumulated depreciation	(13,959)	(23,885)	-	(37,844)
Net book amount	12,742	3,730	-	16,472
30 June 2020				
Opening net book amount	12,742	3,730	-	16,472
Additions	343,267	10,105	-	353,372
Additions through business combination (Note 28)[1]	-	-	11,243,974	11,243,974
Depreciation charge	(93,718)	(7,190)	-	(100,908)
Closing net book amount	262,291	6,645	11,243,974	11,512,910
At 30 June 2020				
Cost or fair value	369,968	37,720	11,243,974	11,651,662
Accumulated depreciation	(107,677)	(31,075)	-	(138,752)
Net book amount	262,291	6,645	11,243,974	11,512,910

[1]Note assets acquired through Business Combinations have been impacted by Foreign Currency translations.

	Consolidated 2020 $	2019 $
10. Exploration & Evaluation Expenditure		
(a) Non-current		
Opening balance	10,204,152	10,127,010
Acquisition/(write off) of assets	471,147	77,142
Impairment of Exploration and Evaluation Assets	(2,727,010)	-
Exploration and acquisition expenditure at cost	2,618,513	2,300,165
Exploration assets expensed to profit and loss	(2,635,304)	(2,300,165)
Total non-current exploration and evaluation expenditure	7,931,498	10,204,152

(b) The value of the group's interest in exploration expenditure is dependent upon:

- the continuance of the group's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

The group's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people for Australian Assets and First Nations People for its Canadian Assets. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

10. Exploration & Evaluation Expenditure (continued)

Acquisition of Exploration Assets – 30 June 2020
The assets capitalised to exploration assets represents the Mine Rehabilitation Asset recognised on acquisition of AMR Nickel Limited. For further details refer to Note 28 Business Combination

Acquisition of Exploration Assets – 30 June 2019
In the prior year, on 29 January 2019, the company entered into an agreement to acquire tenements in Oregon, United States known as the Record Mine, for an option fee of US$20,000 payable on agreement, with an option fee payable annually on 1 February each year for four years for US$25,000 per year. The total option fee paid during the 2020 financial year was A$28,175. Additional exploration ground around the project area was applied directly for an additional cost of $48,966 bringing the total acquisition cost of $77,142 for the tenement package.

11. Right-Of-Use Assets

	Consolidated 2020 $	2019 $
Right of Use Assets – At Cost		
At 1 July 2019		
On initial recognition	483,730	-
Additions through business combination (Note 28)	28,917	-
At 30 June 2020	512,647	-
At 1 July 2019		
Depreciation for the year	(126,468)	-
At 30 June 2020	(126,468)	-
Net carrying amount	386,179	-
Amounts recognised in profit and loss		
Other income – Recharges	97,996	-
Depreciation expense on right of use assets	(126,468)	-
Interest expense on lease liabilities	(23,810)	-
Low value asset leases expenses	(3,042)	-

The Group has a lease over the premises at Level 3, 24 Outram Street, West Perth with an average estimated life of 3.0 years remaining. The Group holds the lease and recharges other occupants of the premises recognised as other income.

The discount rate used in calculating the present value of the Right of Use Assets is 5.5% per annum, representing the cost of borrowings.

The maturity analysis of the lease liabilities is shown in Note 14.

		Consolidated 2020 $	2019 $
12.	**Trade & Other Payables**		
	Current		
	Trade Payables	1,509,092	139,172
	Other Payables	270,610	46,707
	Taxes Payables to foreign authorities[1]	5,043,760	35,848
	Total current trade & other payables	6,823,462	221,727

[1.] The tax payable to foreign authorities are past due and payable to and are past due. These payables represent historical tax liabilities associated with previous mining activities.

		Consolidated 2020 $	2019 $
13.	**Provisions**		
	Current		
	Employee entitlements	89,406	72,890
	Other provisions	812,307	-
	Total current provisions	901,713	72,890
	Non Current		
	Mine Rehabilitation[2]	465,980	-
	Total non current provisions	465,980	-

[2.] The rehabilitation provision represents the present value of rehabilitation costs relating to the Ban Phuc mine site, which is expected to be incurred when mining operations cease. These provisions were acquired as part of the business combination (refer to Note 28). Assumptions based on the current economic environment were made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates shall reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when mining operations cease and the extent of further environmental responsibilities in restoring the site under Vietnamese regulations.

		Consolidated 2020 $	2019 $
14.	**Lease liabilities**		
	Year 1	136,722	-
	Year 2	134,809	-
	Year 3	149,391	-
	At 30 June 2020	420,922	-
	Less: Accrued interest	(25,396)	-
	Total liabilities	395,526	-
	The lease liabilities split between current and non-current are as follows:		
	Current	136,722	-
	Non-current	258,804	-
	Total lease liabilities	395,526	-

		Consolidated 2020 Shares	2020 $	Consolidated 2019 Shares	2019 $
15.	**Contributed Equity**				
(a)	Issued and unissued share capital				
	Ordinary shares – fully paid	251,768,816	38,171,741	122,204,766	23,343,333
	Unissued capital	-	-	675,000	33,750
	Total issued and unissued share capital	251,768,816	38,171,741	122,879,766	23,377,083

(b) Ordinary Shares

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held.

(c) Options

Information relating to options including details of options issued, exercised and lapsed during the financial period and options outstanding at the end of the financial period, is set out in Note 16.

		Date	Number of Shares	Issue Price $	Total $
(d)	Movements in issued capital				
	Opening Balance 1 July 2018		96,204,766		21,338,801
	Share issue	20 Dec 18	12,000,000	$0.10	1,200,000
	Conversion of Class A Performance Shares	1 Mar 19	4,000,000	$0.10	400,000
	Share issue	15 May 19	10,000,000	$0.05	500,000
	Less: Transaction costs				(95,468)
			122,204,766		**23,343,333**
	Unissued Capital[1]	30 June 19	675,000	$0.05	33,750
	Closing Balance at 30 June 2019		**122,879,766**		**23,377,083**
	Opening Balance 1 July 2019		**122,204,766**		**23,377,083**
	Fund received in prior year[1]				(33,750)
	Exercise of options	5 July 2019	750,000	$0.001	750
	Issue of shares – Tranche 2	5 July 2019	30,000,000	$0.05	1,500,000
	Issue of shares – Collateral	16 Aug 2019	8,000,000	$0.10	800,000
	Issue of shares	27 Sept 2019	30,000,035	$0.15	4,500,005
	Share Purchase Plan	11 Oct 2019	776,666	$0.15	116,500
	Conversion of options	21 Feb 2020	725,000	$0.001	725
	Issue of shares	21 Apr 2020	38,100,000	$0.17	6,477,000
	Issue of shares	5 June 2020	1,900,000	$0.17	323,000
	Issue of shares	5 June 2020	8,600,000	$0.116	1,000,000
	Conversion of Performance Options	5 June 2020	2,000,000	$0.001	2,000
	Issue of shares	12 June 2020	712,349	$0.089	63,400
	Issue of shares	12 June 2020	8,000,000	$0.108	860,000
	Reversal of Controlled Placement Agreement with Acuity	30 June 2020	-	-	(800,000)
	Transfer from reserve to share capital		-	-	771,630
	Less: Transaction costs				(786,603)
	Closing Balance at 30 June 2020		**251,768,816**		**38,171,740**

[1] Unissued share capital of $33,750 relates to funds received prior to 30 June 2019 for 30,000,000 shares issued as part of Tranche 2 of the placement finalised on 5 July 2019.

	Expiry date	Exercise price	Balance at start of year	Granted during the year	Issued/ (Exercised) during the year	Cancelled/ lapsed during the year	Balance at end of the year
16.	**Issued Share Options and Performance Shares**						
(a)	2020 unlisted share option details						
	20 February 2025	0.1 cents		3,400,000	-	-	3,400,000
	30 September 2024	0.1 cents		11,000,000	(2,000,000)	-	9,000,000
	26 March 2023	0.1 cents	1,700,000	-	(725,000)	-	975,000
	12 June 2022	0.1 cents		1,750,000	-	-	1,750,000
	12 June 2022	20 cents		1,000,000	-	-	1,000,000
	17 May 2021	10 cents		10,000,000	-	-	10,000,000
	6 November 2020	0.1 cents	1,500,000	-	(750,000)	-	750,000
	12 January 2020	20 cents	2,000,000	-	-	(2,000,000)	-
			5,200,000	27,150,000	(3,475,000)	(2,000,000)	26,875,000
	2019 unlisted share option details						
	12 January 2020	$0.20	2,000,000	-	-	-	2,000,000
	6 November 2020	$0.001	1,500,000	-	-	-	1,500,000
	26 March 2023	$0.001	1,700,000	-	-	-	1,700,000
			5,200,000	-	-	-	5,200,000
(b)	Performance Share Details 2020						
	22 January 2022[A]		-	-	-	-	-
			-	-	-	-	-
	Performance Share Details 2019						
	22 January 2022[A]		4,000,000	-	(4,000,000)	-	-
			4,000,000	-	(4,000,000)	-	-

Note A: On 1 March 2019 4,000,000 Class A performance shares expiring on 22 January 2022 were converted into ordinary shares upon satisfaction of the Class A performance milestones by Directors and Management.

There are no performance shares on issue at 30 June 2020.

		Consolidated 2020 $	2019 $
17.	**Reserves**		
(a)	Unlisted option reserve		
	Opening balance	571,401	235,721
	Share based payments expense – Profit and Loss	1,752,605	335,680
	Share based payments expense – Capital raising costs	112,754	
	Exercise of options	(771,630)	-
	Total unlisted option reserve	1,665,130	571,401
	The unlisted option reserve records items recognised on valuation of director, employee and contractor share options. Information relating to options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year, is set out in Note 16.		
(b)	Performance Shares Reserve		
	Opening balance	-	400,000
	Conversion of Class A Performance Shares	-	(400,000)
	Closing Balance	-	-
	The performance share reserve records items recognised on valuations of vendor performance shares. Information relating to performance shares issued at the end of the financial period, is set out in Note 16(b)		
(c)	Total Option Premium Reserve		
	Unlisted Option Reserve	1,665,130	571,401
	Performance Shares Reserve	-	-
	Closing Balance	1,665,130	571,401
(d)	Foreign Currency Translation Reserve		
	Opening balance	42,286	(77,366)
	Exchange differences arising on translation of foreign operations attributable to parent entity.	(353,437)	119,652
	Closing Balance	(311,151)	42,286
(e)	Total reserves		
	Option Premium Reserve	1,665,130	571,401
	Foreign Currency Translation Reserve	(311,151)	42,286
	Closing Balance	1,353,979	613,687

18. Non-Controlling Interest

	Consolidated 2020 $	2019 $
Non-controlling interest acquired – see note 28.	-	-
Loss for the year attributable to non-controlling interest	(75,274)	-
Share of foreign currency translation loss on translation of foreign operations.	(36,311)	-
Total Non-Controlling Interest	(111,585)	-

19. Financial Instruments, Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and short-term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the group. The Group also has other financial instruments such as trade and other receivables and trade and other payables which arise directly from its operations. For the period under review, it has been the Group's policy not to trade in financial instruments.

The main risks arising from the Group's financial instruments are interest rate risk and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

(a) **Interest Rate Risk**
The group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

Consolidated	Weighted Average Interest Rate %	Floating Interest Rate $	Fixed Interest $	Non-interest bearing $	Total $
2019					
Financial Assets					
Cash and cash equivalents	0.40%	165,252	-	142,280	307,532
Trade & other receivables - current	0.00%	-	-	174,638	174,638
Trade & other receivables - non-current	2.51%	-	96,183	-	96,183
		165,252	96,183	316,918	578,353
Financial Liabilities					
Trade & other payables - current	0.00%	-	-	221,727	221,727
		-	-	221,727	221,727

Consolidated	Weighted Average Interest Rate %	Floating Interest Rate $	Fixed Interest $	Non-interest bearing $	Total $
2020					
Financial Assets					
Cash and cash equivalents	0.45%	105,775	-	6,680,766	6,786,541
Trade & other receivables - current	0.00%	-	-	2,226,050	2,226,050
Trade & other receivables - non-current	2.51%	-	114,840	-	114,840
		105,775	114,840	8,906,816	9,127,431
Financial Liabilities					
Trade & other payables - current	0.00%	-	-	6,823,462	6,823,462
Lease liabilities	5.5%	-	395,526	-	395,526
		-	395,526	6,823,462	7,218,988

The maturity date for all cash, current receivables and trade and other payable financial instruments included in the above tables is one year or less from balance date other than $258,804 of lease liabilities which are payable over a period greater than one year. The maturity for the non-current trade and other receivables is between 1 and 2 years from balance date.

19. Financial Instruments, Risk Management Objectives and Policies (continued)

(b) **Group sensitivity analysis**
The entity's main interest rate risk arises from cash and cash equivalents with variable and fixed interest rates. At 30 June 2020, the group had $6,786,541 of cash and cash equivalents and any exposure to changes in interest rate risk is unlikely considered to be material.

(c) **Liquidity risk**
The group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the dynamic nature of the underlying businesses, the group aims at ensuring flexibility in its liquidity profile by maintaining the ability to undertake capital raisings. Funds in excess of short term operational cash requirements are generally only invested in short term bank bills.

(d) **Credit risk**
Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the group. The group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the group's maximum exposure to credit risk.

(e) **Foreign currency risk**
The Group is exposed to currency risk arising from exchange rate fluctuations on purchases that are denominated in currency other than the respective functional currencies of the Group entities, primarily the Australian Dollar (AUD), United States Dollar (USD) and the Canadian (CAD). The currencies in which these transactions are primarily denominated in are AUD, USD and CAD.

The Group's investments in its Vietnam and Canadian subsidiaries are denominated in AUD and are not hedged as those currency positions are considered long term in nature. The Group does not have a hedging policy in place.

At 30 June 2020, the group had the following financial assets and financial liabilities domiciled in both Canadian and USD as follows:

	Canada - CAD	Vietnam - USD
Currency	AUD Equivalent	AUD Equivalent
Financial Assets	133,113	2,865,521
Financial Liabilities	11,912	6,556,705
Net Financial Assets/(liabilities)	121,201	(3,691,184)
Impacts plus/minus 5% change in Foreign Currency on Profit or loss	$6,060 AUD	$184,559
Impacts plus/minus 10% change in Foreign Currency on Profit or loss	$12,120 AUD	$369,118

19. Financial Instruments, Risk Management Objectives and Policies (continued)

(f) Net fair value

The carrying value and net fair values of financial assets and liabilities at balance date are:

	2019 Carrying Amount $	2019 Net fair Value $
Financial assets		
Cash and cash equivalents	307,532	307,532
Trade & other receivables - current	174,638	174,638
Trade & other receivables - non-current	96,183	96,183
	578,353	578,353
Financial Liabilities		
Trade and other payables - current	221,727	221,727
	221,727	221,727

	2020 Carrying Amount $	2020 Net fair Value $
Financial assets		
Cash and cash equivalents	6,786,541	6,786,541
Trade & other receivables - current	2,226,050	2,226,050
Trade & other receivables - non-current	114,840	114,839
	9,127,431	9,127,430
Financial Liabilities		
Trade and other payables - current	6,823,462	6,823,462
Lease Liabilities – current	136,722	136,722
Lease Liabilities – non current	258,804	258,804
	7,218,988	7,218,988

	Consolidated 2020 $	2019 $
20. Earnings per Share		
(a) Loss		
Loss used in the calculation of basic EPS	(7,894,306)	(4,182,260)
(b) Weighted average number of ordinary shares ('WANOS')		
WANOS used in the calculation of basic earnings per share:	191,787,218	105,110,322
(c) Loss per share (in cents)	4.1	4.0
(d) Diluted loss per share is considered to be the same as the basic loss per share, as the potential ordinary shares on issue are anti-dilutive and have not been applied in calculating dilutive loss per share.		

		Consolidated 2020 $	2019 $
21.	**Cash Flow Information**		
(a)	Reconciliation of cash flows from operating activities with loss from ordinary activities after income tax:		
	(Loss) from ordinary activities after income tax	(7,969,580)	(4,182,260)
	Depreciation	227,376	15,042
	Interest on right of use asset	23,810	-
	Share based payments	1,752,605	335,680
	Impairment of exploration and evaluation assets	2,727,010	-
	Foreign currency differences	(102,483)	119,652
	Gain on Bargain Purchase	(1,722,326)	-
	Pre-acquisition loan write-downs- Vietnam	(2,737,165)	-
	Changes in assets and liabilities:		
	Decrease in operating receivables & prepayments	33,930	66,647
	Increase /(Decrease) Increase in operating trade and other payables	1,279,794	(689,976)
	Increase in employee provisions	-	19,079
	Net cash (used in) Operating Activities	6,487,029	(4,316,136)
(b)	Non-cash investing and financing		
	Acquisition of Ta Khoa Nickel Limited for the issue of 8,600,000 ordinary shares at 11.63 cents for $1,000,000.		-
22.	**Commitments**		
(a)	Exploration commitments		
	Not longer than one year	829,911	1,860,819
	Longer than one year, but not longer than five years	3,760,462	2,075,630
	Longer than five years	-	-
		4,590,373	3,936,449

In order to maintain rights of tenure to mining tenements subject to these agreements, the group would have the above discretionary exploration expenditure requirements up until expiry of leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and are payable per the above maturities. If the company decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

		2020 $	2019 $
(b)	Lease commitments: group as lessee		
	Non-cancellable operating leases		
	Not longer than one year	-	201,925
	Longer than one year, but not longer than five years	-	605,775
	Longer than five years	-	-
		-	807,700

The company, as either joint or sole tenant, has entered into a non-cancellable operating lease for the head office. The option was exercised to extend the lease from 10 July 2020 for a further 3 years as requested the company as lessee.

The Lease commitments have been accounted for as a right of use assets as at 30 June 2020 and the corresponding lease liability accounted for under AASB 16 Leases.

22. Commitments (continued)

North America
Gold Bridge
The Company has the following contingent liabilities and commitments as part of the consideration payable for the acquisition of the Gold Bridge Project (Little Gem Gold-Cobalt) Project, the Company will be required to pay the following royalties upon commencement of mining:

i. in respect of the first 10,000 tonnes of ore mined from the Project, a 20% net profits interest and a 1% Net Smelter Return (NSR) royalty shall be payable to the current owner of the Little Gem Gold-Cobalt Project; and
ii. an NSR royalty equal to 2.5% thereafter (over 10,000 tonnes) shall be payable to the current owner of the Little Gem Gold-Cobalt Project.

Under the Cartier Option Agreement acquired as part of Cobalt One Energy Corp acquisition is a Net Smelter Royalty of 2% and Net Smelter Returns Royalty on the Mineral Claims.

Record Mine
On 29th of January 2019, the company entered into an agreement to acquire tenements in Oregon, United States known as the Record Mine, for an option fee of US$20,000 payable on agreement, with an option fee payable annually on 1 February each year for four years for US$25,000 per year. After the fourth year the purchase price if the option is exercised is US$1 million dollars.

Owners shall retain NSR royalty equal to 1.5% shall be payable to the current owner of the Record mine in North America.

There are no further commitments or contingent liabilities.

23. Events Occurring After Balance Date

- On 24 July 2020, 1,750,000 shares were issued upon conversion of Director performance options with a conversion price of $0.001 per share.
- On 21 August 2020, 2,500,000 unlisted performance options expiring 20 August 2025, exercise price of $0.001 were issued.
- On 21 August 2020, 8,000,000 collateral shares were issued to Acuity Capital with an issued price of $0.2875 per share under a controlled placement deed.
- On 28 August 2020, the Company is pleased to announced Acuity Capital has agreed to increase the CPA limit of $5m to a new limit of $15m to reflect the higher market capitalisation following the recent share price appreciation. Following the increase to the new CPS limit of $15million, the remaining standby equity capital available under the CPA is $11.84 million with an expiry date of 31 July 2021.
- On 28 August 2020, the Company issued 6,175,000 shares upon conversion of performance options with an issue price of $0.001 per share and 419,162 shares were issued in lieu of cash to consultants for services provided with an issue price of $0.334 based on a 30 day VWAP calculation.
- On 17 September 2020, the Company announced it has completed placement for 42,426,356 ordinary shares at $0.42 for $17,819,070 before costs.
- On 18 September 2020, the Company announced that eligible shareholders will have the opportunity to participate in the Share Purchase Plan up to the value of $30,000 at the same price as the Placement. The Company seek to raise up to $3,000,000.

  There are no further post balance date events.

24. Segment Information

(a) Description of segments

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions. For the purposes of segment reporting the chief operating decision maker has been determined as the board of directors. The amounts provided to the board of directors with respect to total assets and profit or loss is measured in a manner consistent with that of the financial statements. Assets are allocated to a segment based on the operations of the segment and the physical location of the asset.

The board monitors the entity primarily from a geographical perspective, and has identified three operating segments, being exploration for mineral reserves within Australia, North America and the corporate/head office function.

(b) Segment information provided to the board of directors

The segment information provided to the board of directors for the reportable segments is as follows:

	North America $	Vietnam $	Australia $	Corporate $	Total $
2020					
Total segment revenue and other income	391,703	44,420	-	149,909	586,032
Interest revenue	-	44,420	-	1,913	46,333
Other income	391,703	-	-	147,996	539,699
Depreciation and amortisation expense	-	-	-	(227,376)	(227,376)
Total segment loss before income tax	(3,279,533)	(534,467)	(1,804,539)	(2,351,041)	(7,969,580)
Total segment assets	5,577,142	14,007,348	1,600,000	7,773,528	28,958,018
Total segment liabilities	(11,912)	(6,788,961)	(926,860)	(3,196,866)	(10,924,599)
2019					
Total segment revenue	-	-	-	12,345	12,345
Interest revenue	-	-	-	12,345	12,345
Depreciation and amortisation expense	-	-	-	15,042	15,042
Total segment loss before income tax	(1,702,579)	-	(341,930)	(2,137,751)	(4,182,260)
Total segment assets	8,635,033	-	1,600,000	563,944	10,798,977
Total segment liabilities	-	-	-	(294,617)	(294,617)

(c) **Measurement of segment information**

All information presented in part (b) above is measured in a manner consistent with that in the financial statements.

24. Segment Information (continued)

(d) Segment revenue

No inter-segment sales occurred during the current period. The entity is domiciled in Australia. No revenue was derived from external customers in countries other than the country of domicile. Revenues of $1,913 were derived from one Australian financial institution during the year. These revenues are attributable to the corporate segment.

(e) Reconciliation of segment information

Total segment revenue, total segment profit/(loss) before income tax, total segment assets and total segment liabilities as presented in part (b) above, equal total entity revenue, total entity profit/(loss) before income tax, total entity assets and total entity liabilities respectively, as reported within the financial statements.

25. Related Party Transactions

(a) Parent entity

The ultimate parent entity within the group is Blackstone Minerals Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 29.

(c) Key management personnel compensations

	Consolidated 2020 $	2019 $
Key Management Personnel Compensation		
Short-term employee benefits	582,688	566,063
Post-employment benefits	45,037	42,010
Share-based payments	1,249,007	154,294
Total key management personnel compensation	1,876,732	762,367

(d) Transactions with other related parties

The following transactions occurred with related parties:

		Consolidated 2020 $	2019 $
(i)	Recharges to KMP related entities		
	Recharge of rent and shared office costs		
	Recharges to Venture Minerals Limited	303,385	209,208
	Recharges to Alicanto Minerals Limited	113,272	127,500
	Recharges to Bellevue Gold Limited	127,273	102,325
	Recharges to African Gold Limited	28,156	11,340
(ii)	Purchases from KMP related entities		
	Rent of office building and shared office costs		
	Payments to Venture Minerals Limited	124,746	91,496
	Payments to Onedin Enterprises	766	4,047

Details of remuneration disclosures are included in the Remuneration Report on pages 16 to 25.

25. Related Party Transactions (continued)

(e) **Terms and conditions of related party transactions**
Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

26. Share Based Payments

(a) **Fair value of listed options granted**
There are no listed options on issue.

(b) **Fair value of unlisted options granted to Directors**
Fair value of performance options granted with performance conditions
During the year, the Company issued 1,000,000 unlisted options to Directors vesting 24 months after date of issue subject to remaining a director or employee of the Company. The weighted average fair value of the 1,000,000 options granted in the current period was 13.906 cents per option. The fair value of $50,480 was recognised during the year.

During the year, the Company issued 4,500,000 unlisted options to Directors vesting upon securing a strategic partner and substantial shareholder of 5% or more of the ordinary issued share capital of the company. The weighted average fair value of the 4,500,000 options granted in the current period was 13.906 cents per option. The fair value of $625,759 was expensed in full during the period.

Fair value of performance options granted with market conditions
During the year, the Company issued 5,500,000 performance options vesting upon the shares trading at $0.20 based on a 10-day volume weighted average share price. The assessed fair value at grant date was 13.906 cents per option. The fair value at grant date is determined using a the Black Scholes Model adjusted to include the possibility of not achieving the market based condition.

The price was calculated by using the Black-Scholes European Option Pricing Model applying the following inputs.

- Weighted average exercise price of $0.001;
- Weighted average life of the option (years) of 5;
- Weighted average underlying share price of $0.14;
- Expected share price volatility of 85%;
- Weighted average risk-free interest rate of 0.76%.

Volatility is calculated based on historical share price history of the company and used as the basis for determining expected share price volatility as it assumed that this is indicative of future tender, which may not eventuate. The life of the options is agreed upon by the Board to ensure long term goal congruence between Directors, Management and Shareholders. The fair value of $535,372 was recognised during the year.

26. Share Based Payments (continued)

c) Fair value of performance shares granted to Employees and Key Management Personnel

Fair value of performance options granted with performance conditions
During the year, the Company issued 1,700,000 unlisted options to employees vesting 18 months after date of issue subject to remaining a director or employee of the Company. The weighted average fair value of the 1,700,000 options granted in the current period was 16.904 cents per option. The fair value of $68,232 was recognised during the year.

Fair value of unlisted options granted with market conditions
During the year, the Company issued 1,700,000 unlisted options vesting upon the shares trading at $0.40 over a 30-day period (1 Month). The assessed fair value at grant date was 16.904 cents per option. The fair value at grant date is determined using a the Black Scholes Model adjusted to include the possibility of not achieving the market based condition.

The price was calculated by using the Black-Scholes Option Pricing Model applying the following inputs.

- Weighted average exercise price of $0.001;
- Weighted average life of the option (years) of 5;
- Weighted average underlying share price of $0.17;
- Expected share price volatility of 85%;
- Weighted average risk-free interest rate of 0.40%.

Volatility is calculated based on historical share price history of the company and used as the basis for determining expected share price volatility as it assumed that this is indicative of future tender, which may not eventuate. The fair value of $143,681 was recognised during the year. As at reporting date, the probability of achieving the milestone was 50%.

d) Fair value of performance options granted to Corporate Advisors

During the year, the Company issued 1,000,000 unlisted options to Corporate Advisors with an exercise price of $0.20 expiring 12 June 2022. The value of services received was $56,321 for 12 months of corporate advisory services.

During the year, the Company issued 10,000,000 unlisted options to Corporate Advisors with an exercise price of $0.10 expiring 17 May 2021. The value of services received was $70,590 for 12 months of corporate advisory services.

26. Share Based Payments (continued)

(d) Fair value of performance options granted to Corporate Advisors (continued)

Fair value of performance options granted with market conditions
During the year, the Company issued 1,750,000 performance options to Corporate Advisors vesting the shares trading at $0.20 based on weighted average price of 30 days. The assessed fair value at grant date was 14.901 cents per option. The fair value at grant date is determined using a the Black Scholes Model adjusted to include the possibility of not achieving the market based condition. The fair value of $260,759 was recognised during the year of which $111,784 was accounted for as share issue costs.

The price was calculated by using the Black-Scholes European Option Pricing Model applying the following inputs.

- Weighted average exercise price of $0.0733;
- Weighted average life of the option (years) of 2;
- Weighted average underlying share price of $0.15;
- Expected share price volatility of 85%;
- Weighted average risk-free interest rate of 0.26%.

Volatility is calculated based on historical share price history of the company and used as the basis for determining expected share price volatility as it assumed that this is indicative of future tender, which may not eventuate.

	30 June 2020 $	30 June 2019 $
Share based payments expense		
Options issued to directors, employees and consultants	1,476,689	335,680
Options issued to Corporate Advisors	275,916	-
Total Share based payments expense	**1,752,605**	**335,680**

A portion of the share based payments expenses for 30 June 2020, represent the expense related to the options issued in prior years that relate to current period of service for employees, directors and consultants.

27. Contingent Liabilities

There are no contingent liabilities outstanding at the end of the year.

28. Business Combination

On 15 April 2020, the Group has exercised the option to acquire a 90% interest in the Ta Khoa Nickel-PGE Project in northern Vietnam ("Term Sheet"). The Group had executed the binding option agreement to purchase AMR Nickel Limited's 90% interest in the project (Refer to ASX announcement dated 8 May 2019).

Under the Term Sheet, the Group is required to issued 8,600,000 shares to Ta Khoa Mining Limited, being shares to the value of $1,000,000, based on a 30 day volume weighted average price of the shares upon exercise of the option, subject to shareholder approval on 2 June 2020. The shares were issued on 5 June 2020 at $0.1163 (Refer to ASX announcement on 5 June 2020).

Details of the acquisitions are as follows:

	Fair Value $
Current Assets	
Cash and cash equivalents	183,627
Trade and other receivables	2,257,812
Non Current Assets	
Trade and other receivables	384,735
Plant and Equipment	12,000,000
Right-of-Use Assets	28,917
Current Liabilities	
Trade and other payables	(5,671,730)
Provisions	(868,073)
Non Current Liabilities	
Provisions	(488,962)
Lease Liabilities	(28,917)
Non Controlling Interest at fair value	-
Net assets acquired	7,797,409
Derecognition of pre-acquisition loan with Parent Entity	(2,737,165)
Deferred Tax Liability Recognised on Fair Value of Assets and Liabilities	(2,337,918)
Acquisition-date fair value of the total consideration transferred - Shares	(1,000,000)
Gain on bargain purchase	1,722,326
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	-
Less: Cash and cash equivalents	(183,627)
Net cash acquired on business combination	(183,627)

Expenses incurred since acquisition on 14 April to 30 June 202 amounted to $534,467.

Loans receivable/payable to Non-Controlling Interest – right of set off

As at acquisition date of 14 April 2020, A loan receivable and payable to the 10% Joint Venture Partner in relation to the Ban Phuc Nickel Mines Limited of A$14,232,357 were effectively set off between the parties under a Participant Loan Agreement and Right of Set Off as follows:

AMR Nickel Limited (wholly owned subsidiary) receivable from JV Partner	$14,232,357
JV Partner receivable from Ban Phuc Nickel Mines Limited (90% subsidiary)	($14,232,357)

29. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Class of Shares	Equity Holding[A] 2020 %	2019 %
Black Eagle (WA) Pty Ltd	Australia	Ordinary	100	100
Blackstone Minerals (Canada) Pty Ltd	Australia	Ordinary	100	100
Black Eagle (US) LLC	United States	Ordinary	100	100
Cobalt One Energy Corp	Canada	Ordinary	100	100
AMR Nickel Limited	Cook Islands	Ordinary	100	-
Ban Phuc Nickel Mines Limited	Vietnam	Ordinary	90	-

A The proportion of ownership interest is equal to the proportion of voting power held.

		Company 2020 $	2019 $
30.	**Parent Entity Information**		
(a)	Assets		
	Current assets	6,629,289	451,289
	Non-current assets	12,520,119	10,341,060
	Total assets	19,149,408	10,792,349
(b)	Liabilities		
	Current liabilities	1,550,808	293,479
	Non-current liabilities	235,000	-
	Total liabilities	1,785,808	293,479
(c)	Equity		
	Contributed equity	38,171,741	23,377,083
	Reserves	1,665,130	571,401
	Accumulated losses	(22,473,271)	(13,449,614)
	Total equity	17,363,600	10,498,870
(d)	Total Comprehensive loss for the year		
	Loss for the period after income tax	(9,023,657)	(3,976,848)
	Other comprehensive income for the year	-	-
	Total comprehensive loss for the year	(9,023,657)	(3,976,848)
(e)	The parent entity has not guaranteed any loans for any entity during the year.		
(f)	The parent entity has no contingent liabilities at the end of the financial year.		
(g)	Lease commitments: Parent as Lessee		
	Non-cancellable operating leases		
	Not longer than one year	-	201,925
	Longer than one year, but not longer than five years	-	605,775
	Longer than five years	-	-
	Total Lease Commitments - Parent	-	807,700

In the Directors' opinion

(a) the financial statements and notes set out on pages 29 to 66 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
(ii) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the period ended on that date; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

(c) the audited remuneration disclosures set out on pages 16 to 25 of the directors' report comply with section 300A of the *Corporations Act 2001*; and

(d) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.

Scott Williamson
Managing Director

Perth, Western Australia, 30 September 2020

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BLACKSTONE MINERALS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Blackstone Minerals Limited, the Company and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

We have defined the following matters described to be key audit matters to be communicated in our report.

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the matter was addressed in the audit

Acquisition of AMR Nickel Limited

As disclosed in Note 28 to the financial report, on 15 April 2020, the Group acquired 100% of the issued capital of AMR Nickel Limited ("AMRN"), a company that's owns 90% of Ban Phuc Nickel Mines Limited ("BPNM"). BPNM is a Vietnamese Exploration Company which owns the Ta Khoa Nickel Project in Northern Vietnam.

The Company issued 8,600,000 ordinary shares (valued at $1,000,000) as consideration for the acquisition.

The acquisition of AMRN is a key audit matter due to:

- The level of judgement involved in the determination of whether the acquisition was a business combination (and therefore accounted for under AASB 3 *Business Combinations* ("AASB 3")) or as an acquisition of Tenements and accounted for under AASB 2 *Share-Based Payment* ("AASB 2");
- The judgement involved in determining the fair value of the assets acquired, which included Plant and Equipment valued at $12,000,000, and assumed liabilities as at the date of acquisition (refer to Note 28 to the financial statements); and
- The significance of the acquisition to the Group's financial position.

The Company accounted for the acquisition of AMRN in accordance with AASB 3.

Inter alia, our audit procedures included the following:

i. Examining the "Share Sale Agreement", as well as the determination made by the Group to assess whether the acquisition qualified as a business combination (and thus should be accounted for under AASB 3) or whether it was an acquisition of assets (accounted for under AASB 2);

ii. Confirming the issue of shares through the ASX announcement and with the share registry;

iii. Assessing the valuation assumptions used in determining the fair value of the securities issued as consideration for the acquisition;

iv. Assessing the Independent valuer's report on the valuation performed on the acquired Plant and Equipment, including verification of independence and qualification;

v. Reviewing recognition requirements of AASB 3;

vi. Reviewed the valuation of the NCI on initial recognition; *and*

vii. Assessing the adequacy of the related disclosures contained in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the period ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance opinion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 25 of the directors' report for the period ended 30 June 2020. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards

Opinion on the Remuneration Report

In our opinion, the Remuneration Report of Blackstone Minerals Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik
Director

West Perth, Western Australia
30 September 2020

Corporate Governance Statement

In accordance with ASX Listing Rule 4.10.3 the company's Corporate Governance Statement can be found on the company's website, refer to http://blackstoneminerals.com.au/corporate/

Distribution of equity securities

Analysis of numbers of equity security holders by size of holding as at 25 September 2020 were as follows:

Holding	Number of Shareholders Fully Paid Ordinary Shares
1- 1,000	57
1,001 - 5,000	435
5,001 - 10,000	289
10,001 - 100,000	779
100,001 and over	242
	1,802

Holders of less than a marketable parcel: 86

Substantial Shareholders

The names of the substantial shareholders as at 25 September 2020:

Shareholder	Number
EcoPro Ltd	40,000,000
Delphi Unternehmensberatung Aktiengesellschaft	38,986,127
FIL Investment Management Limited	19,611,743

Voting Rights - Ordinary Shares

In accordance with the holding company's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

Unquoted Securities

	Exercise price	Vesting conditions	Expiry date	Number of options	Number of holders
Director options	$0.001	2,500,000 vested. 1,500,000 subject to 18 months tenure.	30 Sept 2024	4,000,000	3
Employee Options	$0.001	Tranche 1 - vest on delivery of a maiden JORC 2012 compliant resource estimate.	26 Mar 2023	550,000	6
	$0.001	Tranche 2 and 3 – 50% to vest upon 18 Months service and 50% vested.	20 February 2025	3,400,000	9
	$0.001	Tranche 3 – vest after 18 months of continuous service by the Employee or Contractor with an exercise price of $0.001.	26 Mar 2023	850,000	6
Advisor Options	$0.20	Nil	12 June 2022	1,000,000	4
Advisor Options	$0.10	Nil	17 May 2021	10,000,000	1

Equity security holders

The names of the twenty largest ordinary fully paid shareholders as at 25 September 2020 are as follows:

Shareholder	Number	% Held of Issued Ordinary Capital
CITICORP NOMINEES PTY LIMITED	53,020,898	17.07%
DELPHI UNTERNEHMENSBERATUNG AKTIENGESELLSCHAFT	23,440,736	7.55%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	20,935,618	6.74%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	19,922,089	6.42%
DEUTSCHE BALATON AKTIENGESELLSCHAFT	15,545,391	5.01%
TA KHOA MINING LIMITED	8,600,000	2.77%
"CS THIRD NOMINEES PTY LIMITED	7,268,147	2.34%
<HSBC CUST NOM AU LTD 13 A/C>"	6,547,632	2.11%
MR HAMISH PETER HALLIDAY	6,000,000	1.93%
MRS CANDICE MARIE WILLIAMSON	4,500,000	1.45%
"SYMORGH INVESTMENTS PTY LTD	4,218,300	1.36%
<SYMORGH SUPER FUND A/C>"	4,000,000	1.29%
NATIONAL NOMINEES LIMITED	3,904,174	1.26%
MR HAMISH PETER HALLIDAY	3,500,001	1.13%
"BNP PARIBAS NOMINEES PTY LTD	3,220,000	1.04%
<IB AU NOMS RETAILCLIENT DRP>"	3,100,001	1.00%
MRS LENORE THERESA RADONJIC	2,407,549	0.78%
MR MAXIMILIAN FRANCIS LUDOWICI	2,402,000	0.77%
MS KIRI MARGUERITE DORJI	2,250,001	0.72%
MR CRAIG ANDREW PARRY	2,175,000	0.70%
	196,957,537	63.42%

As at 26 September 2020

Project	Location	Tenement	Interest
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%
		1052893, 1065892	
		1066580,1066581	
Record Mine	Oregon, United States	152073, 152074, 152076,	100%[1]
		152077, 152078, 152627,	100%[1]
		17242-17246	100%[1]
			100%[1]
Ta Khoa	Vietnam	ML 1211/GPKT-BTNMT and 522 G/P	90%
Cartier	Quebec, Canada	2459824, 2459825	100%
	Quebec, Canada	2459826, 2459827	100%
	Quebec, Canada	2459828, 2459829	100%
	Quebec, Canada	2463107, 2463108	100%
	Quebec, Canada	2463109, 2463110	100%
	Quebec, Canada	2463111, 2463112	100%
	Quebec, Canada	2463113, 2463114	100%
	Quebec, Canada	2463115,	100%
Silver Swan South	Eastern Goldfields	E27/545	100%
	Eastern Goldfields	P27/2191	100%
	Eastern Goldfields	P27/2192	100%
	Eastern Goldfields	P27/2193	100%
	Eastern Goldfields	P27/2194	100%
	Eastern Goldfields	P27/2195	100%
	Eastern Goldfields	P27/2196	100%
Red Gate	Eastern Goldfields	E31/1096	100%
Middle Creek	Western Australia	P46/1900, P46/1901,	95%
	Western Australia	P46/1902, P46/1903,	95%
	Western Australia	P46/1904, P46/1905	95%
	Western Australia	P46/1906, P46/1907	95%
	Western Australia	P46/1908	95%
	Western Australia	P46/1909, P46/1910	95%
	Western Australia	P46/1911, P46/1912,	95%
	Western Australia	P46/1914, P46/1915,	95%
	Western Australia	P46/1916, P46/1917	95%
	Western Australia	P46/1918, P46/1919	95%
	Western Australia	P46/1920,	95%
	Western Australia	P46/1924	100%

Key

E: Exploration Licence

P Prospecting Licence

Note 1: Held under an option agreement to acquire 100% of the Record Mine.