

ASX ANNOUNCEMENT

1 November 2021

ASX: BSX

\$55 million Placement to Advance Pilot Plant Phase 2, Studies and Exploration in Vietnam

\$5 million Share Purchase Plan

Blackstone Minerals Limited ("**Blackstone**" or the "**Company**") is pleased to announce it has received firm commitments to raise up to a total of \$55M (before costs), through a placement of 94,827,587 fully paid ordinary shares ("**Shares**") at an issue price of \$0.58 per Share (the "**Placement**").

The Placement was heavily oversubscribed and backed by some of the world's leading investment managers. Shaw & Partners Limited, Evolution Capital & PAC Partners acted as Joint Lead Managers to the Placement.

The issue price of \$0.58 represents a 5.1% discount to the 10-trading day volume weighted average market price ("**VWAP**") of the Shares prior to 27 October 2021.

The Company will also offer to eligible existing shareholders the opportunity to participate in a Share Purchase Plan at the same issue price per Share of \$0.58 ("**SPP**"). The Company intends to raise a maximum of \$5M under the SPP through an issue of 8,620,690 Shares. Shares issued under the Placement and SPP will rank equally with existing Shares on issue.

Funds raised from the Placement and SPP (together the "**Capital Raising**") will be applied primarily towards the construction and commissioning of Pilot Plant Phase 2 in Vietnam. Funds from the Capital Raising will also be used to complete feasibility studies, advance exploration within the Ta Khoa district and regional opportunities such as Chim Van, execute strategic investments and for general working capital purposes.

Scott Williamson, Blackstone's Managing Director, said:

"The Company is delighted to have attracted high quality Australian and International investment managers to its register. Blackstone's vertically integrated nickel sulfide project in Vietnam is a rare growth opportunity that received overwhelming interest during the book building process. In the coming months the Company will deliver updated and maiden resources for its key development targets at Ta Khoa. These targets are the basis of the soon to be completed Pre-Feasibility Study for the Upstream Business Unit."

"The successful completion of the Capital Raising provides shareholders with the highest leverage and exposure to future value accretive events. The Company is well capitalised to independently de-risk the Ta Khoa Project and thereby organically elevate its status as a supplier of choice into lithium-ion battery and electric vehicle supply chains. Blackstone is cognisant of its first mover advantage and the current injection of capital catalyses the Company's development pathway which in turn will ensure strategic competitiveness. Blackstone is on an accelerated pathway towards completing feasibility studies, progressing pilot plant testing and advancing partnership negotiations."

Placement

The Placement will comprise two tranches:

- Unconditional placement of 38,134,805 new Shares to raise \$22,118,187 under the Company's existing 15% capacity in accordance with ASX Listing Rule 7.1 ("Tranche 1")
- Conditional placement of 56,692,782 new Shares to raise \$32,881,814 subject to shareholder approval to be sought at an Extraordinary General Meeting ("EGM") expected to take place on or around Thursday, 16 December 2021 ("Tranche 2")

The Placement will be conducted without a prospectus with the Shares being offered to and subscribed for by investors to whom disclosure is not required under the Corporations Act.

Share Purchase Plan

The SPP provides the opportunity for eligible shareholders to subscribe for up to \$30,000 worth of new Shares in the Company. The Company reserves the right to scale back applications at its discretion.

Registered holders of Shares as at 5.00pm (AWST) on 29 October 2021 ("Record Date") with a registered address in Australia or New Zealand will be eligible to participate in the SPP. The Company intends to raise a maximum of \$5M under the SPP through an issue of 8,260,690 Shares. Full details of the SPP will be contained in an offer document which is scheduled to be dispatched to eligible shareholders on or around 4 November 2021 with the closing date for acceptances expected to be 19 November 2021.

Indicative Timeline

Set out below is the proposed indicative timetable for the Placement and SPP. Directors reserve the right to vary dates and times without notice.

Event	Date
Record Date for the SPP	5pm (AWST) 29 October 2021
Announcement of Placement and SPP and lodge Appendix 3B (prior to commencement of trading)	1 November 2021
Cleansing Notice for SPP lodged with ASX and Dispatch Date for SPP Offer Document (Opening Date)	4 November 2021
Issue of Tranche 1 Shares, Appendix 2A and Cleansing Notice for Tranche 1 Shares lodged with ASX	10 November 2021
Notice of Meeting for the approval of the issue of Tranche 2 Shares dispatched	15 November 2021

Event	Date
Closing Date for SPP	19 November 2021
Announcement of result of SPP	23 November 2021
Issue of Shares under the SPP and Appendix 2A for SPP lodged	26 November 2021
EGM for the approval of the issue of Tranche 2 Shares.	16 December 2021
Issue of Tranche 2 Shares, Appendix 2A and Cleansing Notice for Tranche 2 Shares lodged with ASX (indicative)	20 December 2021

This announcement effectively lifts the trading halt requested on 28 October 2021. The Company is not aware of any reason why the ASX would not allow trading to commence immediately.

Authorised by the Managing Director on behalf of the Board of Blackstone Minerals Limited.

For more information, please contact

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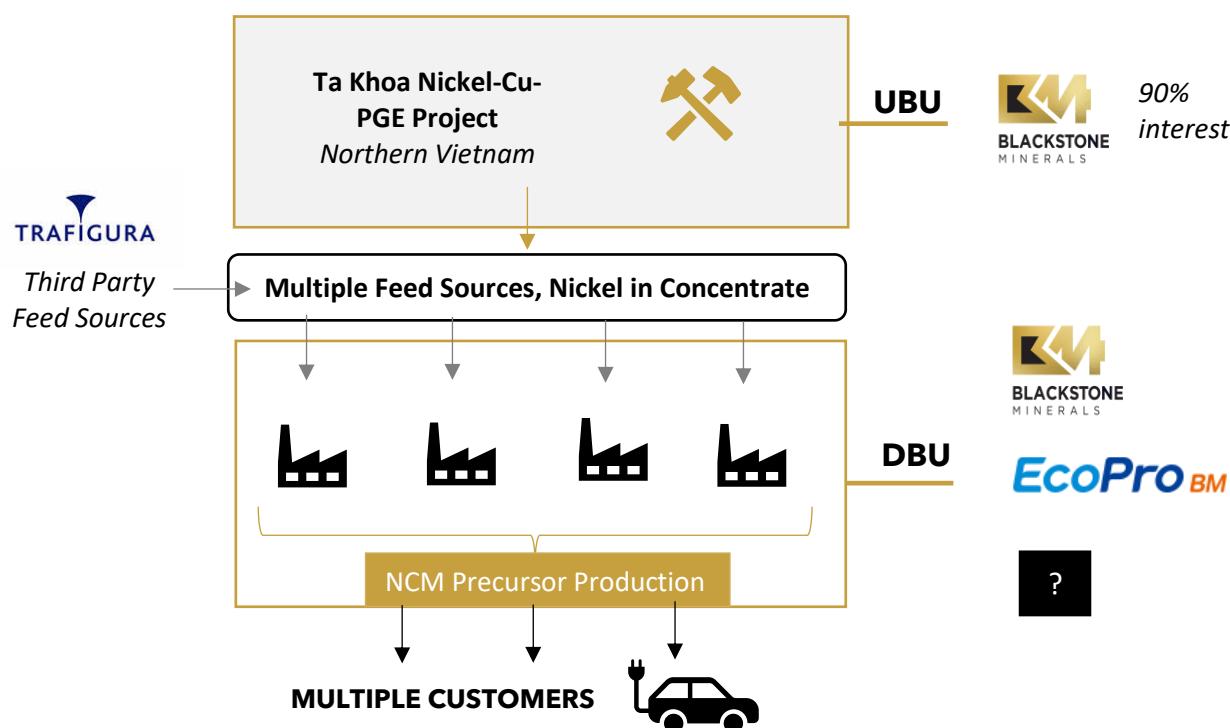
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About Blackstone

Blackstone Minerals Ltd (ASX: BSX / OTCQX: BLSTF / FRA: B9S) is focused on building an integrated upstream and downstream battery metals processing business in Vietnam that produces Nickel: Cobalt: Manganese (NCM) Precursor products for Asia's growing Lithium-ion battery industry (refer Figure 1)

Figure 1 -Ta Khoa Project Snapshot



The Company owns a 90% interest in the Ta Khoa Nickel-Copper-PGE Project. The Ta Khoa Project is located 160km west of Hanoi 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 (refer Figure 2). The Ban Phuc nickel mine successfully operated as a mechanised underground nickel mine from 2013 to 2016.

In October 2020, the Company completed a Scoping Study which investigated mining the Ban Phuc Disseminated nickel sulfide ore body (upstream) and the construction of a 200kpta downstream refinery (refer to ASX announcement of 14 October 2020, including for the full details of the Company's Mineral Resource Estimate at Ban Phuc).

Building on the outcomes of the Scoping Study, the Company has since completed a technically and economically robust Pre-feasibility Study for its Downstream Business Unit (DBU) which sees expanded downstream capacity. This is based on the Ta Khoa refinery being designed to process 400ktpa of nickel concentrate, supplied from the Ta Khoa Nickel - Cu - PGE mine as well as third party concentrate.

The Company is continuing to advance a PFS for the UBU. The UBU PFS will contemplate the option to mine several higher-grade massive sulfide vein (MSV) deposits, which has the potential to reduce initial upfront capital requirements for the UBU by enabling the Company to restart the existing Ban Phuc Concentrator (450ktpa).

By combining the Company's existing mineral inventory (Ban Phuc Disseminated Sulfide - DSS), exploration potential presented by high priority targets such as Ban Chang, King Snake, Ta Cuong and Ban Khoa, and the ability to source third party concentrate, Blackstone will be able to increase the scale of its downstream business to cater to the rising demand for downstream nickel products.



Figure 2. Ta Khoa Nickel-Cu-PGE Project Location

Competent Person Statement

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr Andrew Radonjic, a Director and Technical Consultant of the company, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Andrew Radonjic has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Andrew Radonjic consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resource Estimation in respect of the Ta Khoa Nickel Project is based on information compiled by BM Geological Services (BMGS) under the supervision of Andrew Bewsher, a director of BMGS and Member of the Australian Institute of Geoscientists with over 21 years of experience in the mining and exploration industry in Australia and Vietnam in a multitude of commodities including nickel, copper and precious metals. Mr Bewsher has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bewsher consents to the inclusion of the Mineral Resource Estimate in this report on that information in the form and context in which it appears.

The Company confirms that all material assumptions and parameters underpinning the Mineral Resource Estimates as reported within the Scoping Study in market announcement dated 14 October 2020 continue to apply and have not materially changed, and that it is not aware of any new information or data that materially affects the information that has been included in this announcement.

Forward Looking Statements

This report contains certain forward-looking statements. The words "expect", "forecast", "should", "projected", "could", "may", "predict", "plan", "will" and other similar expressions are intended to identify forward looking statements. Indications of, and guidance on, future earnings, cash flow costs and financial position and performance are also forward-looking statements. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results or trends to differ materially. These variations, if materially adverse, may affect the timing or the feasibility of the development of the Ta Khoa Nickel Project.

The project development schedule assumes the completion for the Downstream Business Unit of a Definitive Feasibility Study (DFS) by mid-2022. A PFS & DFS for the Upstream Business Unit is assumed to be completed in 2021 and 2022 respectively. Development approvals and investment permits will be sought from the relevant Vietnamese authorities concurrent to studies being completed. Delays in any one of these key activities could result

in a delay to the commencement of construction (planned for early 2023). This could lead on to a delay to first production, currently planned for 2024. It is expected that the Company's stakeholder and community engagement programs will reduce the risk of project delays. Please note these dates are indicative only.

The JORC-compliant Mineral Resource estimate forms the basis for the Scoping Study in the market announcement dated 14 October 2020. Over the life of mine considered in the Scoping Study, 83% of the processed Mineral Resource originates from Indicated Mineral Resources and 17% from Inferred Mineral Resources; 76% of the processed Mineral Resource during the payback period will be from Indicated Mineral Resources. The viability of the development scenario envisaged in the Scoping Study therefore does not depend on Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. The Inferred Mineral Resources are not the determining factors in project viability. Please refer to the Cautionary Statement in the Scoping Study market announcement dated 14 October 2020.

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