



BLACKSTONE
MINERALS

*LOOKING FORWARD.
MINING GREEN.*

**INTERIM FINANCIAL REPORT
31 DECEMBER 2022**

ABN 96 614 534 226

For personal use only



Contents

Corporate Directory	1
Directors' Report	2
Auditor's Independence Declaration	15
Interim Financial Statements	16
Directors' Declaration	42
Independent Auditor's Report	43

For personal use only

Non-Executive Chairman

Hamish Halliday

Managing Director

Scott Williamson

Non-Executive Directors

Alison Gaines

Frank Bierlein

Dan Lougher

Company Secretary

Jamie Byrde

Principal & Registered Office

Level 5, 600 Murray 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 5, 191 St Georges Terrace

Perth WA 6000

Auditors

Ernst & Young

EY Building, 11 Mounts Bay Road,

Perth WA 6000

Bankers

HSBC Bank Australia

40 St Georges Terrace

Perth WA 6000

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

For personal use only

The Directors of Blackstone Minerals Limited submit herewith the consolidated financial statements of the Company and its controlled entities ("Group" or "Consolidated Entity") for the half-year ended 31 December 2022.

1. DIRECTORS

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

Mr Hamish Halliday	Non-Executive Chairman
Mr Scott Williamson	Managing Director
Ms Alison Gaines	Non-Executive Director
Mr Hoirim Jung	Non-Executive Director (Resigned 24 November 2022)
Mr Frank Bierlein	Non-Executive Director
Mr Dan Lougher	Non-Executive Director (Appointed 26 October 2022)

2. REVIEW OF OPERATIONS

The loss attributable to owners of the Group net operation loss after providing for tax for the half year ended 31 December 2022 was \$19,833,179 (2021: \$15,071,194). The loss for the period includes \$12,222,407 (2021: \$8,917,752) in exploration and evaluation expenditure and share based payment expenses of \$1,099,666 (2021: \$2,005,457).

TA KHOA PROJECT SNAPSHOT

Blackstone Minerals Ltd (ASX: BSX / OTCQX: BLSTF / FRA: B9S) is focused on building an integrated battery metals processing business in Vietnam that produces Nickel:Cobalt:Manganese ("NCM") precursor products for Asia's growing lithium-ion battery industry.

Blackstone will produce the lowest emission precursor products, as verified by Minviro and the Nickel Institute (refer ASX announcement 15 September 2022).

The existing business has a modern nickel mine built to Australian standards, which successfully operated as a mechanised underground mine from 2013 to 2016. This will be complemented by a larger concentrator, refinery and precursor facility to become an integrated in-country production facility.

To unlock the flowsheet, the Company is focused on a partnership model and is collaborating with groups who are committed to sustainable mining, minimising the carbon footprint, and implementing a vertically integrated battery metals supply chain.

The Company's development strategy is underpinned by the ability to secure nickel concentrate and the Company's Ta Khoa project is an emerging nickel sulphide district with several exploration targets yet to be tested.

2. REVIEW OF OPERATIONS (continued)

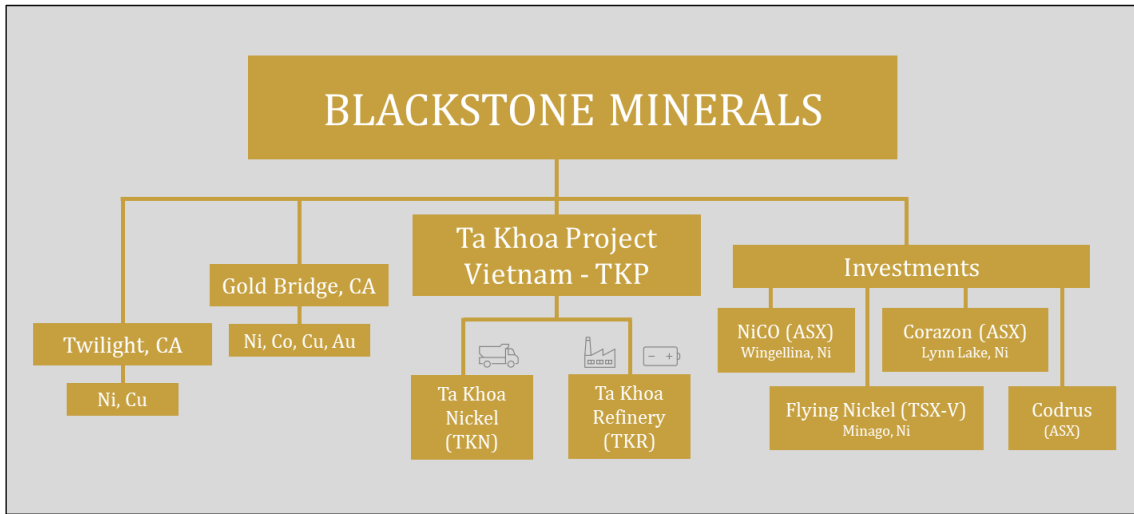


Figure 1: Blackstone Minerals Business Structure Schematic

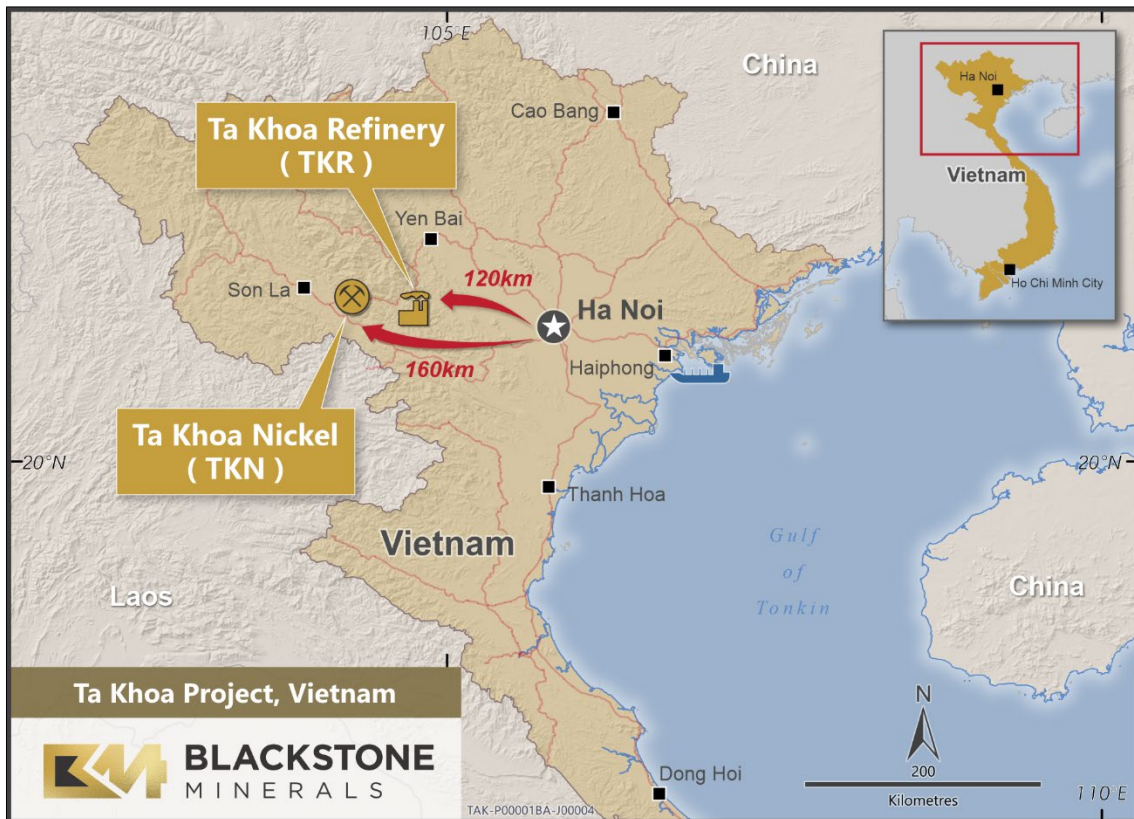


Figure 2: Ta Khoa Project Location

For personal use only

2. REVIEW OF OPERATIONS (continued)

CORPORATE

- On 8 July 2022, the Company announced the issue of 6,000,000 unlisted options issued to corporate advisors Harp Capital with an exercise price of \$0.28 per option.
- On 12 August 2022, the Company announced 1,770,660 ordinary fully paid shares were issued upon conversion of 477,660 short term zero exercise price options and 1,300,000 performance options issued with an exercise price of \$0.001 per share. The incentives were awarded to key management personnel and employees in 2021 under the performance rights and options plan approved by shareholders on 29 November 2021.
- On 17 August 2022, the Company announced the appointment of Ernst & Young ("EY") as the auditor of the Company with effect from the date of the ASIC consent received on 17 August 2022. The assignment followed the resignation of Stantons International Auditing and Consulting Pty Ltd ("Stantons"), and ASIC's consent to Stanton's resignation in accordance with s329(5) of the Corporates Act 2001.
- On 15 September 2022, the Company announced that the results from an independent Life Cycle Assessment (LCA), conducted by LCA Practitioners Minviro underpin the Company's vision to develop an industry-leading, low CO₂ emission nickel sulphide project to supply in to the growing lithium-ion battery industry. The results support ongoing partnership and funding efforts by validating the Ta Khoa Project (TKP) design as the route with the lowest life cycle CO₂ emissions compared to emerging and existing NCM811 precursor cathode active material production routes.
- On 12 October 2022, the company released its FY2022 Sustainability Report. The report supports the Company's commitment to transparency and creating a baseline for future reporting.
- On 21 October 2022, the Company issued 12,867,412 zero exercise performance options expiring 20 October 2027, relating to FY2023 short-term incentives ("STI"), long-term incentives ("LTI") and retention options to KMP and employees under the performance rights and option plan. It was noted that KMP did not participate in the retention scheme.
- On 26 October 2022, the Company announced the appointment of Dan Lougher as Non-Executive Director.
- On 24 November 2022, the Company advised a Board and Governance update, following the appointment of Dan Lougher as independent Director. Dan Lougher was appointed Chair of the newly formed Technical Committee to oversee the company's Ta Khoa Project development. In addition, following feedback from shareholders and proxy advisors, the Board has reviewed the structure of the Committees, with Alison Gaines being appointed as an Independent Nomination Committee Chair. Dr Frank Bierlein has joined the Audit, Risk and ESG Committee, the People, Remuneration, Culture and Diversity Committee and the Technical Committee. In addition to the Committee member updates, the Board advised that Mr Hoirim Jung resigned from his position as Non-Executive Director, effective 24 November 2022.
- On 2 December 2022, the Company issued 2,025,974 zero exercise performance options expiring 20 October 2027, relating to FY2023 STI and LTI to the Managing Director, as approved by shareholders at the Annual General Meeting held on 25 November 2022.

2. REVIEW OF OPERATIONS (continued)

- On 20 December 2022, the Company announced the completion of the piloting programme at ALS Metallurgy ("ALS") in Western Australia on 16 December 2022. Piloting is a critical milestone to validate and underpin ongoing Definitive Feasibility Studies ("DFS"). With the support of ALS, and process engineering partner Wood, a 12-month programme of work was undertaken to develop a scaled version of Blackstone's concentrate to sulphate flowsheet.

Highlights during the half-year period ending 31 December 2022 are presented below:

Ta Khoa Project - Mining and Refinery Project

During the period, Blackstone provided a market update concerning the Ta Khoa Project development strategy. The Company will focus on critical activities which include:

- Partnerships:** engagement with partners focused on reaching a final Joint Venture structure and investment contribution by year's end;
- Staged development:** supported by Wood, evaluation of staged development options, including a start-up scenario which would limit upfront capital, and improve development schedule;
- Infrastructure:** review of key project infrastructure and its impact on feed stock and product logistics, in collaboration with community stakeholders;
- Prioritisation:** reduction in spend to focus on flowsheet test work, piloting, permitting, and approvals. Non-schedule critical items delayed conserving funding.

Blackstone presented a Mining Evaluation Report to the National Reserves Council of Vietnam for works undertaken throughout the life of the existing tenure.

Blackstone announced the completion of the Ta Khoa Refinery piloting program at ALS Metallurgy in Western Australia. The pilot program successfully developed a scaled version of the Ta Khoa Refinery, processing concentrate to battery grade nickel and cobalt sulphates. The pilot program achieved:

- ✓ Validation of the refinery process;
- ✓ Production of mixed hydroxide precipitate ("MHP");
- ✓ Distribution of battery grade nickel and cobalt sulphates;
- ✓ Processing of third-party MHP and cobalt supply.

Exploration

Ta Khoa Nickel, Vietnam:

- Results from the most recent round of infill drilling at King Snake and Ban Chang were received;
- Resource definition drilling at King Snake MSV deposit confirmed continuity and high grades (up to 4.3% Ni and 18.2 g/t PGE);
- Strong nickel and copper drill results returned from the Suoi Phang massive sulphide vein ("MSV") target;
 - 2.95m @ 2.42% Ni, 0.52% Cu, 0.06% Co & 0.05g/t PGE from 37.05m.
- Vietnam team ramping up regional greenfields exploration.

2. REVIEW OF OPERATIONS (continued)

Twilight Nickel-Copper Project, Canada:

- Ground electro-magnetic ("FLTEM") surveys conducted during the quarter. Program targeting potential Ni-Cu-Co sulphides.

Research and Development Rebate

During the period, an application for a \$3.7 million research and development rebate was completed for submission to the Australian Tax Office in recognition of flowsheet technology developed in FY2021/2022. Blackstone will update the market upon receipt of the research and development rebate.

TA KHOA PROJECT UPDATE

Pilot Program Completion

During the period, Blackstone's piloting program at ALS in Western Australia marked a critical milestone to validate and underpin the Company's ongoing DFS for the Ta Khoa Refinery.

With the support of ALS, and engineering partner Wood, a 12-month program of work was undertaken that developed a scaled version of Blackstone's Ta Khoa Refinery, processing nickel concentrate to battery grade nickel and cobalt sulphates, and successful processing of third-party MHP and cobalt supply. Key piloting highlights were:

- Operations: >15,000 labour hours without injury;
- Feed: >7 tonnes (comprised of Ban Phuc and third-party tonnes from Trafigura);
- POX piloting: >700 hours of operation;
- SX piloting: >1,100 hours of operation;
- MHP: >2.2 tonnes produced and leached;
- Product quality:
 1. Nickel sulphate: achieved battery grade specification
 2. Cobalt sulphate: achieved battery grade specification
 3. Copper cathode: achieved >99.99% specification;
- Stakeholders: five visits from potential partners and other stakeholders.

Technical outcomes have met and / or exceeded assumptions within Blackstone's PFS. These data points will be incorporated into the DFS. In support of partnership efforts, nickel and cobalt sulphates have been provided to potential partners.

Blackstone continues its piloting program for Ta Khoa Nickel, which includes:

- Progression of bench test work program;
- Progression of piloting activities from various feed blends from recent bulk sample drive;
- Continuing technical support from GR Engineering Solutions to assist in developing the test work program and oversee test work activities on site.

Results of this piloting program will be released on its completion, scheduled by end of FY2023.

2. REVIEW OF OPERATIONS (continued)

Carbon Mineralisation

Blackstone has engaged the University of British Columbia to complete a study assessing the capability of the Project to capture carbon via carbon mineralisation. The study has demonstrated waste and tailings material to be rich in carbon absorbing minerals capable of capturing and storing up to 8.3g of CO₂ per kg of tailings. The findings from this study support Blackstone's ambition to deliver a net-zero emission project.

Permitting Update

Vietnam's Ministry of Natural Resources and Environment ("MONRE") has extended the Mining License until December 2025. In addition, Blackstone has commenced the process to convert the Ta Khoa Exploration License area consisting of 35km² which contains the Ban Phuc DSS Probable Reserve (48.7Mt at 0.43% Ni, and 210kt of contained Ni) (Refer ASX Announcement 28 February 2022) to an open pit Mining License covering 7.6 km².

The Mining License extension, approved by the Deputy Minister of MONRE, includes the Ban Phuc Nickel MSV underground mine and associated infrastructure including the 450ktpa nickel concentrator and tailings storage facility. This important permitting step demonstrates MONRE's commitment to support the development of Blackstone's Project and recommencement of mining operations in Son La Province.

In pursuit of the Ban Phuc open pit mining license, Blackstone has lodged a Mining Evaluation Report to the National Reserves Council of Vietnam for appraisal and approval. The new resources and reserves defined by Blackstone over the past three years of drilling at the Project are included in the report which is the first step towards new mining licenses over the King Snake, Ban Chang, Ban Khoa and the Ban Phuc mining areas.

Once the Mining Evaluation Report is approved, the feasibility studies and environmental impact assessments ("EIA") will be submitted to MONRE for additional mining licenses incorporating the new mining areas. The key items for Ta Khoa Nickel permitting process are as follows:

- ✓ Mining Evaluation Report submitted to the National Reserves Council of Vietnam
 - Vietnamese Feasibility Study with Basic Design
 - Social and Environmental Impact Assessment
 - Environmental Reclamation and Rehabilitation Plan
 - Engineering and Construction Permitting
 - Mining License Application

2. REVIEW OF OPERATIONS (continued)

EXPLORATION

During the period, Blackstone provided an update on drilling at Ta Khoa Nickel. Blackstone received assays for the most recent campaign of resource definition drilling at the King Snake MSV deposit, confirming the continuity and extents of the high-grade massive sulphide core and demonstrating the presence of an associated ultramafic dyke with disseminated Ni-Cu-PGE sulphide mineralisation. The King Snake deposit remains open down plunge to the west (refer Figure 3).

Highlights from resource definition drilling at King Snake include:

- KS22-05 6.2m @ 0.73% Ni, 0.89% Cu, 0.02% Co & 3.32g/t PGE from 191.8m, including;
0.7m @ 1.11% Ni, 4.73% Cu, 0.05% Co & 18.2g/t PGE from 192.65m
- KS22-15 **2.35m @ 2.09% Ni, 0.9% Cu, 0.08% Co & 1.77g/t PGE** from 313.65
- KS22-21 6.3m @ 0.85% Ni, 0.41% Cu, 0.03% Co & 1.12g/t PGE from 70m, including;
0.8m @ 4.31% Ni, 1.11% Cu, 0.16% Co & 2.09g/t PGE from 74.65m
- KS22-22 2.85m @ 0.95% Ni, 0.56% Cu, 0.04% Co & 2.1g/t PGE from 106.35m, including;
0.68m @ 3.48% Ni, 1.21% Cu, 0.14% Co & 8.31g/t PGE from 106.77m
- KS22-27 9.35m @ 0.93% Ni, 0.46% Cu, 0.04% Co & 0.62g/t PGE from 65.6m, including;
1.95m @ 3.96% Ni, 1.23% Cu, 0.15% Co & 1.99g/t PGE from 73m

Success from the first drill hole at Suoi Phang:

- SP22-01 **2.95m @ 2.42% Ni, 0.52% Cu, 0.06% Co & 0.05g/t PGE** from 37.05m

For personal use only

2. REVIEW OF OPERATIONS (continued)

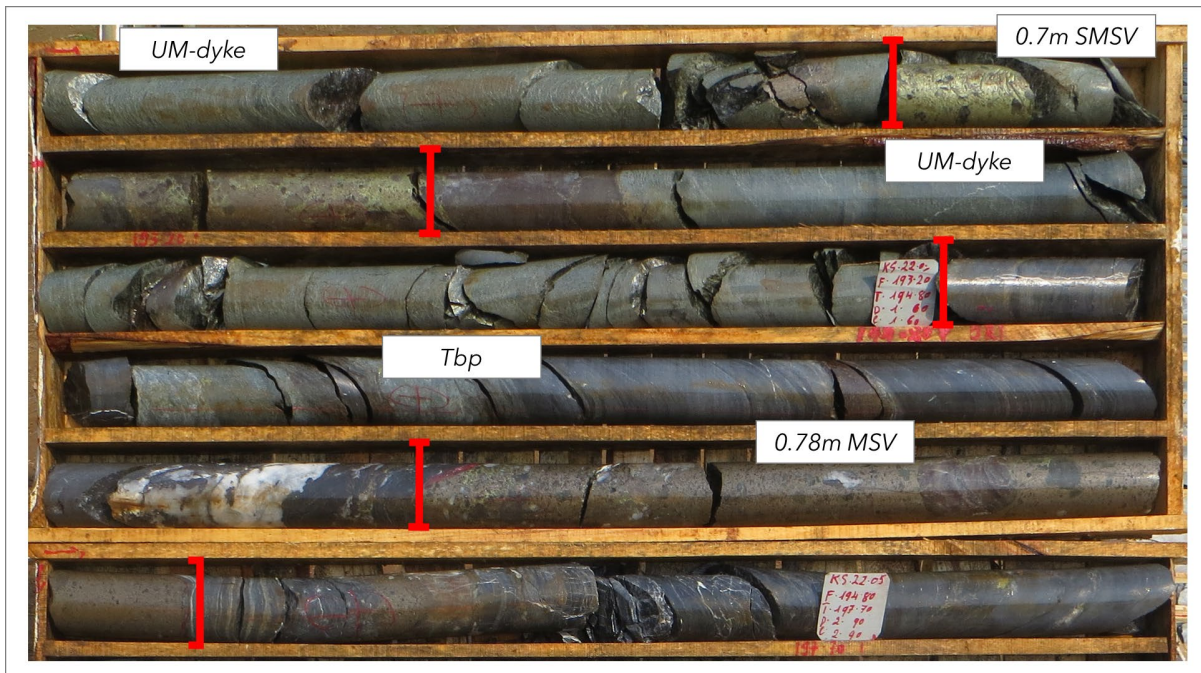


Figure 3: King Snake hole KS22-05

The King Snake Ni-Cu-Co-PGE sulphide deposit is located approximately 1km north of the Ban Phuc disseminated nickel sulphide deposit and immediately south of the Ban Khoa disseminated sulphide deposit (refer Figure 4). King Snake is a magmatic massive sulphide and sulphide matrix breccia vein associated with an ultramafic dyke system intruding calcareous sedimentary rocks and quartz-mica schists of the Ban Phuc horizon. A halo of Ni-Cu-Co-PGE sulphide stringer veins are widely present in the sedimentary wall rocks around the King Snake MSV and the associated ultramafic dykes, commonly carry disseminated to net textured Ni-Cu-Co-PGE sulphides. The King Snake MSV and ultramafic dyke system is closely comparable with the adjacent Ban Phuc MSV mined by Ban Phuc Nickel Mines during the 2013 to 2016 period and processed at the Ban Phuc concentrator which is currently being used by Blackstone to batch test material from the Ban Phuc disseminated nickel sulphide deposit.

2. REVIEW OF OPERATIONS (continued)

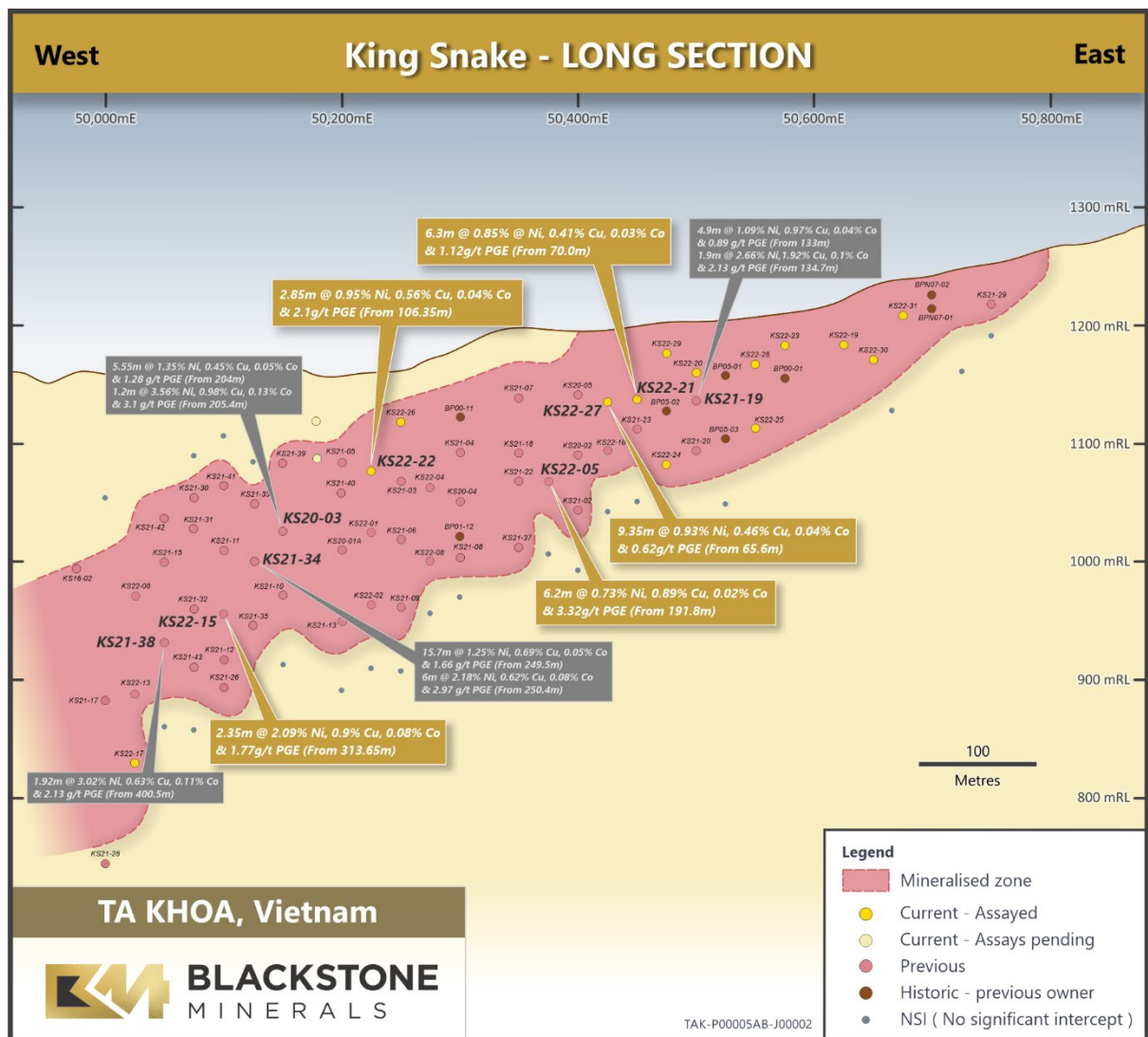


Figure 4: King Snake Long Section

The current mineral resource for King Snake is 0.43 Mt at 1.3% Ni (2.4% NiEq) and was based on information up to and including drill hole KS21-26 (Oct 2021). The King Snake MSV plunges moderately (c. 30 degrees) to the west and remains open down plunge c. >300m beneath surface. Blackstone's exploration and resource definition drill targeting of the King Snake MSV and ultramafic dyke system has been greatly assisted by the use of surface fixed loop and down hole Electro Magnetic ("EM") survey work. Ground conditions have proved well suited to the use of EM and the Company expects to take advantage of this technology for future drill targeting.

Assays have also been received for exploration drilling at the Suoi Phang MSV target located 12km west of the Ban Phuc nickel concentrator (refer Figure 5). An ultramafic dyke with net-textured and massive Ni-Cu sulphide veining was intersected in drill hole SP22-01 and returned **2.95m @ 2.42% Ni, 0.52% Cu, 0.06% Co & 0.05g/t PGE from 37.05m.**

For personal use only

2. REVIEW OF OPERATIONS (continued)

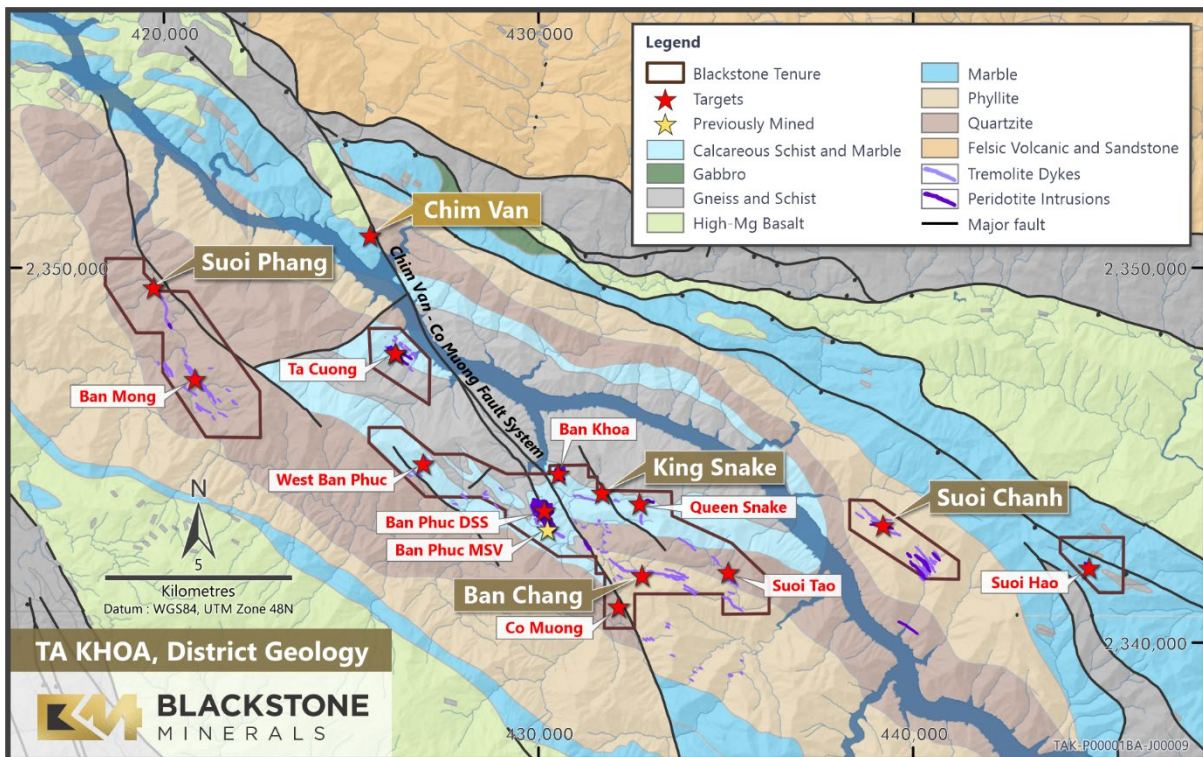


Figure 5: Ta Khoa district geology map with Ni-Cu-Co-PGE sulphide deposits and targets

OTHER PROJECTS

Gold Bridge Project, British Columbia, Canada

During the period, Blackstone announced drilling activities had recommenced at the Gold Bridge Project, formerly the Little Gem - BC Cobalt Project. The Gold Bridge Project is located 180 km north of Vancouver in British Columbia, Canada.

Highlights during the period are as follows: (Refer ASX Announcement 21 September 2022):

- Sample assaying and petrographic analysis carried out by Blackstone confirms presence of Nickel sulphides at Western Gem Ni-Co Prospect;
- Geochemical sampling of dykes from Jewel Au-Cu-Ni-Co prospect completed with samples submitted for analysis at the laboratory;
- Two Fixed-Loop ground supported geophysics surveys have been completed at Jewel Au-Cu-Ni-Co Prospect. Geophysical modelling in progress;
- Reconnaissance prospecting and rock sampling of Conbra target zone completed. Samples have been delivered to the assay laboratory.

For personal use only

2. REVIEW OF OPERATIONS (continued)

Twilight Ni-Cu Project, Labrador, Canada

The Twilight Nickel-Copper Sulphide Project comprises a contiguous 217km² block of exploration claims located in western Labrador approximately 80km northeast of Labrador City - Wabrush and 55km west of Churchill Falls hydroelectricity power station and associated infrastructure. Blackstone has an option agreement to acquire up to 100% project interest of the claims from prospector Big Land Exploration as per the terms of the option agreement (Refer ASX Announcement 21 September 2022).

Highlights during the period are as follows: (Refer ASX Announcement 21 September 2022):

- Assaying of rock chip samples collected in the June 2022 quarter field program have identified new Nickel and Cooper sulphide targets;
- FLTEM surveys conducted during the period. Program targeting potential Ni-Cu-Co sulphides.

OTHER CORPORATE

Miniviro Life Cycle Assessment

During the period, Blackstone announced that the results from an independent LCA, conducted by LCA Practitioners Miniviro (www.miniviro.com), underpin Blackstone's vision to develop an industry-leading, low CO₂ emission nickel sulphide project to supply into the growing lithium-ion battery industry. The results support ongoing partnership and funding efforts by validating the Ta Khoa Project design as the route with the lowest life cycle CO₂ emissions compared to emerging and existing NCM811 pCAM production routes.

Miniviro were appointed by Blackstone to conduct an LCA on the production of NCM pCAM at the project. The study which was conducted according to the requirements of ISO-14040:2006 and ISO-14044:2006, used data from PFS published for the downstream Ta Khoa Refinery (refer ASX announcement 26 July 2021) and upstream Ta Khoa Nickel (refer ASX announcement 28 February 2022).

The Ta Khoa LCA study confirmed a result of 9.8 kg CO₂ eq. per kg pCAM from the Company's TKP in Vietnam, which is substantially lower than existing production pathways in terms of Global Warming Potential, with known opportunities to reduce even further to 6.3kg CO₂ eq. per kg pCAM.

FY2022 Sustainability Report

Blackstone released its FY2022 Sustainability Report. The report supports the Company's commitment to transparency in the business and the development of an industry leading, low CO₂ emission Green Nickel™ sulphide project in Vietnam to supply into the growing Lithium-ion battery industry.

2. REVIEW OF OPERATIONS (continued)

Highlights of the report included:

- Results of a LCA confirmed the Ta Khoa Project as the lowest Global Warming Potential (9.8 kg CO₂ eq. per kg NCM811) compared to existing producers of NCM811 precursor;
- Undertaking a Greenhouse Gas Emissions Assessment to advance the understanding of Blackstone's baseline emissions prior to project development and enabling the Company to address climate related risks and identify reduction opportunities;
- Establishing a structured Remuneration Framework with an equity incentive plan to reward, incentivise, attract, and retain high calibre people to the business;
- Introducing a personal Health and Safety pre-start program (Take-5) with the help of the workforce; and
- Building a Communities and Social Performance team to support the Company's commitment to Community Development and Engagement.

MATTERS SUBSEQUENT TO THE END OF THE HALF-YEAR

No other matters or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

For personal use only

3. AUDITOR'S INDEPENDENCE DECLARATION & NON-ASSURANCE SERVICES

A copy of the lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 15.

This report is made in accordance with a resolution of directors made pursuant to section 306(3) of the Corporations Act 2001.



**Scott Williamson
Managing Director**

Perth, Western Australia, 15 March 2023

Competent Persons Statement

Sampling Techniques and Data, and the Reporting of Exploration Results

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Mr Chris Ramsay, Manager of Resource Geology for the Company and a Member of The Australasian Institute of Mining and Metallurgy. Mr Chris Ramsay 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 Chris Ramsay consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The company is not aware of any new information or data that materially affects the information included in this report.

No New Information or Data

This 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.

For personal use only



**Building a better
working world**

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Auditor's independence declaration to the directors of Blackstone Minerals Limited

As lead auditor for the review of the half-year financial report of Blackstone Minerals Limited for the half-year ended 31 December 2022, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Blackstone Minerals Limited and the entities it controlled during the financial period.

Ernst & Young

Russell Curtin
Partner
15 March 2023

For personal use only

Contents

Consolidated Statement of Profit or Loss and Other Comprehensive Income	17
Consolidated Statement of Financial Position	18
Consolidated Statement of Changes in Equity	19
Consolidated Statement of Cash Flows	20
Condensed Notes to the Consolidated Financial Statements	21
Directors' Declaration	42
Independent Auditor's Review Report Conclusion	43

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by Blackstone Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

This interim financial report covers Blackstone Minerals Limited and its wholly-owned subsidiaries. The financial report is presented in Australian dollars.

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
Level 5, 600 Murray Street
West Perth WA 6005

A description of the nature of the Company's operations is included in the directors' report on pages 2 to 13, which is not part of this financial report.

The interim financial report was authorised for issue by the directors on 15 March 2023. The Company has the power to amend and reissue the financial report.

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 Half-Year Ended 31 December 2022	Notes	Consolidated	
		31 December 2022 \$	31 December 2021 \$ (Restated - Note 24)
Revenue from continuing operations	3	256,413	14,306
Other income	3	9	315,945
Administrative costs		(2,360,283)	(2,928,659)
Consultancy expenses		(679,910)	(866,764)
Employee benefits expense	4	(2,282,225)	(1,370,107)
Share based payment expenses	20	(1,099,666)	(2,005,457)
Occupancy expenses	4	(115,645)	(46,608)
Compliance and regulatory expenses		(168,015)	(220,935)
Insurance expenses		(69,200)	(51,290)
Exploration expenditure		(12,222,407)	(8,917,752)
Depreciation expense	4,7	(377,560)	(430,923)
Depreciation on rights of use assets	4,9	(139,368)	(78,671)
Interest expense on lease liabilities	4,9	(9,776)	(6,700)
Finance and Interest Costs	4	(15,054)	(12,514)
Revaluation of share investments in listed entities	10	(1,658,016)	-
Write-off of intangible asset - software		(87,158)	-
(Loss) before income tax		(21,027,861)	(16,606,129)
Income tax benefit/(expense)		-	-
(Loss) for the half-year		(21,027,861)	(16,606,129)
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss</i>			
Effect of changes in foreign exchange rates on translation of foreign operations		86,657	(92,550)
<i>Total - Items that may be reclassified to profit or loss</i>		86,657	(92,550)
<i>Items that will not be classified to profit or loss</i>		-	-
Total comprehensive (loss)		(20,941,204)	(16,698,679)
Loss for the half-year attributable to:			
Non-controlling interests		(1,194,682)	(1,534,935)
Owners of Blackstone Minerals Limited		(19,833,179)	(15,071,194)
		(21,027,861)	(16,606,129)
Total comprehensive (loss) attributable to:			
Non-controlling interest		(1,217,386)	(1,572,537)
Owners of Blackstone Minerals Limited		(19,723,818)	(15,126,142)
		(20,941,204)	(16,698,679)
Earnings per share for loss attributable to the owners			
Basic and Diluted (loss) per share (cents per share)	19	(4.2)	(4.3)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION



As at 31 December 2022	Notes	31 December 2022 \$	Consolidated 30 June 2022 \$
Current Assets			
Cash and cash equivalents	5	21,226,147	40,752,510
Receivables and other financial assets	6	2,461,825	2,184,905
Total Current Assets		23,687,972	42,937,415
Non-Current Assets			
Other financial assets	6	783,103	857,792
Property, plant and equipment	7	5,101,474	5,211,413
Intangible Assets		-	87,158
Exploration and evaluation expenditure	8	7,540,782	7,473,136
Right-of-Use assets	9	548,994	684,468
Investment held in listed entities	10	11,220,294	12,878,310
Total Non-Current Assets		25,194,647	27,192,277
Total Assets		48,882,619	70,129,692
Current Liabilities			
Trade and other payables	11	3,376,087	4,227,397
Provisions	12	730,450	842,128
Lease liabilities	13	295,654	275,981
Total Current Liabilities		4,402,191	5,345,506
Non-Current Liabilities			
Provisions	12	507,443	462,529
Lease liabilities	13	273,530	423,251
Other long-term liabilities		-	385,703
Total Non-Current Liabilities		780,973	1,271,483
Total Liabilities		5,183,164	6,616,989
Net Assets		43,699,455	63,512,703
Equity			
Issued capital	14	127,366,410	127,365,110
Reserves	16	9,925,099	8,945,309
Accumulated losses		(93,492,241)	(73,659,062)
Equity attributable to the owners		43,799,268	62,651,357
Non-controlling interest		(99,813)	861,346
Total Equity		43,699,455	63,512,703

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY



For the Half-Year Ended 31 December 2022	Contributed Equity	Accumulated Losses	Foreign Currency Reserve	Option Reserve	Equity Reserve	Attributable to Parent Entity	Non-controlling interest	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	61,360,348	(41,720,486)	766,990	3,252,277	3,160,267	26,819,396	3,889,448	30,708,844
Total comprehensive income for the period:								
Loss for the period (restated - Note 24)	-	(15,071,194)	-	-	-	(15,071,194)	(1,534,935)	(16,606,129)
Foreign Exchange Differences (restated - Note 24)	-	-	(54,948)	-	-	(54,948)	(37,602)	(92,550)
	-	(15,071,194)	(54,948)	-	-	(15,126,142)	(1,572,537)	(16,698,679)
Transactions with owners in their capacity as owners:								
Contributions of equity (net of transaction costs)	65,824,167	-	-	-	-	65,824,167	-	65,824,167
Equity settled share based payment transactions (restated - Note 24)	-	-	-	1,869,915	-	1,869,915	135,542	2,005,457
Adjustment to transaction costs in controlled entity (restated - Note 24)	-	-	-	-	10,013	10,013	11,440	21,453
Balance at 31 December 2021	127,184,515	(56,791,680)	712,042	5,122,192	3,170,280	79,397,349	2,463,893	81,861,242
Balance at 1 July 2022	127,365,110	(73,659,062)	679,562	5,095,467	3,170,280	62,651,357	861,346	63,512,703
Total comprehensive income for the period:								
Loss for the period	-	(19,833,179)	-	-	-	(19,833,179)	(1,194,682)	(21,027,861)
Foreign Exchange Differences	-	-	109,361	-	-	109,361	(22,704)	86,657
	-	(19,833,179)	109,361	-	-	(19,723,818)	(1,217,386)	(20,941,204)
Transactions with owners in their capacity as owners:								
Contributions of equity (net of transaction costs)	1,300	-	-	-	-	1,300	-	1,300
Equity settled share based payment transactions	-	-	-	858,534	-	858,534	242,633	1,101,167
Adjustment to transaction costs in controlled entity	-	-	-	-	11,895	11,895	13,594	25,489
Balance at 31 December 2022	127,366,410	(93,492,241)	788,923	5,954,001	3,182,175	43,799,268	(99,813)	43,699,455

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

CONSOLIDATED STATEMENT OF CASH FLOWS



For the Half-Year Ended 31 December 2022	Notes	Consolidated	
		31 December 2022 \$	31 December 2021 \$ (Restated - Note 24)
Cash Flows from Operating Activities			
Payments to suppliers and employees		(3,669,251)	(3,035,251)
Interest received		122,744	14,336
Corporate restructure costs		(315,895)	-
Payments for exploration and evaluation		(15,608,742)	(11,914,316)
Net cash (outflow) from operating activities		(19,471,144)	(14,935,231)
Cash Flows from Investing Activities			
Purchase of mineral rights		-	(70,237)
Purchase of property, plant and equipment		(3,476)	(134,177)
Deposits for Investments		-	(6,026,901)
Purchase of software		-	(104,590)
Net cash (outflow) from investing activities		(3,476)	(6,335,905)
Cash Flows from Financing Activities			
Proceeds from issue of shares and other equity securities		1,300	68,424,530
Proceeds from exercise of options		-	904,100
Share issue transaction costs		-	(3,586,229)
Payments for lease liabilities		(134,298)	(78,912)
Net cash inflow from financing activities		(132,998)	65,663,489
Net increase in cash and cash equivalents		(19,607,618)	44,392,353
Cash and cash equivalents at the start of the period		40,752,510	21,800,914
Effect of exchange rate		81,255	12,794
Cash and cash equivalents at the end of the period	5	21,226,147	66,206,061

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.

1. Basis of preparation of the half-year report

This interim financial report for the half-year reporting period ended 31 December 2022 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. This report is to be read in conjunction with the annual report for the period ending 30 June 2022 and any public announcements made by Blackstone Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for certain assets carried at fair value and right of use assets recognised in accordance with AASB 16.

The interim report has been prepared on a historical cost basis except for those certain assets carried at fair value and right of use assets recognised in accordance with AASB 16. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

Summary of significant accounting policies

These policies have been consistently applied to the financial period presented, unless otherwise stated. The financial statements cover Blackstone Minerals Limited as a Group consisting of Blackstone Minerals Limited and its subsidiaries ('Group').

Exploration and evaluation expenditure

The Company's accounting policy is to expense exploration and evaluation expenditure as incurred other than for acquisition costs, which are capitalised as exploration and evaluation assets at cost. Acquired mineral rights comprise exploration and evaluation assets which are acquired as part of asset acquisitions recognised at cost. Exploration and evaluation assets are assessed for recoverability when facts and circumstances suggest that the carrying amount of the assets may exceed its recoverable amount. This includes where one or more of the following facts and circumstances:

- a) the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- d) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the E&E asset is unlikely to be recovered in full from successful development or by sale.

1. Basis of preparation of the half-year report (continued)

Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less accumulated 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. The straight-line method has been used to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Plant and equipment - production	5.0% - 10.0%
Plant and equipment - office	20.0% - 40.0%
Furniture and equipment	40.0%
Plant and equipment - field	40.0%
Motor vehicles	16.0% - 40.0%
Leasehold improvements	25.0% - 50.0%

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. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of profit or loss and other comprehensive income.

Trade and other payables

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

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.

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

1. Basis of preparation of the half-year report (continued)

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.

Rehabilitation Provisions

Rehabilitation costs will be incurred by the Group either while operating, or at the end of the operating life of, the Group's facilities. The Group assesses its rehabilitation provision at each reporting date. The Group recognises a rehabilitation provision where it has a legal and constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. The nature of these restoration activities includes dismantling and removing structures; dismantling operating facilities; closing plant and waste sites; and restoring, reclaiming and revegetating affected areas.

The obligation generally arises when the asset is installed or the ground/environment is disturbed at the operation's location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related assets to the extent that it was incurred. Additional disturbances which arise due to further development/construction are recognised as additions or charges to the corresponding assets and rehabilitation liability when they occur.

Changes in the estimated timing of rehabilitation or changes to the estimated future costs are dealt with prospectively by recognising an adjustment to the rehabilitation liability and a corresponding adjustment to the asset to which it relates.

Any reduction in the rehabilitation liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the statement of profit or loss and other comprehensive income.

If the change in estimate results in an increase in the rehabilitation liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment.

Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability.

1. Basis of preparation of the half-year report (continued)

New accounting standards and interpretations adopted by the Group

The Group (or the Company) has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. The adoption of these standards do not have a material effect on the amount disclosed in the financial statements.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

2. 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 assets.

The Board monitors the entity primarily from a geographical perspective, and has identified three operating segments, being exploration for mineral resources within Australia, North America and Vietnam.

(b) Segment information provided to the Board of directors

The segment information provided to the Board of Directors for the reportable segments for the half-year ended 31 December 2022 is as follows:

2. Segment Information (continued)

(b) Segment information provided to the Board of Directors (continued)

	North America \$ (Restated - Note 24)	Vietnam \$ (Restated - Note 24)	Australia \$ (Restated - Note 24)	Unallocated \$ (Restated - Note 24)	Total \$ (Restated - Note 24)
31 December 2021 (Restated)					
Interest revenue	-	-	-	14,306	14,306
Other income	-	290,886	-	25,059	315,945
Total segment revenue and other income	-	290,886	-	39,365	330,251
Depreciation and amortisation expense	-	-	-	(509,594)	(509,594)
Total segment loss before income tax	(837,073)	(4,454,189)	(1,477,095)	(9,837,772)	(16,606,129)
Total segment assets	6,111,327	3,958,109	1,600,000	76,287,239	87,956,675
Total segment liabilities	(42,179)	(2,164,068)	-	(3,889,184)	(6,095,431)

	North America \$	Vietnam \$	Australia \$	Unallocated \$	Total \$
31 December 2022					
Interest revenue	-	-	-	256,413	256,413
Other income	-	9	-	-	9
Total segment revenue and other income	-	9	-	256,413	256,422
Depreciation and amortisation expense	-	-	-	(516,928)	(516,928)
Total segment loss before income tax	(525,058)	(5,294,183)	(609,396)	(14,599,224)	(21,027,861)
Total segment assets	6,207,538	3,958,109	1,600,000	37,116,972	48,882,619
Total segment liabilities	(86,716)	(1,918,902)	-	(3,177,546)	(5,183,164)

Significant unallocated assets include: cash and cash equivalents \$20,423,967 (31 December 2021: 65,682,594), receivables \$919,447 (31 December 2021: \$809,210) and plant & equipment \$4,154,307 (31 December 2021: \$4,673,341)

Significant unallocated liabilities include: trade and other payables \$2,622,468 (31 December 2021: \$3,404,611)

(c) Measurement of segment information

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

For personal use only

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



	Consolidated	
	31 December 2022	31 December 2021
	\$	\$

3. Revenue

(a) Revenue from continuing operations		
Interest received	256,413	14,306
Total revenue from continuing operations	256,413	14,306
(b) Other Income		
Rent Income	-	25,059
Other income	9	290,886
Total Other Income	9	315,945

	Consolidated	
	31 December 2022	31 December 2021
	\$	\$

4. Expenses

Profit before income tax includes the following specific expenses:

(a) Employee benefits expense		
Salary and wages expense	1,662,923	815,284
Superannuation expense	151,617	185,270
Other employee costs	467,685	369,553
Total employee benefits expense	2,282,225	1,370,107
(b) Occupancy expense		
Other occupancy costs	115,645	46,608
Total occupancy expense	115,645	46,608
(c) Depreciation of non-current assets		
Right-of-use assets	139,368	78,671
Plant and equipment - office	116,157	173,408
Plant and equipment - Plant	260,130	260,130
Leasehold Improvements*	1,273	(2,615)
Total depreciation of non-current assets	516,928	509,594
(d) Finance costs in respect of finance leases		
Other bank and finance charges	15,054	12,514
Interest expense on lease liabilities	9,776	6,700
Total finance costs in respect of finance leases	24,830	19,214

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$

5. Cash & Cash Equivalents

(a) Cash & cash equivalents		
Cash at bank and in hand	18,149,761	36,691,865
Cash at bank and in hand - Codrus Minerals Limited*	3,076,386	4,060,645
Total cash and cash equivalents	21,226,147	40,752,510

*Cash and Cash Equivalents related to Codrus Minerals Limited are consolidated under the principals of AASB 10 *Consolidated Financial Statements*. Although the Group has de facto control of Codrus, statutory and regulatory restrictions and the protective rights of the NCI restrict the ability of the Company to access these funds and to transfer cash within the Group.

- (b) Cash at bank and on hand.
Cash on hand is non-interest bearing. Cash at bank bears interest rates between 0.00% and 3.34% (30 June 2022: 0.00% and 0.29%)

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$

6. Receivables & Other Financial Assets

Current - Receivables and Other Financial Assets

Other receivables	2,361,812	2,184,905
Short-Term Deposits	100,013	-
Tax and other receivables from foreign authorities	-	-
Total current receivables and other financial assets	2,461,825	2,184,905

Non-Current - Other Financial Assets

Deposits ¹	266,617	315,075
Deposits pertaining to rehabilitation provisions ²	516,486	542,717
Total non-current other financial assets	783,103	857,792

¹ Deposits include cash of \$304,429 (30 June 2022: \$294,468) as security deposits of which \$224,429 is required as security by the relevant authority for the Group office premises and \$80,000 held as security against a credit card facilities.

² Monies held at bank to address mine closure and rehabilitation provisions in Vietnam.

Past due and impaired receivables

As at 31 December 2022, there were no other receivables that were past due or impaired. (30 June 2022: Nil)

**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



Consolidated	Plant & Equipment	Leasehold Improvements	Motor Vehicles - Codrus	Mining Plant & Properties	Total
	\$	\$	\$	\$	\$

7. Property, Plant & Equipment

30 June 2022

Opening net book amount	342,871	2,214	-	4,752,076	5,097,161
Additions	291,872	-	36,353	609,846	938,071
Depreciation charge	(302,251)	1,075	(5,816)	(520,259)	(827,251)
Disposal	-	-	-	-	-
Net exchange differences	-	-	-	3,432	3,432
Closing net book amount	332,492	3,289	30,537	4,845,095	5,211,413

At 30 June 2022

Gross carrying amount at cost	900,843	37,720	36,353	5,885,613	6,860,529
Accumulated depreciation	(568,351)	(34,431)	(5,816)	(1,040,518)	(1,649,116)
Net book amount	332,492	3,289	30,537	4,845,095	5,211,413

31 December 2022

Opening net book amount	332,492	3,289	30,537	4,845,095	5,211,413
Additions	3,476	-	-	198,635	202,111
Depreciation charge	(109,999)	(1,273)	(6,158)	(260,130)	(377,560)
Disposal	-	-	-	-	-
Net exchange differences	-	-	-	65,510	65,510
Closing net book amount	225,969	2,016	24,379	4,849,110	5,101,474

At 31 December 2022

Gross carrying amount at cost	904,319	37,720	36,353	6,149,757	7,128,149
Accumulated depreciation	(678,350)	(35,704)	(11,974)	(1,300,647)	(2,026,675)
Net book amount	225,969	2,016	24,379	4,849,110	5,101,474

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$

8. Exploration & Evaluation Assets

(a) Non-current		
Opening balance	7,473,135	7,400,000
Acquisition/(write off) of assets	70,392	73,135
Transferred to Other Financial Assets	-	-
Effect of Exchange Rates	(2,745)	-
Total non-current exploration and evaluation expenditure	7,540,782	7,473,135

- (b) The value of the group's interests 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 exploration of the areas of interest, or alternatively, by their sale.

8. Exploration & Evaluation Assets (continued)

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.

Acquisition of Exploration Assets - 31 December 2022

During the year, the company recognised \$70,391 (CAD 65,000) of acquisitions costs related to the Twilight Project in Labrador, Canada (30 June 2022: \$73,135 (CAD 65,000))

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
9. Right of Use Assets - At Cost		
Cost		
Opening Balance	848,832	526,408
On initial recognition	-	-
Other Additions	-	725,847
Disposal of lease	-	(362,798)
Effect of exchange rates	3,894	(40,625)
Closing Balance	852,726	848,832
Depreciation		
Opening Balance	(164,364)	(247,768)
Depreciation for the year	(139,368)	(279,394)
Disposal of lease	-	362,798
Closing Balance	(303,732)	(164,364)
Net carrying amounts	548,994	684,468
Amounts recognised in profit and loss		
Other income - Recharges	-	55,780
Depreciation expense on right of use assets	(139,368)	(279,394)
Interest expense on lease liabilities	(9,776)	(23,134)
Low value asset leases expenses	-	(3,979)
Payments of lease liabilities	25,760	270,131

The Group has a lease over the premises at Level 5, 600 Murray Street, West Perth with an average estimated life of 2 years remaining. The lease held over 24 Outram Street, West Perth was transferred to another party, and therefore written off in the Group as at 30 June 2022.

The discount rate used in calculating the present value of the Right of Use Assets is 4.75% per annum (was 5.5% for the 24 Outram Street lease), representing the Group's incremental cost of borrowings.

The lease liabilities are disclosed in Note 13.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
10. Investments in Listed Entities		
Opening balance	12,878,310	-
Listed equity investments acquired	-	9,598,075
Fair value adjustment through profit or loss	(1,658,016)	3,280,235
Total Investments in listed entities	11,220,294	12,878,310

During the period, the Company invested \$Nil in shares of listed entities (30 June 2022: \$9,598,075). Fair value of these equity shares are determined by reference to published price quotations in an active market, and are recognised through profit or loss. This is considered Level 1 in the fair value hierarchy.

The quoted price of each listed security as at balance date is as follows:

NICO Resources Limited - AUD \$0.615

Corazon Mining Limited - AUD \$0.021

Flying Nickel Mining Corp - AUD \$0.146 (CAD \$0.135)

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
11. Trade & Other Payables		
Current		
Trade Payables	2,403,049	2,392,062
Other Payables	907,103	1,779,059
Taxes Payables to foreign authorities ¹	65,935	56,276
Total current trade & other payables	3,376,087	4,227,397

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

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$
12. Provisions		
Current		
Employee entitlements	380,708	421,797
Other provisions	349,742	420,331
Total current provisions	730,450	842,128
Non-Current		
Mine Rehabilitation ¹	507,443	462,529
Total non-current provisions	507,443	462,529

¹The rehabilitation provision represents the 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 100% acquisition of AMRN (and 90% of BPNM) in April 2020. Assumptions relating to cash outflows were made based on the company's assessment of its legal obligations under the laws and regulations of Vietnam. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon the timing of the cash flows and future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time. Furthermore, the timing and extent will depend on any further environmental responsibilities in restoring the should Vietnamese regulations change.

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



	Consolidated	
	31 December 2022	30 June 2022
	\$	\$

13. Lease Liabilities

Maturity analysis:

Year 1	309,170	293,542
Year 2	278,297	296,823
Year 3	-	136,933

Total **587,467** **727,298**

Less: Finance charges allocated to future periods (18,283) (28,066)

Total liabilities at balance date **569,184** **699,232**

The lease liabilities split between current and non-current are as follows:

Current	295,654	275,981
Non-current	273,530	423,251

Total lease liabilities **569,184** **699,232**

	Consolidated		Consolidated	
	31 December 2022	31 December 2022	30 June 2022	30 June 2022
	Shares	\$	Shares	\$

14. Contributed Equity

(a) Issued and unissued share capital				
Ordinary shares - fully paid	473,385,141	127,366,410	471,447,565	127,365,110
Total issued and unissued share capital	473,385,141	127,366,410	471,447,565	127,365,110

Included in the above total is 20,000,000 treasury shares held by Acuity Capital (30 June 2022: 20,000,000 shares). These shares, while held by Acuity are held for the benefit of the Group and therefore represent treasury shares.

- (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, lapsed during the financial period and options outstanding at the end of the financial period, is set out in Note 15.

**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**



	Date Issued	Number of Shares	Issue Price \$	Total \$
14. Contributed Equity (continued)				
(d) Movements in issued capital				
Opening Balance 1 July 2021		331,832,190		61,360,348
Conversion of Performance Options	27 Aug 2021	1,400,000	0.001	1,400
Issue of shares - Acuity	24 Sep 2021	8,000,000	0.4644	3,715,000
Conversion of Performance Options	8 Oct 2021	200,000	0.001	200
Conversion of Director Performance Options	22 Oct 2021	1,000,000	0.001	1,000
Issue of shares - Placement Tranche 1	10 Nov 2021	38,134,805	0.580	22,118,187
Conversion of Director Performance Options	12 Nov 2021	1,500,000	0.001	1,500
Collateral share funds - Acuity	12 Nov 2021	-	0.000	4,400,000
Issue of shares - Share Purchase Plan	26 Nov 2021	9,137,788	0.580	5,299,917
Conversion of Advisor Options	15 Nov 2021	1,500,000	0.600	900,000
Conversion of Advisor Options	15 Nov 2021	200,000	0.001	200
Issue of shares - Placement Tranche 2	26 Nov 2021	56,692,782	0.580	32,881,814
Issue of shares - Acuity collateral	22 Mar 2022	20,000,000	0.000	-
Conversion of Performance Options	22 Mar 2022	650,000	0.001	650
Conversion of Advisor Options	27 May 2022	1,000,000	0.200	200,000
Conversion of Performance Options	27 May 2022	200,000	0.001	200
Less: Transaction costs				(3,515,306)
Closing Balance at 30 June 2022		471,447,565		127,365,110
Opening Balance 1 July 2022		471,447,565		127,365,110
Conversion of Zero Exercise Price Options - FT22 STI T1 & T3	12 Aug 2022	477,660	0.000	-
Conversion of Performance Options	12 Aug 2022	300,000	0.001	300
Conversion of Performance Options	12 Aug 2022	1,000,000	0.001	1,000
Conversion of Zero Exercise Price Options - FT22 STI T1 & T3	29 Nov 2022	159,916	0.000	-
Less: Transaction costs				(-)
Closing Balance at 31 December 2022		473,385,141		127,366,410

For personal use only

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



Expiry date	Exercise price	Balance at start of year	Granted during the year	Issued/ (Exercised) during the year	Forfeited/ lapsed during the year	Balance at end of the year
-------------	----------------	--------------------------	-------------------------	-------------------------------------	-----------------------------------	----------------------------

15. Issued Share Options and Performance Shares

30 June 2022 unlisted share option details

20 Aug 2025	0.1 cents	4,150,000	-	(1,550,000)	-	2,600,000
20 Feb 2025	0.1 cents	2,000,000	-	(1,100,000)	-	900,000
30 Sep 2024	0.1 cents	2,500,000	-	(2,500,000)	-	-
12 Jun 2022	20 cents	1,000,000	-	(1,000,000)	-	-
11 Dec 2021	0.6 cents	4,000,000	-	(1,500,000)	(2,500,000)	-
3 Dec 2026	0 cents	-	2,679,739*	-	-	2,679,739
3 Dec 2026	0 cents	-	3,092,235	-	-	3,092,235
3 Dec 2026	0 cents	-	1,033,988	-	-	1,033,988
3 Dec 2026	0 cents	-	212,465	-	-	212,465
		13,650,000	7,018,427	(7,650,000)	(2,500,000)	10,518,427

31 December 2022 unlisted share option details

20 Aug 2025	0.1 cents	2,600,000	-	(1,000,000)	(300,000)	1,300,000
20 Feb 2025	0.1 cents	900,000	-	(300,000)	-	600,000
7 Jul 2025	28 cents	-	6,000,000	-	-	6,000,000
3 Dec 2026	0 cents	2,679,739	-	(637,576)	(1,470,069)	572,094
3 Dec 2026	0 cents	3,092,235	-	-	(651,230)	2,441,005
3 Dec 2026	0 cents	1,033,988	-	-	(456,284)	577,704
3 Dec 2026	0 cents	212,465	-	-	-	212,465
20 Nov 2027	0 cents	-	5,647,533	-	-	5,647,533
20 Nov 2027	0 cents	-	5,697,568	-	-	5,697,568
20 Nov 2027	0 cents	-	3,548,285	-	-	3,548,285
		10,518,427	20,893,386	(1,937,576)	(2,877,583)	26,596,654

*At 30 June 2022, the Board assessed that the vesting conditions of STI Tranche 2 had not been met as at the 30 June 2022 measurement date, and therefore the options were cancelled following 30 June 2022. 1,339,873 STI Tranche 2 options were forfeited and cancelled subsequent to 30 June 2022.

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$

16. Reserves

(a) Option reserve		
Opening balance	5,095,467	3,252,277
Share based payments	858,534	1,843,190
Total Option reserve	5,954,001	5,095,467

The option reserve records the value of options and rights granted by the Company to directors, employees and contractors in share-based payment transactions. Information relating to options issued, exercised and lapsed during the financial period and options outstanding at the end of the financial period, is set out in Note 15.

(b) Foreign Currency Translation Reserve		
Opening balance	679,562	766,990
Exchange differences arising on translation of foreign operations attributable to parent entity.	109,361	(87,428)
Closing Balance	788,923	679,562

The foreign currency translation reserve is used to record exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies into the Group's presentation currency.

For personal use only

CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022



	Consolidated	
	31 December 2022	30 June 2022
	\$	\$

16. Reserves (continued)

(c) Equity Reserve		
Opening balance	3,170,280	3,160,267
Adjustment to transaction costs allocated to parent entity	11,895	10,013
Closing Balance	3,182,175	3,170,280

The equity reserve is used to record the increase in equity attributable to the parent as a result of transaction with the NCI that does not result in the loss of control.

(d) Total reserves		
Option Reserve	5,954,001	5,095,467
Foreign Currency Translation Reserve	788,923	679,562
Equity Reserve	3,182,175	3,170,280
Closing Balance	9,925,099	8,945,309

	Consolidated	
	31 December 2022	30 June 2022
	\$	\$

17. Non-Controlling Interest

Opening Balance	861,346	3,889,448
Loss for the year attributable to non-controlling interest	(1,194,682)	(3,603,991)
Transaction costs allocated to NCI	13,594	11,442
Share based payments in controlled entity	242,633	735,115
Share of foreign currency translation loss on translation of foreign operations.	(22,704)	(170,668)
Total Non-Controlling Interest	(99,813)	861,346

18. Significant party owned subsidiary - Codrus Minerals Limited

On 23 June 2021, Codrus Minerals Limited ("Codrus") successfully listed on the ASX in an \$8m IPO through the issue of 40 million shares at \$0.20 raising \$8m (before costs). As at 30 June 2022, Blackstone owned 46.67% of Codrus shares (2021: 46.67%). Codrus is a listed public company limited by shares, incorporated and domiciled in Australia. The principal activity of Codrus during the year was mineral exploration.

Statutory and regulatory restrictions and the protective rights of the NCI restrict the ability of the Company to access or use the assets of Codrus - see Note 5.

The summarised financial information of Codrus is provided below. This information is based on amounts before inter-company eliminations but after consolidation procedures in order to harmonise the subsidiary's accounting policies with those of the Group and to eliminate unrealised profits and losses on intercompany transactions.

For personal use only

	31 December 2022	30 June 2022
	\$	\$

18. Significant party owned subsidiary - Codrus Minerals Limited (continued)

Summarised Statement of Financial Position

Assets

Current assets	3,136,893	4,180,379
Non-current assets	1,630,918	1,634,374
Total assets	4,767,811	5,814,753

Liabilities

Current liabilities	167,633	301,603
Total liabilities	167,633	301,603

Equity

Contributed equity	11,189,192	11,183,704
Reserves	1,998,349	1,718,216
Accumulated losses	(8,587,362)	(7,388,770)
Total equity	4,600,179	5,513,150

Attributable to:

Equity holders of parent	2,146,750	2,020,207
Non-controlling interest	2,453,429	3,492,943
	4,600,179	5,513,150

Summarised Statement of Profit or Loss

Other incomes	31,297	1,087
Exploration expenditure	(609,396)	(2,556,013)
Other expenses	(620,494)	(1,540,182)
Loss before income tax	(1,198,593)	(4,095,108)

Attributable to:

Equity holders of parent	(559,343)	(1,911,051)
Non-controlling interest	(639,250)	(2,184,057)
	(1,198,593)	(4,095,108)

For personal use only

	Consolidated 31 December 2022 \$	30 June 2022 \$
--	---	--------------------

19. Earnings per Share

(a)	Loss		
	Loss used in the calculation of basic EPS	(19,833,179)	(31,938,576)
(b)	Weighted average number of ordinary shares ("WANOS")		
	WANOS used in the calculation of basic earnings per share:	472,848,743	410,131,223
(c)	Loss per share (in cents)	(4.2)	(7.8)

(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.

The balance of unexercised options and rights at the end of the period is 26,596,654 (30 June 2022: 10,518,427). As the Company incurred a loss for each year presented, these options and performance rights are anti-dilutive and are not included in the determination of diluted earnings per share for the current and comparative periods.

20. Share Based Payments

(a) **Fair value of listed options granted**

There are no listed options on issue.

(b) **Fair value of zero exercise price options granted to Employees**

During the period, the Company issued 14,893,386 zero exercise price options ("ZEPOs") to employees over three classes/tranches, Short Term Incentives ("STI"), Long Term Incentives ("LTI") and Retention, under the vesting conditions as specified in the table below.

The fair value for all tranches at grant date is determined using a Black Scholes Model applying the following inputs:

- Weighted average exercise price of \$0.000;
- Weighted average life of the option (years) of 5;
- Weighted average underlying share price: refer below for each tranche;
- Expected share price volatility of 85%;
- Weighted average risk-free interest rate between 3.14% & 3.69%.

Volatility is calculated based on share price history of the company and used as the basis for determining expected share price volatility. The expected volatility reflects the assumptions that the historical volatility over a period similar to the life of the options is indicative of future trends which may not be the actual outcomes. The life of the options is agreed upon by the Board to ensure long term goal congruence between Directors, Management and Shareholders.

20. Share Based Payments (continued)

(b) Fair value of zero exercise price options granted to Employees
(continued)

Class	Milestones	Description of milestones	Vesting Date***	Number issued	Grant Date	Exercise Price	Underlying Share Price on Grant Date	Total Fair Value	Share based payment expense recognised during the period
						\$	\$	\$	\$
BSXOPT14	Short Term Incentives - Tranche 1	<u>Environment, Social and Governance</u> <ul style="list-style-type: none"> • Zero fatalities at the Ta Khoa Project • Lost time injury frequency rate < 2 per annum. • Zero material reportable environmental, community or landholder incidents. 	30 June 2023	994,442	14 Oct 2022	0.000	0.185	183,972	183,972
			30 June 2023	135,065	25 Nov 2022	0.000	0.160	21,610	21,610
BSXOPT14	Short Term Incentives - Tranche 2	<u>Partnerships and Funding</u> <ul style="list-style-type: none"> • Executed binding agreements to deliver project (or part thereof); and • Relevant market announcement of binding partnership. • Agreement to fund Ta Khoa Refinery Project (TKR) (Downstream) (or proportional part thereof). Proportional award available. 	30 June 2023	1,988,883	14 Oct 2022	0.000	0.185	367,943	-*
			30 June 2023	270,130	25 Nov 2022	0.000	0.160	43,221	-*
BSXOPT14	Short Term Incentives - Tranche 3	<u>DFS completion</u> Successful completion of TKR Definitive Feasibility Study report delivered by end of FY 2023, on budget and approved by Board; and Relevant market of successful completion of above activities. Proportional award available	30 June 2023	1,988,883	14 Oct 2022	0.000	0.185	367,943	367,943
			30 June 2023	270,130	25 Nov 2022	0.000	0.160	43,221	43,221
				5,647,533				1,027,910	616,746

* As at reporting date, no value was expensed as the probability of achieving the milestone was assessed to be less than 50%.

** The holder must be in service at the vesting date

20. Share Based Payments (continued)

(b) Fair value of zero exercise price options granted to Employees
(continued)

Class	Milestones	Description of milestones	Vesting Date***	Number issued	Grant Date	Exercise Price	Underlying Share Price on Grant Date	Total Fair Value	Share based payment recognised during the period
						\$	\$	\$	\$
BSXOPT15	Long Term Incentives - Tranche 4	<p><u>Increase in JORC compliant resources</u></p> <p>If resource <30 % growth on reported resources then 0% vesting of incentives.</p> <p>If resource >31% and <50% then a 50% proportional vesting of incentives.</p> <p>If resource >50% then 100% vesting of incentives.</p> <p>Proportional award available</p> <p>Achieve a JORC compliant resource includes inferred, measured or indicated Nickel or metal equivalents reported in accordance with clause 50 of JORC code.</p>	30 Jun 2025	2,173,459	14 Oct 2022	0.000	0.185	402,090	31,680
			30 Jun 2025	675,325	25 Nov 2022	0.000	0.160	108,052	4,103
BSXOPT15	Long Term Incentives - Tranche 5	<p><u>Shareholder Return (Market Conditions)</u></p> <p>Proportional vesting will occur based on the Absolute Total Shareholder Return ("ATSR") from 1 July 2022 to 30 June 2025 (the "Measurement Period")</p>	30 Jun 2025	1,086,730	14 Oct 2022	0.000	0.1189**	129,212	10,180
			30 Jun 2025	337,662	25 Nov 2022	0.000	0.0962**	32,483	1,234
BSXOPT15	Long Term Incentives - Tranche 6	<p><u>Shareholder Return (Market Conditions)</u></p> <p>Proportional vesting will occur where the Relative Total Shareholder Return ("RTSR") exceeds the median TSR over the Measurement Period from 1 July 2022 and 30 June 2025 of the selected peer group</p>	30 Jun 2025	1,086,730	14 Oct 2022	0.000	0.1189**	129,212	10,180
			30 Jun 2025	337,662	25 Nov 2022	0.000	0.0962**	32,483	1,234
				5,697,568				833,532	58,611

* As at reporting date, no value was expensed as the probability of achieving the milestone was assessed to be less than 50%.

** Option with market-based conditions were valued using the Monte Carlo valuation method using the above inputs noted

*** The holder must be in service at the vesting date

20. Share Based Payments (continued)

(b) Fair value of zero exercise price options granted to Employees (continued)

Class	Milestones	Description of milestones	Vesting Date	Number issued	Grant Date	Exercise Price	Underlying Share Price on Grant Date	Total Fair Value	Share based payment recognised during the period
						\$	\$	\$	\$
BSXOPT16	Retention	18 Months Retention	Continuous employment from Issue date until measurement date 31 December 2023	3,548,285	14 Oct 2022	0.000	0.185	656,433	115,580
				3,548,285				656,433	115,580

(c) Fair value of unlisted options issued to Corporate Advisors

During the period, the Company issued 6,000,000 unlisted options to Corporate Advisors with the following vesting conditions:

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

- Weighted average exercise price of \$0.28;
- Weighted average life of the option (years) of 3;
- Weighted average underlying share price: \$0.20
- Expected share price volatility of 85%;
- Weighted average risk-free interest rate: 3%
- Fair value per option: \$0.09618

The fair value of the options issued was \$577,061. As at the reporting date, no value was expensed as the probability of achieving the milestone was assessed to be less than 50%.

(d) Share-Based Payments recognised for options issued by Blackstone in prior years.

During the period, \$195,409 of share-based payments was recognised for unlisted options and rights issued by Blackstone in the previous years, which were being amortised over their relevant vesting periods. Additionally, \$127,813 of share-based payments were reversed during the period relating to unvested unlisted options following cessation of employment for related employees.

(e) Share-Based Payments recognised for options issued by Codrus in prior years.

During the period, \$241,133 of share-based payments was recognised for unlisted options issued by Codrus in the previous years, which were being amortised over their relevant vesting periods.

20. Share Based Payments (continued)

Total share-based payment transactions recognised during the year are set out below.

	31 December 2022 \$	30 June 2022 \$
Share-based payments expense		
Options issued to Blackstone directors, employees and consultants ¹	858,533	1,843,190
Options issued to Codrus directors, employees and consultants ²	241,133	735,115
Options issued to Blackstone Corporate Advisors	-	-
Options issued to Codrus Corporate Advisors	-	-
Total Share-based payments expense	1,099,666	2,578,305

A portion of the share-based payments expenses for both 31 December 2022 and 30 June 2022, represent the expense related to the options issued in prior years that relate to current period of service for employees, directors and consultants.

¹ Expenses relating to Options issued during the current period: \$790,937 (30 June 2022: \$1,192,960); Expenses relating to Options issued in prior period: \$67,596 (30 June 2022: \$650,230) and \$127,812 reversed (30 June 2022: Nil)

² Expenses relating to Options issued during the current period: \$Nil (30 June 2022: \$372,785); Expenses relating to Options issued in prior period: \$241,133 (30 June 2021: \$Nil)

21. Dividends

No dividends have been paid or recommended during the current or prior interim reporting period or subsequent to reporting date.

22. Commitments & Contingencies

There are no further material changes to any commitments or contingencies since the last annual reporting date.

23. Events Occurring Subsequent to Reporting Date

No other matters or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

For personal use only

24. Restatements of Prior Periods

As part of the 30 June 2022 Annual Report, the Group reviewed the accounting treatment for various significant accounting transactions in the 30 June 2020, 30 June 2021 and 30 June 2022 financial years, and restated those periods based on adjustments noted upon review. The adjustments made were relating to the following:

- i. Restatement of the Group's acquisition of interests in AMR Nickel Limited

Restatements relating to the Group's accounting treatment for the listing of Codrus Minerals Limited and related transactions impacting equity

- ii. Restatement of historical acquisition costs related to tenements transferred to Codrus Minerals Limited
- iii. Restatements for calculation for non-controlling interest in Codrus Minerals Limited
- iv. Restatement of share-based payment reserve and non-controlling interest for equity instruments issued by Codrus Minerals Limited
- v. Restatement to reverse the previously disclosed de-consolidation of Codrus Minerals Limited effective 12 November 2021.

The full details of each of the adjustments made to the 3 December 2021 half-year balances by major category were disclosed within the 30 June 2022 Annual Report.

For personal use only

In the Directors' opinion

- (a) the financial statements and notes set out on pages 17 to 41 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standard AASB 134 Interim Financial Reporting, the *Corporations Act 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year ended 31 December 2022; and
- (b) there are reasonable grounds to believe that Blackstone Minerals Limited will be able to pay its debts as and when they become due and payable.

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



Scott Williamson
Managing Director

Perth, Western Australia, 15 March 2023

For personal use only



**Building a better
working world**

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Independent auditor's review report to the members of Blackstone Minerals Limited

Conclusion

We have reviewed the accompanying half-year financial report of Blackstone Minerals Limited (the Company) and its subsidiaries (collectively the Group), which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

For personal use only



**Building a better
working world**

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink, appearing to read 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Russell Curtin'.

Russell Curtin
Partner
Perth
15 March 2023

For personal use only

For personal use only



BLACKSTONE
MINERALS

www.blackstoneminerals.com.au